

**The  
Music  
Therapy  
Charity**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2019

- Company Registration No 955930  
- Charity Commission No 259077

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**REPORT OF THE BOARD OF GOVERNORS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

1. The Charity is a company limited by guarantee; it has no issued share capital and is exempt for using Limited as part of its name. Every member in pursuance of clause 7 of the Memorandum of Association undertakes to contribute a sum not exceeding £1 in the event of the company being wound up whilst a member.
2. The objects for which the Charity is established are:
  - (a) to prevent, relieve and cure sickness and ill-health of every kind whether physical or mental by the use of arts, music therapy and colour therapy.
  - (b) to promote research into the use of arts, music therapy and colour therapy for the above purposes and to publish the results thereof; and in furtherance of these objects the Charity has powers, inter alia, to provide training for music therapists.

The governors' have had regard to the Charity Commission's guidance on public benefit and believes that these objects provide a public benefit.

3. The President throughout the year was Nicola Benedetti MBE and the Charity is most grateful for her support.
4. At 30 June 2019, the Vice-Presidents were Sir Thomas Allen CBE, Simon Callow CBE, Richard Crewdson, Julius Drake, Roy Van Gelder, Dame Beryl Grey DBE, Brian Kay, John Lubbock OBE, Penny Neary, Baroness Nicholson of Winterbourne, Anne Skeggs, Professor Malcolm Troup, Benjamin Zander.
5. The Charity received in its unrestricted fund donations of £9,463 (£41,344 in 2018). This year is the Charity's 50th anniversary; to celebrate there is a major fund raising event to be held on 3 November 2019.  
  
Investment income and bank deposit interest was £17,752 (£17,145 in 2018).
6. The net incoming resources/(expenditure) on the general account was £(39,367) (£8,937 gain in 2018). After deducting unrealized losses of £(8,351) (£3,680 gain in 2018) on investments the net decrease in funds was £(47,718) (£12,617 gain in 2018). The total fund at 30 June 2019 was £394,306, compared with £442,024 a year previously.

7. Clinical Research Initiatives

The Governors have agreed to continue funding long-term doctoral academic research in conjunction with major initiatives as they arise.

A PhD grant of £70,424 was awarded to Nottingham University and this will be paid over 3 years in 3 instalments. The title of this research project is "Development and evaluation of the Person Attuned Musical Interaction in Dementia Manual UK version (PAMI-UK)".

The response to the May 2018 Small Grants call resulted in awards to Philippa Derrington (£1,000), Joanna Parsons (£1,500), Zsuzsa Foldes (£1,200) and Giorgos Tsiris (£1,500). The December 2018 Small Grants call resulted in awards to Luke Annesley (£1,464), Elizabeth Coombes (£914), Nicky Haire (£1,000), Maren Metell (£1,500), Charlotte Miller (£1,500), Emma Windle (£638), Juliet Wood (£1,500), Stuart Wood (£1,500).

8. The following grants totalling £32,000 were made to 34 postgraduate music therapy students:

University:	Anglia Ruskin	Guildhall School of Music & Drama	Nordoff Robbins	Queen Margaret University	University of Roehampton	University of South Wales	University of the West of England
Davron Hodson							£50
Sara Cole							£50
Clare Maddocks							£100
Isabel Bedford							£150
Megan Brand							£150
Alice Jones							£150
Hatty Hughes							£150
Will Lawton							£200
Sian Canning							£1,000
Melissa Thompson							£1,000
Kirsty Leslie							£1,000
Lynnsey Gwynedd						£1,000	
Emma Barber						£1,000	
Ben Blance						£1,000	
Joshua Davey Stewart						£1,000	
Verity Jacklin					£1,000		
Eleanor Emery					£1,000		
Kadri Arula					£1,000		
Hannah Hayes					£1,000		
Liana Nuse				£1,000			
Nadine Allan				£1,000			
Marina Buckley				£1,000			
Sheng (Serene) Yun				£1,000			
Sami Kashif			£3,000				
Ruth McElvanney			£1,000				
Nicola Battistini			£3,000				
Charlotte Hawkins			£1,000				
Sean Kenny		£1,000					
Efrat Rubenstein		£1,000					
Heather Heighway		£1,000					
Crystal Luk		£1,000					
Naomi Hogben	£1,500						
Sarah Dickens	£1,500						
Naomi Chadder	£1,000						

9. On 3 May 2019 the charity organized a Research Conference at the University of Roehampton to showcase the work it has done over the last 50 years. The net cost of this to the charity was £1,523.

10. The Governors have considered the risks to which the Charity might be subject and are satisfied that systems are in place to mitigate such risks. Like all charities we gave due consideration to GDPR and its implication for our charity and have implemented an approach in proportion both to the size of our charity and to the perceived risks.
11. The Governors' aim in relation to reserves is to hold sufficient reserves to be able to finance the Charity's usual grants and administrative expenses for a period of three years if there were no incoming resources during that time.
12. At their meeting on 3 December 2018, the Governors adopted an updated Investment Policy which included a revised asset allocation policy and investment objective.

The target proportions of the portfolio to be invested in each asset class are:

Asset Class	Target (%)	Minimum (%)	Maximum (%)
Equities	65	55	85
Fixed Interest	15	0	30
Cash	20	10	30

The investment objective is to generate a high total return subject to an acceptable level of risk. The performance of the investment portfolio (excluding cash) is to be measured against the following composite benchmark:

FTSE All Share Index	81.25%
FTSE-A British Government All Stocks Index	18.75%

The equity and bond investments are achieved through holdings in the M&G Charifund and Charibond respectively. Investment performance for the year to 30 June 2019 was lower than previous years due to the sharp fall in markets in the last quarter of 2018. However there was a recovery in first half 2019 leading to a 2.9% return for the investment portfolio (excluding cash) for the financial year as a whole which compares to 1.4% for the composite benchmark. This outperformance of 1.5% was achieved entirely through favourable stock selection in Charifund. Asset allocation made little impact as the two funds had similar returns.

Over the last three years, the investment portfolio (ex cash) has returned 8.2% per annum which compares to the composite benchmark of 7.8% per annum. This outperformance of 0.4% resulted from an overweight allocation to equities which significantly outperformed bonds. Both Charifund and Charibond performed in line with their respective benchmarks.

13. To assist with forward planning the charity's activities and to support any future grant bids, the Governors have approved a budget for 2019/20 and forecasts for 2020/21 and 2021/22.
14. The Governors, who are also the Directors, during the year were:
  - Professor Michael Thorne CBE (Chairman)
  - Professor Helen Odell-Miller OBE BA (Hons) MPhil PhD LGSM (MT) (Deputy Chairman)
  - Mr Roger Swain (Treasurer)
  - Lady Caroline Borg ARCM
  - Professor Ian Cross
  - Mr Dominic Delaforce
  - Miss Pauline Etkin OBE DpPPEd PGDip (MT)
  - Mrs Angela Mary Harrison GRNCM PGDip (MT)
  - Dr Kate Thomson MB BS MRCP DCH
  - Mrs Valerie Vickery (retired 13/06/19)
  - Mrs Susan E Waldman

The Governors are appointed taking into account their relevant experience.

15. Mark Taylor FCCA of Banks & Co, 1 Carnegie Road, Newbury, Berkshire RG14 5DJ is the Independent Examiner.

16. The report of the Board of Governors has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD



Michael Thorne  
CHAIRMAN

26 Fitzroy Square, London W1T 6BT

16/9/2019

**REPORT OF THE INDEPENDENT EXAMINER TO THE GOVERNORS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

I report to the governors who are the charity trustees on my examination of the accounts of the company for the year ended 30 June 2019 which are set out on pages 8 to 12.

**Responsibilities and basis of report**

As the charity governors of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

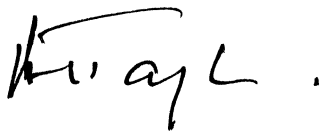
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



R M L Taylor FCCA  
On behalf of Banks & Co  
Chartered Certified Accountants  
1 Carnegie Road,  
Newbury, Berkshire,  
RG14 5DJ



2019

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 £	2018 £
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations	2	9,463	41,344
Charitable activities		2,454	28,631
Investment income			
Bank deposit interest		123	67
Other investment income		17,629	17,078
<b>Total incoming resources</b>		<b>29,669</b>	<b>87,120</b>
<b>EXPENDITURE ON:</b>			
Raising Funds		4,139	9,054
Charitable Activities			
Grants to Music Therapists		32,000	16,000
Grants for Research Projects		15,216	36,422
Other funds donated		-	3,000
Management costs			
Secretarial		11,196	10,250
Accountancy		2,875	1,625
Website and Computer Training		336	211
Advertising		1,914	-
Travel and Meeting Expenses		364	212
Other Management Cost		276	689
Governance costs - Independent Review		720	720
<b>Total resources expended</b>		<b>69,036</b>	<b>78,183</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(39,367)</b>	<b>8,937</b>
<b>NET GAIN/(LOSS) ON INVESTMENT ASSETS</b>			
Net Gains/(Losses) on investments during the year		(8,351)	3,680
<b>NET MOVEMENT IN FUNDS</b>		<b>(47,718)</b>	<b>12,617</b>
<b>RECONCILIATION OF FUNDS:</b>			
Total funds brought forward		442,024	429,407
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>394,306</b>	<b>442,024</b>



**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 Total funds £	2018 Total funds £
<b>FIXED ASSETS:</b>			
Investments at Market Value	3	340,343	378,694
<b>CURRENT ASSETS:</b>			
Debtors	5	760	2,442
Cash at bank and short term deposits		61,369	64,558
		62,129	67,000
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	6	(8,166)	(3,670)
<b>NET CURRENT ASSETS</b>		53,963	63,330
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		394,306	442,024
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted fund		394,306	442,024
<b>TOTAL CHARITY FUNDS</b>		394,306	442,024

For the year ended 30 June 2019, the Company was entitled to exemption from audit under s.477 of Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the financial year in accordance with s.476 of the Act. The directors acknowledge their responsibilities:

- ensuring that the company keeps accounting records which comply with s.386 of the Companies Act 2006, and
- preparing accounts which give a true and fair view of the state of affairs of the company, as at end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of s.394 and s.395 of the Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These Accounts have been prepared in accordance with the provisions applicable to Companies subject to the small companies regime.

The financial statements were approved by the Board of Governors on 16 Sept 2019 and were signed on its behalf by:



Michael Thorne - Chairman



Roger Swain - Treasurer

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance the charity's deeds, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as commitments but not accrued as expenditure.

**Employees**

The charity does not employ any staff and its Governors are volunteers.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors receivable or payable within one year are recorded at transaction price.

**Investment Policy**

The investment objective is to generate a high total return subject to an acceptable level of risk. Further details are given in the Governors' report.

**Taxation**

The company is a charity for the purpose of Section 505 of the Income and Corporation Taxes Act 1988 and as such is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The charity does not have any restricted funds.

	2019	2018
	£	£
<b>2 DONATIONS</b>		
Donations	9,400	38,533
Gift Aid	63	2,811
	<u>9,463</u>	<u>41,344</u>

**3 LISTED INVESTMENTS**

	Charifund £	Charibond £	Total £
<b>COST</b>			
At 1 July 2018	192,284	42,986	235,270
Disposal during the year	(17,762)	-	(17,762)
At 30 June 2019	<u>174,522</u>	<u>42,986</u>	<u>217,508</u>
<b>REVALUATION</b>			
At 1 July 2018	142,656	768	143,424
Disposals during the year	(12,238)	-	(12,238)
Increase/(decrease) in value during the year	(8,589)	238	(8,351)
At 30 June 2019	<u>121,829</u>	<u>1,006</u>	<u>122,835</u>
<b>MARKET VALUE</b>			
At 30 June 2019	<u>296,351</u>	<u>43,992</u>	<u>340,343</u>
At 30 June 2018	<u>334,940</u>	<u>43,754</u>	<u>378,694</u>

During the year the Charity sold 1,944,138 units in its Charifund Holding for £30,000 (£17,762 + £12,238).

- 4 On the 8 September 2011 the Charity, along with other charities, became a Registered Member of the £1 Ordinary Guarantee class of Members in The Dudgeon Estate Nominee Company Ltd, which controls the activities of the agent who supervises the distribution of any further musical royalties arising from the estates of Gus and Sheila Dudgeon. In view of the difficulty of valuation, no value has been attributed to this holding in the balance sheet of the Charity.

	2019 £	2018 £
<b>5 DEBTORS</b>		
Income tax recoverable	60	2,427
Other Debtors	700	15
	<u>760</u>	<u>2,442</u>
<b>6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Trade Creditors	3,300	-
Other creditors	4,866	3,670
	<u>8,166</u>	<u>3,670</u>

**7 COMMITMENTS**

The Charity has committed £70,424 to Nottingham University, to fund a long-term doctoral research project titled "Development and Evaluation of the Person Attuned Musical Interaction in Dementia Manual UK Version (PAI-UK). The funds will be paid over the next 3 years.

**8 CONTINGENT LIABILITIES**

There were no contingent liabilities at 30 June 2019 (2018: nil)

**9 GOVERNORS' REMUNERATION AND BENEFITS**

No governors' remuneration or other benefits for the year ended 30 June 2019 (2018: nil).

**Governors' expenses**

Except for reimbursements made in respect of expenditure incurred on behalf of the Charity no payments were made to members of the governors. Travel expenses of £231 was repaid to 3 governors (£42 to 1 governor in 2018)

There are no employees who received total employee benefits, excluding pension costs, of more than £60,000.

**10 RELATED PARTY DISCLOSURE**

There are no related party transactions.

**11 ULTIMATE CONTROLLING PARTY**

The governors are considered to be the ultimate controlling party of the charity by virtue of their ability to act in concert in relation to the operational and financial policies of the charity.

**12 COMPANY DETAILS**

The company is registered in England, number 955930, and is registered with the Charity Commission, number 259077. Its registered office is 26 Fitzroy Square, London W1T 6BT.