

KEY CHANGES MUSIC THERAPY

TRUSTEES' ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

CHARITY NUMBER: 1124102

COMPANY NUMBER: 06559536

HOWARD SMITH & CO LIMITED

CHARTERED ACCOUNTANTS

FIRST FLOOR, BELLAMY HOUSE, WINTON ROAD, PETERSFIELD, HAMPSHIRE, GU32 3HA

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

- CONTENTS -

<u>Page</u>	<u>Content</u>
1	Legal and Administrative Details
2-7	Report of the Trustees
8	Report of the Independent Examiner
9	Principal Accounting Policies
10	Statement of Financial Activities
11	Balance Sheet
12-16	Notes to the Financial Statements

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

LEGAL AND ADMINISTRATIVE DETAILS

Trustees	James Squire Nial Dunne Sarah Lewin Jordan Mullineaux-Davis – appointed 26 November 2020 Darrell Porter – appointed 7 February 2021
Address	Winnall Community Centre Garbett Road Winchester Hampshire SO23 0NY
Independent Examiner	J R Stimpson FCA Howard Smith & Co Limited Chartered Accountants and Registered Auditors First Floor Bellamy House Winton Road Petersfield Hampshire GU32 3HA

KEY CHANGES MUSIC THERAPY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

REPORT OF THE TRUSTEES

The trustees present their report and accounts for the year ended 30 September 2021. The trustees' report contains a directors' report as required by company law.

CONSTITUTION

The company was incorporated on 8 April 2008 as a company limited by guarantee (registration number 6559536). The company operates as a registered charity (registration number 1124102). The company is governed by its memorandum and articles of association. The Key Changes Handbook provides staff, trustees, and volunteers with information on Policies, Processes and Guidance required to deliver operations efficiently, effectively, economically, and safely.

OBJECTIVES

The objectives of the charity are as follows:

1. The relief of physical and mental illness and disability, congenital or acquired, by providing or assisting in providing music;
2. The protection and promotion of good health, both physical and mental, by the use of music;
3. The alleviation of developmental, emotional and social difficulties by the use of music;
4. The advancement of the education of the public concerning music as a means of therapy for physical and mental illness and disability, and for developmental, emotional and social difficulties;
5. The promotion and publication of research concerning the therapeutic use of music as set out above.

GOVERNANCE, STRUCTURE, AND MANAGEMENT

Two new, additional trustees have been appointed to the board and we have taken significant steps to strengthen governance, including:

- A fundamental review of policies, processes and guidance for staff, volunteers and trustees and the establishment of a regular routine and ongoing review of existing and required policies.
- A review of our approach to assessment and evaluation of our services and impact.
- Formalising Board Officer roles based on the skills and expertise of the trustees.
- A review of the skills and experience of the current trustees with a view to succession planning.
- Stock-takes of strategic progress and direction.
- Securing additional pro-bono legal advice and data analytics capacity.
- Adopting a more structured approach to risk identification and mitigation.

Trustees have been and will continue to be recruited using a combination of inviting expressions of interest (using for example Reach Volunteering, The Young Trustees Movement, LinkedIn) and via existing personal and professional networks, from people with the skills and experience needed to strengthen the team. Prior to appointment, candidates will be interviewed by at least one trustee and member of staff, two references will be taken, and candidates offered the chance to observe a board meeting and talk informally with members of the team. Trustees are expected to adhere to the Trustees Basics and Code of Conduct and declare any Conflicts of Interest.

In addition to Sarah Lewin (Board Secretary), Nial Dunne (Trustee) and Jim Squire (Chair), who all continue as trustees, Jordan Mullineaux-Davis (Vice-Chair) and Darrell Porter (Treasurer) were appointed as trustees on 26 November 2020 and 7 February 2021 respectively. The trustees share the responsibilities of Company Secretary, supported by core team staff.

The company employs four part-time staff based in our small, rented office/therapy space in Winchester and between 10 and 15 contracted music therapists who deliver therapy sessions with clients remotely (due to the pandemic) and face to face increasingly and wherever possible as pandemic restrictions allow. Each music therapist has a master's degree in music therapy and is registered with The Health and Care Professions Council. Beccy Read (Lead Therapy Coordinator) provides day to day management and leadership, supervised by the Chair of Trustees. Reporting to Beccy are Julie Fullstone (Finance Administrator), Claire Simmons (Fundraising and Finance Support) and Leigh Warren-Thomas (Dementia Therapy Coordinator).

KEY CHANGES MUSIC THERAPY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

REPORT OF THE TRUSTEES – continued

Many of our therapy team have been with Key Changes for long periods of our existence and we recently bade a fond farewell to Debbie Mellors, after her many years of service to Key Changes. I am reiterating our gratitude and good wishes to her as part of this report in recognition of her huge contribution. We wish her well on her retirement but look forward to her continuing as a member of the charity and enjoyed hearing her reflections on her career as part of the 2021 annual conference.

The Board met monthly during school term times via remote platforms and has dealt successfully during the pandemic with the additional challenges of building a new team who have set an ambitious new direction whilst only being able to meet once face to face.

ACTIVITIES

During the year under review, despite the considerable ongoing impact of the pandemic, Key Changes Music Therapy continued to deliver the required constitutional objectives, with a focus on delivering services to clients wherever and however our therapists were able to, within some unprecedented restrictions imposed on their access to the people and organisations who are our beneficiaries.

The whole team has pulled together with a common determination to continue having a positive impact on our clients, their families, the care teams, and the communities in which they live and work:

- Our trustees formed a new, powerful team with aspirational strategic targets for the long term alongside a focused plan to emerge from the pandemic.
- Our core staff were flexible and agile in achieving challenging shorter-term plans and covering a huge workload to see us through a most unpleasant series of events.
- Our therapy team showed enormous dedication and brought its caring and innovative nature to the fore by creating new ways of delivering impact to as many people as we could, whilst pushing the boundaries of how to make music therapy improve the lives of the people we support.
- Our volunteers and interns provided invaluable support and helped us to expand what we can achieve by making us be more visible, presenting ourselves professionally to a wider audience and by improving our computing and information infrastructure.

Activities during the year included:

1. The ongoing provision of music therapy services.

Despite restrictions enforced by the pandemic, we have maintained service to over 150 clients and our therapists have provided their clinical expertise into more than 20 organisations including care homes for adults with profound multiple disabilities and dementia, mainstream and special educational needs schools and nurseries and to more than 20 families contracting our services directly. The team have worked around access limitations to deliver up to 100 hours or more per week of therapy to these clients.

Music therapy does not just provide benefit directly to our clients; our beneficiaries also include the friends, close and extended families of clients, the care teams providing the day to-day care, the organisations, and establishments we work in and the broader local communities in which our clients live, work, and learn. All these extended groups of people benefit from the improved communication with and well-being of our clients.

2. The ongoing raising of funds via direct client payments, grant-making bodies, events, and donations.

Key Changes is enabled to meet our objective to advance the education concerning music as a means of therapy by the generosity and philanthropy of grant-makers and donors. Their support creates opportunities for us to deliver services to new clients and organisations and to support areas of profound need not able to directly fund our services.

We remain committed to reach out to new and more diverse beneficiaries by investing grants and donations and in this reporting year, we are grateful to our regular donors, one-off donations from individuals and organisations, including The Round Table and Rotary Club, support from other music and arts organisations including Flautissimo, The University of Southampton and The Madding Crowd.

KEY CHANGES MUSIC THERAPY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

REPORT OF THE TRUSTEES – continued

We have benefited from and are grateful for ongoing grant funding from The National Lottery, St James's Place Charitable Foundation, The Eight Foundation, D'Oyly Carte Charitable Trust and The Martin Read Fund and received new grant funding from Hampshire County Council, The Hedley Foundation, The Radcliffe Trust, The Albert Hunt Trust and The Julia and Hans Rausing Trust.

An active series of fundraising events continued during the reporting year, including the annual carol concert, evening concerts hosted and performed by our therapists and a sponsored walk.

3. Setting a new strategic direction.

During the first half of the reporting year, the trustees established five new strategic targets that capture the aspirations of the whole team whilst remaining cognisant of the likely challenges to emerge as a result of the pandemic. We expect these targets to guide our decision making for the next 3-5 years and will keep them under review as part of our regular cycle of business.

- Enable new clients to understand the value of music therapy and help them make an ongoing commitment to provide the benefits music therapy offers.
- Build our presence in areas of greatest need.
- Proactively promote and market existing strengths.
- Aspire to develop regional, cross-sector growth.
- Seek to create new opportunities by raising the awareness of music therapy and of Key Changes Music Therapy.

An Annual General Meeting took place as required in March 2021 where we presented our strategy and plan to members, and The Board took stock of progress and direction in September 2021 at their away day held in the headquarters in Winchester.

A small team of volunteers is being built by reaching out to the student populations of three major Hampshire-based Universities – Portsmouth, Southampton and Winchester. We are also grateful for the ongoing voluntary support to our information and communications technology from Ben Williams.

Following the stock-take of progress in September 2021, the Chair of Trustees on behalf of The Board wrote to our members, patrons and supporters to report good progress against these plans, pertinent aspects of which are discussed in more detail below.

4. Enacting the first phase of the emerging strategic plan.

The key aspects of this plan are:

- Seek to broaden our self-funded client base.
- Bid for grants and raise funds focussed on providing access to music therapy for potential new clients in mainstream primary schools, dementia care and mental health services.
- Develop the right sized and shaped Key Changes Headquarters in Winchester to enable growth and succession planning.
- Promote our annual conference nationally.
- Create and develop a diverse network of Members and Patrons across sectors.
- Market our brand and raise visibility by refreshing our website and social media presence and enabling our Patrons and Members to raise awareness and advocate music therapy.

5. Raising awareness – promotion and marketing.

Our website (www.keychanges.org) was redesigned and relaunched over summer 2021 and now provides a professional and engaging 'front door' to access information about who we are, what we do, why we do it, the impact we have and how to support our work. Aligned with the new website, we launched a weekly "Beating the Drum for Key Changes" social media campaign that raises awareness more broadly and with immediacy about how we are taking forward our plans and introduces members of the team and the events we are planning. A regular newsletter is also circulated to our growing mailing list with updates and news of what's happening at Key Changes.

KEY CHANGES MUSIC THERAPY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

REPORT OF THE TRUSTEES – continued

This year, we welcomed our first Patron, Professor Helen Odell-Miller OBE, who is Professor of Music Therapy and Director of the Cambridge Institute for Music Therapy Research; closely followed by renowned baritone and composer Roderick Williams OBE. We are looking forward to working with both our Patrons in future and we are delighted that Roderick provided a pre-recorded introduction to the annual conference in November 2021.

We have increased our membership numbers during the year in order to gain the benefit of their knowledge, support, advocacy and advice as we emerge from the pandemic and set our aspirations for the future. Several members took an active part in our Annual General Meeting and we welcome their ongoing input and enthusiastic engagement.

We were grateful to both Andrew Langford (Chief Executive) and Jonathan Booth (Chair of Trustees) from the British Association for Music Therapy who attended our Annual General Meeting and talked to the team about their perspectives on the future landscape for music therapy in the UK following the pandemic.

6. Research and education of the public.

We have continued our commitment to support the continuing professional development of our therapists, hosting a regular series of ‘learning from experience’ sessions open to all the team and sharing the innovative and agile new ways of delivering therapy services necessitated by the pandemic restrictions to face to face engagement with clients.

An annual conference was not possible during the period reported due to the pandemic. The team have, however, proactively prepared for an annual conference which took place in November 2021. and was well attended by the broader community to understand the potential range of benefits of music therapy and the theme “Opportunities from Crisis” resonated with the positive determination to emerge from the pandemic renewed.

PARTNERSHIPS

The Board wish to formally record their gratitude to:

- Winnall Community Centre which continues to provide our premises and meeting spaces.
- The University of Southampton Careers and Employability Service Team for securing two funded summer internships that enabled a complete refresh of the website (Ayushi Lanke) and social media presence and provided additional resource to review our approach to marketing, promotion, and fundraising (Jess Ryall) who continued as a volunteer to manage our social media drumbeat.
- The Careers and Employability Services of both the University of Winchester and the University of Portsmouth who have been proactive in supporting our ambitions to build our voluntary team, providing additional horsepower to the core team to develop our storytelling and promotional activities (Amber-Rose Knowlton) and help embed an improved approach to risk management by the Board (Allen Vitug).
- The Hampshire Flag Company Limited who supported us by creating a promotional roll-out banner to make us more visible at public events.
- 104.3 The Flash FM local radio station in Waterlooville for inviting Key Changes Music Therapy to be interviewed as part of their regular ‘Chatterbox’ broadcasts.
- Our member, Professor Ed Rothead, Chair of Trustees at Blue Apple Theatre and Governor of The University of Winchester, for helping prepare and then facilitating our board away-day.

FUTURE STRATEGY AND PLANS

In alignment with the plans derived from our 3–5-year strategy described previously, in the coming 12 months we aspire to:

1. Broaden our self-funded client base.

We will engage with main-stream primary schools, mainly in Hampshire, and raise our profile via the Hampshire Music Hub with an intent to attract new clients. We will continue discussions with existing grant-funded clients to explore different funding options, including them self-funding, so we can accommodate more and new clients with any grant funding received where the constraints of the granting maker allow.

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

REPORT OF THE TRUSTEES – continued

2. Bid for grants and raise funds focussed on providing access to music therapy for potential new clients in mainstream primary schools, dementia care and mental health services.

We will seek out grant makers willing to fund a broader range of new projects with a broader range of client types in new geographic areas. We will also investigate new options for grants to cover core costs and unrestricted funds to provide Key Changes Music Therapy with more flexibility to offer ‘taster sessions’ that demonstrate the potential of music therapy to new clients.

3. Develop the right sized and shaped Key Changes Headquarters in Winchester to enable growth and succession planning.

Our focus is on resilience, affordability and flexibility of our existing core team in the short term as we emerge from the pandemic, but we remain mindful of the need to plan ahead and to build a bigger team in order to meet the full range of our aspirations.

4. Promote our annual conference nationally.

Our intent is to deliver an event that can accommodate higher numbers and more diverse delegates in 2022. We will continue to reach out to more than just the community of practising music therapists and include students, researchers, clients, and beneficiaries in future.

5. Create and develop a diverse network of Members and Patrons across sectors.

We will establish and build a long-term, mutually beneficial, professional relationship with our two Patrons and take stock in the latter stages of the coming year of whether additional Patrons will be sought out. We value our status as a membership organisation and will continue to welcome new members and the benefits they bring in raising awareness, offering additional support to the team, and providing a sounding board for emerging plans and ambitions for the charitable company.

6. Market our brand and raise visibility by refreshing our website and social media presence and enabling our Patrons and Members to raise awareness and advocate music therapy.

Our web presence will be maintained and enhanced with the support of our student volunteers as will the weekly “Beating the Drum for Key Changes” social media campaign. We will improve the circulation and professionalism of how we present our regular newsletter and, in response to our audit of trustee skills and experience, we will seek out additional trustees with strong connections into local businesses and the political and local government communities, in order to attract sponsorship, donations, general support and advocacy from a broader spectrum of the communities to which we bring benefit.

INCOME

The therapy projects continue to be variously funded by: school fundraising, pupil premium, companies providing residential care, charitable donations to clients, events proceeds for Key Changes, or through grants raised by users or Key Changes.

TRUSTEES

Trustees are responsible for the overall operation of the charitable company, ensuring that the objectives are maintained. They are provided with a folder containing information about the charity, policies and procedures, with documents from the Charities' Commission regarding the role of trustees.

During the year, the following people continued as trustees: Sarah Lewin
Nial Dunne
James Squire

The following people registered as trustees: Jordan Mullineaux-Davis – appointed 26 November 2020
Darrell Porter – appointed 7 February 2021

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

REPORT OF THE TRUSTEES – continued

Statement of Trustees' Responsibilities

The trustees (who are also directors of Key Changes Music Therapy for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FINANCIAL REVIEW

During the year under review, the company received income of £152,268 and recorded a surplus of £1,277.

The company continued to be affected by the closure of schools and care homes because of the Coronavirus. Some work continued during lockdown but care home therapy was very reduced and only provided on a selected and agreed basis and occasionally remotely. As music therapy is delivered by professional music therapists on a contract basis, rather than by employees, the company is able to mitigate this expense but still requires a volume of contracted hours in order to generate sufficient income to meet central administrative costs. Core funding granted by the National Lottery and The Julia and Hans Rausing Trust underpinned the Charity during this period and so we are very grateful to them.

The principal financial management policies adopted are to provide therapy at a price which reflects the operational costs of the charity and to safeguard the continuation of the company. The majority of therapy users arrange their own funding for the cost of the therapy, but where necessary the company raises funds from charitable foundations and the like in order to cover this expense for those who cannot fully cover the costs themselves. Commitments to provide this funding are only made when we have the requisite financial resources.

The charity's total reserves at 30 September 2021 were £68,461 of which £20,907 is restricted. Reserves are held in accounts CAF Bank Ltd. In relation to reserves, the trustees aim to hold sufficient reserves to be able to finance the charity's commitments for a period of 6 months.

The financial statements have been prepared in accordance with the small company regime (Section 419(3)) of the Companies Act 2006 and the Charities (Accounts and Reports) Regulations 2008.

Signed by Trustees:


James Squire


Date

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
KEY CHANGES MUSIC THERAPY CHARITABLE COMPANY**

I report to the charity trustees on my examination of the accounts of the company for the year ended 30 September 2021, which are set out on pages 8 to 16.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees 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 charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2001 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. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees as a body for our work, this report or for any opinions we have formed.

INDEPENDENT EXAMINER'S REPORT

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:

- 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 accounting 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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.


J R Stimpson FCA
Howard Smith & Co Limited
Chartered Accountants and Registered Auditors
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Petersfield
Hampshire
GU32 3HA

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

PRINCIPAL ACCOUNTING POLICIES

Key Changes Music Therapy is a public benefit entity and a charitable company limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the Trustees' Report.

BASIS OF PREPARATION

The financial statements have been prepared in Sterling under the historical cost convention, and in accordance with the Companies Act 2006 and the requirements of the Charities SORP (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015). The principal accounting policies of the charity are set out below.

GOING CONCERN

The accounts have been prepared on a going concern basis. The directors have not identified any material uncertainties about the Charity's ability to continue.

INCOMING RESOURCES

Income is recognised on an accruals basis. Where income is received in advance of a therapy session, income is deferred until the session has taken place. Interest is recognised when received.

Revenue grants are credited to the statement of financial activities in the year of receipt.

Capital grants are deducted from the cost of the fixed asset to which they relate.

Donations are credited to the statement of financial activities in the year of receipt.

RESOURCES EXPENDED

Liabilities are recognised when the charity is under an obligation to make a transfer of value to a third party.

Expenses are allocated to the relevant activity on the basis of income received, unless the expense can be directly attributed.

Expenses other than those arising from the charity's operations are charged to the statement of financial activities on the accruals basis.

FIXED ASSETS

Assets purchased for the continuing use of the charity are carried in the balance sheet at cost less capital grants received and depreciation. Fixed assets costing less than £500 are not capitalised.

Depreciation is charged at the following rates:

Office equipment - 33⅓ % on cost.

RESTRICTED FUNDS

Restricted funds arise when monies received by the charity are earmarked for specific purpose by the donor or grant-making body.

DESIGNATED FUNDS

Designated funds arise where the charity has received a donation to unrestricted funds and the trustees have decided on a particular use for the donation.

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)

	Notes	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total 2021 £	Total Funds 2020 £
Income and endowments from:					
Donations and legacies	1	17,174	15,264	32,438	48,201
Other trading activities		-	-	-	-
Investment income		-	4	4	15
Charitable activities – therapy income		<u>-</u>	<u>119,826</u>	<u>119,826</u>	<u>98,044</u>
Total incoming resources		<u>17,174</u>	<u>135,094</u>	<u>152,268</u>	<u>146,260</u>
Expenditure on:					
Raising funds	3	-	829	829	947
Charitable activities	2	<u>21,982</u>	<u>128,180</u>	<u>150,162</u>	<u>121,733</u>
Total resources expended		<u>21,982</u>	<u>129,009</u>	<u>150,991</u>	<u>122,680</u>
Net incoming resources for the year	6	(4,808)	6,085	1,277	23,580
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming resources		(4,808)	6,085	1,277	23,580
Reconciliation of funds					
Balance at 1 October 2020		<u>25,026</u>	<u>42,158</u>	<u>67,184</u>	<u>43,604</u>
Balances carried forward at 30 September 2021		<u>£20,218</u>	<u>£48,243</u>	<u>£68,461</u>	<u>£67,184</u>

There were no other recognised gains or losses in the financial year.

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

BALANCE SHEET

	<u>Notes</u>	30 September <u>2021</u> £	30 September <u>2020</u> £
Fixed Assets			
Tangible assets	7	-	284
Current Assets			
Debtors	8	30,312	10,134
Cash at bank and in hand		<u>53,540</u>	<u>63,783</u>
		83,852	73,917
Creditors: Amounts falling due within one year	9	(15,391)	(7,017)
Net Current Assets		<u>68,461</u>	<u>66,900</u>
Total Assets less current liabilities		<u>£68,461</u>	<u>£67,184</u>
Represented by			
Unrestricted funds – General Fund		47,554	42,158
Restricted		<u>20,907</u>	<u>25,026</u>
Accumulated funds		<u>£68,461</u>	<u>£67,184</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Charities SORP (FRS102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015).

These financial statements were approved by the board of trustees on 22nd MARCH 2022 and signed on its behalf by:


James Squire

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

NOTES TO THE FINANCIAL STATEMENTS

1. Income from donations

	<u>Restricted</u>	<u>2021</u> <u>Unrestricted</u>	<u>Total</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Grants received	14,100	12,385	26,485	39,853
General donations	<u>3,074</u>	<u>2,879</u>	<u>5,953</u>	<u>8,348</u>
	<u>£17,174</u>	<u>£15,264</u>	<u>£32,438</u>	<u>£48,201</u>

2. Expenditure on charitable activities

	<u>Restricted</u>	<u>2021</u> <u>Unrestricted</u>	<u>Total</u>	<u>2020</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost of therapists	21,982	93,702	115,684	94,956
Allocated support costs – note 4	<u>-</u>	<u>34,478</u>	<u>34,478</u>	<u>26,777</u>
	<u>£21,982</u>	<u>£128,180</u>	<u>£150,162</u>	<u>£121,733</u>

3. Expenditure on fundraising

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Unrestricted		
Costs of fundraising	-	-
Allocated support costs – note 4	<u>829</u>	<u>947</u>
	<u>£829</u>	<u>£947</u>

4. Analysis of governance and support costs

	<u>Charitable</u> <u>Activities</u>	<u>Fundraising</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Salaries and related costs	24,076	578	24,654
Office expenses	8,937	216	9,153
Governance – Accountancy	<u>1,465</u>	<u>35</u>	<u>1,500</u>
	<u>£34,478</u>	<u>£829</u>	<u>£35,307</u>

Governance and support costs are allocated on the basis of income received from charitable activities and fundraising.

5. Analysis of staff costs

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Staff costs:		
Wages and salaries	24,242	17,298
Social security	221	-
Pension costs	<u>191</u>	<u>324</u>
	<u>£24,654</u>	<u>£17,622</u>

No expenses were reimbursed to the trustees during the year, and no trustee received any remuneration. The charity obtained indemnity insurance for the trustees. This insurance was part of a package of insurances and no separate cost is available.

The average number of employees, analysed by function, was:

	<u>2021</u>	<u>2020</u>
	<u>4</u>	<u>4</u>
Management and administration		

No employee received remuneration of more than £60,000. (2020: NIL).

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

NOTES TO THE FINANCIAL STATEMENTS

6. Net (outgoing)/incoming resources for the year are stated after charging:

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Depreciation	<u>284</u>	<u>285</u>

7. Tangible Fixed Assets

	<u>Office Equipment</u>
	<u>£</u>
COST	
At 1 October 2020 and at 30 September 2021	1,394
DEPRECIATION	
At 1 October 2020	1,110
Charge for the year	<u>284</u>
At 30 September 2021	<u>1,394</u>
NET BOOK VALUE	
At 30 September 2021	<u>£ -</u>
At 1 October 2020	<u>£284</u>

8. Debtors

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Trade debtors	29,832	9,724
Other debtors	410	410
Prepayments	<u>70</u>	<u>-</u>
	<u>£30,312</u>	<u>£10,134</u>

9. Liabilities: amounts falling due within one year

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Trade creditors	10,279	4,785
Advance payment from clients	3,032	-
Social security and other taxes	204	22
Other creditors	76	
Accruals and deferred income	<u>1,800</u>	<u>2,210</u>
	<u>£15,391</u>	<u>£7,017</u>

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

NOTES TO THE FINANCIAL STATEMENTS

10. Analysis of charitable funds

Analysis of movements in unrestricted funds

	Balance at 1 October 2020	Income	Expenditure	Transfers	Balance at 30 September 2021
	£	£	£	£	£
General fund	29,758	122,709	106,685	-	45,782
Designated funds:					
Julia & Hans Rausing Trust		12,000	12,000	-	-
National Lottery	10,000	-	10,000	-	-
Virgin Giving	-	160	-	-	160
Winchester Collection	74	-	-	-	74
IBM	1,560	-	324	-	1,236
Flautissimo Concert	298	-	-	-	298
Southampton University Orchestra	252	-	-	-	252
Madding Crowd	181	-	-	-	181
John Terry Funeral Directors	-	225	-	-	225
Folks In Harmony	35	-	-	-	35
	<u>£42,158</u>	<u>£135,094</u>	<u>£129,009</u>	<u>£-</u>	<u>£48,243</u>

Analysis of movements in unrestricted funds – previous year

	Balance at 1 October 2019	Income	Expenditure	Transfers	Balance at 30 September 2020
	£	£	£	£	£
General fund	33,636	102,530	103,875	(2,533)	29,758
Designated funds:					
Martin Read Fund for Young People	3,129	-	-	(3,129)	-
National Lottery	-	10,000	-	-	10,000
Waitrose	-	205	391	186	-
Winchester Collection	74	402	402	-	74
IBM	-	1,560	-	-	1,560
Flautissimo Concert	-	298	-	-	298
Southampton University Orchestra	-	252	-	-	252
Madding Crowd	-	181	-	-	181
Phoenix Community Choir	-	187	187	-	-
Folks in Harmony	-	383	348	-	35
Waitrose Green Tokens	-	798	798	-	-
UKladies	57	-	150	93	-
George Heywood	-	500	500	-	-
Shelley Robinson Eales	-	451	451	-	-
	<u>£38,696</u>	<u>£117,747</u>	<u>£107,102</u>	<u>£(5,383)</u>	<u>£42,158</u>

The General fund is “free reserves” after allowing for all designated funds. The grants from the Julia & Hans Rausing Trust and the National Lottery are for core funding. Donations from Virgin giving and from the IBM Community fund are for Music Therapy. Amounts collected from Winchester collections and donations from Waitrose have been designated for therapy use in the local area. Donations collected through John Terry Funeral Directors are to be used in therapy for Dementia sufferers. Donations made in memory of Martin Read are used for working with young people. Proceeds from the Flautissimo concert, Phoenix Community Choir, Madding Crowd Waitrose Green tokens, George Heywood and Shelley Robinson Eales are used to provide therapy in the Winchester area. Donations from Southampton University Orchestra are used to provide therapy in the Southampton area. Donations from Folks In Harmony are for therapy at Rosewood School. Income from UKladies is used to provide therapy in South Hampshire.

KEY CHANGES MUSIC THERAPY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

10. Analysis of charitable funds – continued

Analysis of movements in restricted funds

	Balance at 1 October 2020	Income	Expenditure	Transfers	At 30 September 2021
	£	£	£	£	£
Morrison Foundation	-	435	395	-	40
Martin Read Fund	3,297	290	192	-	3,395
Lanterns – Winchester Rotary	1,034	-	622	-	412
D'Oyly Carte	1,862	-	1,350	-	512
Eight Foundation	7,353	-	6,109	-	1,244
St James Place Foundation	9,293	-	8,562	-	731
HCC Grant	-	5,000	-	-	5,000
Arnold Clarke Community Fund	-	500	-	-	500
Greville School	1,298	2,349	3,224	-	423
Round Table	-	2,500	-	-	2,500
Baily Thomas	889	-	689	-	200
Lapping – Osborne School	-	1,000	-	-	1,000
Hedley Foundation	-	1,100	525	-	575
Radcliffe Trust	-	3,000	314	-	2,686
Albert Hunt Trust	-	1,000	-	-	1,000
	<u>£25,026</u>	<u>£17,174</u>	<u>£21,982</u>	<u>£-</u>	<u>£20,218</u>

Analysis of movements in restricted funds – previous year

	At 1 October 2019	Incoming resources	Resources expended	Transfers	At 30 September 2020
	£	£	£	£	£
Morrison Foundation	2,822	-	4,038	1,216	-
Martin Read Fund	-	220	52	3,129	3,297
Lanterns – Winchester Rotary	-	2,500	1,466	-	1,034
D'Oyly Carte	-	3,000	1,138	-	1,862
Eight Foundation	-	10,000	2,647	-	7,353
St James Place foundation	-	10,000	707	-	9,293
Peter Harrison Foundation	1,197	-	1,415	218	-
Greville School	-	2,293	995	-	1,298
Andover Rotary	384	-	500	116	-
Baily Thomas	2,305	-	1,416	-	889
Musicathon	-	500	1,204	704	-
	<u>£6,708</u>	<u>£28,513</u>	<u>£15,578</u>	<u>£5,383</u>	<u>£25,026</u>

The donation from the Morrisons Foundation and donations for Lanterns are for work with pre-school children in Andover and Portsmouth. Donations made in memory of Martin Read are used for working with young people. Donations from D'Oyly Carte are for early years work at Osborne School in Winchester. Grants from the Eight Foundation are work at the Mary Rose School. Income from the St James Place Foundation is for early years work in 2021. The grant from Hampshire County Council is for therapy to help with mental health. Monies from the Arnold Clarke Community Fund are to be used in purchasing instruments for a school in Southsea. The donation from Round Table is for Norman Gate. The donation from Lapping is for use at Osborne School. The donation from the Hedley Foundation is for the purchase of a digital piano and other instruments. The donation from the Radcliffe Trust is for use at Rosewood Free School in Southampton. The donation from the Albert Hunt Trust is to part fund a project to reintroduce music therapy to Winchester Well Being Centre. Income from the Peter Harrison Foundation is for supporting early years therapy. Income from the Greville School is for work at that school. The donation from Andover Rotary is for work at the Norman Gate school in Andover. The grant from Baily Thomas is for early years work at Willows School. Funds raised from the Musicathon are to be used at Lanterns School.

**KEY CHANGES MUSIC THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

NOTES TO THE FINANCIAL STATEMENTS

11. Analysis of net assets

	<u>Restricted</u>	<u>Unrestricted</u>	<u>2021 Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Fixed assets	-	-	-
Current Assets	20,907	62,945	83,852
Current Liabilities	<u>-</u>	<u>(15,391)</u>	<u>(15,391)</u>
	<u><u>£20,907</u></u>	<u><u>£47,554</u></u>	<u><u>£68,461</u></u>