



# **MUSIC THERAPY WORKS**

**COMPANY LIMITED BY GUARANTEE NO. 6663759  
REGISTERED CHARITY NO. 1126584**

**ANNUAL REPORT  
AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR TO 31<sup>st</sup> AUGUST 2025**

**Music Therapy Works**  
**Annual Report and Financial Statements for the year ended 31<sup>st</sup> August 2025**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>DIRECTORS:</b>	Sandra Bristoll (Chair) Carrie Churnside Matthew Stafford Joanne Sweet Joanna Kowalski Tina Gallagher Rosie Howl
<b>REGISTERED OFFICE:</b>	105 High Street Worcester WR1 2HW
<b>CHIEF EXECUTIVE:</b>	Douglas Bott
<b>REGISTERED NUMBERS:</b>	Company: 6663759 Charity: 1126584
<b>INDEPENDENT EXAMINER:</b>	Mr L E Parkes, FCA Parkes & Co 5 Crondal Place Edgbaston Birmingham B15 2LB
<b>BANKERS:</b>	Unity Trust Bank PO Box 7193 Planetary Road Willenhall WV1 9DG  United Trust Bank One Ropemaker Street London EC2Y 9AW  Redwood Bank The Nexus Building Broadway Letchworth Garden City SG6 3TA

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## **REPORT OF THE DIRECTORS**

The directors present their report with the financial statements of the company for the year ended 31<sup>st</sup> August 2025.

The financial statements have been prepared in accordance with the Charity's accounting policies set out in Note 1 and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the provisions of "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 the Republic of Ireland (FRS 102) (effective for accounting periods commencing from 1 January 2019)."

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Charity is a charitable Company limited by guarantee incorporated on 4 August 2008. The Charity was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association as amended by special resolutions dated 13 May 2019, 15 June 2020, and 10 July 2023. The Charity registered with the Charity Commission for England and Wales on 6 November 2008.

The directors, who are also trustees, until the signing of the financial statements, were:

Sandra Bristoll	(Chair)
Carrie Churnside	
Sue Ayres	(Resigned 31 December 2025)
Karmah Boothe	(Resigned 12 December 2025)
Joanna Kowalski	(Appointed 10 March 2025)
Tina Gallagher	(Appointed 10 March 2025)
Rosie Howl	(Appointed 10 March 2025)
Matthew Stafford	(Appointed 2 December 2024)
Joanne Sweet	(Appointed 2 December 2024)
Prof John Whenham	(Resigned 2 December 2024)
Andrea Howl	(Resigned 2 December 2024)

The company is limited by guarantee and therefore no director has any interest in the share capital of the company. The directors are usually appointed at the Annual General Meeting to ensure that the Board represents a cross section of the community.

The directors are responsible for financial controls and accounts; for developing and overseeing a reserves policy; for ensuring that all procedures and policies adhere to their legal requirements as employers; for reviewing risk management of the organisation; to ensure all aspects of charity and company law are fully and properly adhered to and generally protect the charity's property.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

Company law requires the Trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of the charitable company's surplus or deficit for the year. In doing so, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the accounts comply with the Companies Act 2006. The Trustees 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.

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### **VISION AND MISSION**

Our vision is to achieve:

- Greater wellbeing through music.

Our mission is to deliver:

- High quality Music Therapy for clients, innovative collaborations with partners and wider understanding of the benefits of music for all.

### **OBJECTIVES AND ACTIVITIES**

The principal objective of Music Therapy Works is to provide Music Therapy for children and adults of all ages within local communities in the West and East Midlands. The charity achieves its objectives through the provision of a community-based Music Therapy service for both children and adults.

The main objects, as shown in the Memorandum and Articles of Association, are:

- The therapeutic use of music for the relief of physical and mental illness and disability, the alleviation of developmental, emotional, social, and behavioural difficulties and the protection and promotion of good health.
- The promotion of the use of Music Therapy by other organisations including but not limited to hospitals, prisons, hospices, and schools.
- The promotion and publication of research into the therapeutic use of music.
- The education of members of the public concerning music as a means of therapy.
- The establishment, development, and use of health professions council approved training courses to train individuals as music therapists.

For the future, the directors will continue to seek to expand the provision of Music Therapy and associated activities throughout the West and East Midlands.

### **PUBLIC BENEFIT**

The trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Music Therapy Works promotes the advancement of Music Therapy and is open to the majority of the public in need of Music Therapy.

### **FINANCIAL REVIEW**

The results of the Charity for the year are shown in detail in the Statement of Financial Activities on page 11. In summary, the Charity had a surplus of income above expenditure on the unrestricted funds of £23,638 during the year. The balance on the unrestricted funds at 31<sup>st</sup> August 2025 was £254,589 (2024: £230,951). The balance on the restricted funds was £1,857 (2024: £11,835).

### **RESTRICTED FUNDS**

The restricted funds have been donated to the Charity for specific purposes and are listed in note 10 to the accounts.

### **RESERVES POLICY**

The Board has agreed as policy that the free reserves of the organisation, defined as net current assets that are neither restricted nor designated for specific purposes, should be sufficient to provide a reasonable working balance to meet commitments when they become due whilst recognising the possible delays in receipt of fee income due. It is considered that, given that 82% of annual turnover is used to fund staff costs, the reserves target is best expressed in terms of payroll months. The Board has assessed that, under current circumstances, the free reserves should be the equivalent of 6 months' payroll costs.

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Using the average payroll costs from the 2025/2026 budget, free reserves should be in the region of £162,404. As at 31 August 2025, non-designated free reserves (excluding functional tangible fixed assets) stood at £253,790. The stated strategy has therefore been achieved this year.

The Board's reserves policy also requires the Trustees to reassess any designated funds annually when reviewing its reserves, so that no funds are needlessly designated and excluded from the calculation of free reserves.

**FINANCIAL RISK MANAGEMENT**

The Charity finances its operations through the generation of cash from operating activities and has no interest rate exposure on financial liabilities. Liquidity risk is managed through forecasting the future cash flow requirements of the Charity and maintaining sufficient cash at bank.

**GENERAL RISK MANAGEMENT**

A Risk Register is maintained and reviewed annually by the Board of Trustees. Key risks and mitigation efforts are communicated to relevant stakeholders. A Risk Management Policy is reviewed by the Board of Trustees every 3 years, or sooner if legislation or regulatory guidance changes.

# Music Therapy Works

## Annual Report and Financial Statements for the year ended 31<sup>st</sup> August 2025

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### REPORT FROM THE CHAIR

#### Our Achievements

On behalf of the Trustees of Music Therapy Works, it gives me great pleasure to provide an update on the activities of the charity during 2024/25. I am happy to report that MTW had a successful year delivering Music Therapy across a range of settings for people of all ages whose lives are affected by disability, injury or illness, supporting their psychological, emotional, cognitive, physical, communication and social needs.

Energised by continued strong demand for Music Therapy, 2024/25 was a year in which we focussed on improving our capacity to support our therapists, to engage with new and existing clients, and to plan for the future. Our CEO, Doug Bott, led the development of a new 3-year strategic plan in partnership with trustees and staff. Through this plan, from September 2025 we will consolidate and grow our core offer of Music Therapy for clients across the Midlands. We will diversify our activities through new projects, programmes and partnerships, embracing innovation and increasing our financial resilience. In everything we do, we will seek to better understand and articulate the benefits of music and Music Therapy. This strategic plan coheres around our vision of “greater wellbeing through music”.

#### Hours delivered

Our dedicated team of Music Therapists delivered even more of the work that we are so passionate about in 2024/25. This was our second record year in a row, with 6,551 clinical hours delivered to 58 clients (organisations and individuals) across the West and East Midlands.

Clients	Clinical hours delivered
Schools & Colleges	5262.5
Hospitals	380
Assisted Living	371.5
Individuals	537
<b>Total</b>	<b>6,551</b>

#### Feedback

Despite relentless financial headwinds, our delivery of Music Therapy in schools and colleges has remained consistently in demand. We are grateful to the many school and college leaders in both SEN and ‘mainstream’ schools who so clearly value the benefits that Music Therapy affords their children and young people:

*“So beneficial, enjoyable and important for the health benefits our pupils gain from these sessions. Increased engagement and concentration are often observed.”*

BG, Chadsgrove School

*“Pupils benefit so much from having such high-quality therapy. Music gives them opportunities to communicate their needs and have these heard, held and validated in a way that is not dependent on language.”*

JW, The Beacon PRU

We have also continued to deliver hundreds of hours of Music Therapy to individual clients, funded from a range of sources including Adoption Services, Case Managers, EHCPs (Education Health and Care plans) and privately:

*“Excellent service... Would recommend to any parent wanting to provide their child with a way to express and deal with their emotions in a very safe space.”*

AC, mother of individual client

Our Music Therapists have supported clients in a wide range of settings including residential homes and hospitals:

*“One of our residents with advanced dementia had one of her few areas of emotional respite from Music Therapy. It was one of the only times in the week where she truly relaxed, engaged and could hold focus. Alison worked with her right until she was end-of-life and provided joy not only for her but to her husband as well.”*

AD, Extra Care Charitable Trust

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*“From our clients’ point of view, Music Therapy brings a whole new dimension to rehab, and we consistently get excellent feedback. It integrates very well within our service and contributes to positive client outcomes.”*

LL, Moor Green Outpatient Brain Injury Service.

#### **Staffing**

In addition to fourteen salaried Music Therapists, MTW has for the first time recruited a pool of eight freelance Music Therapists to improve responsiveness & resilience, and to meet demand from individual clients which can be challenging to schedule within salaried caseloads.

Our Chief Executive, Doug Bott, became full-time in January 2025 which has significantly improved management capacity and productivity. Doug continues to offer valuable leadership to MTW and support to the wider team of therapists, working tirelessly to take MTW forward with our new strategic plan. The decision to increase investment in this role and that of our Clinical Lead, Kate Fawcett, has enabled greater collaboration between them on MTW’s operations and future planning and is helping to ensure we have the necessary resources to deliver a high-quality service for our clients, and a lasting legacy for the future.

Kate Fawcett has remained instrumental in overseeing and supporting our therapists as Clinical Lead. Staff training targets were met during the year, ensuring that our clients are being supported by highly qualified and skilled Music Therapists.

Doug has worked closely with MTW’s Finance Officer, Alison Dunmore, to improve MTW’s financial forecasting, management and reporting and we are grateful for all their hard work in this area.

#### **Fundraising**

Notwithstanding the positive year which MTW has had, it still remains extremely challenging to run a successful charity in the current climate, balancing the need to keep fees and overheads as low as possible, with our responsibility to strive for excellence in delivery and administration. In this endeavour we are particularly grateful to all the funders and donors whose generosity continues to provide essential financial support for our work.

Thanks to...

*The Irving Memorial Trust*

*Dumbreck Charity*

... for helping to fund our operational running costs.

Thanks to...

*Baron Davenport’s Charity*

*Edward Cadbury Charitable Trust*

... for helping to fund Music Therapy for people living with dementia.

Thanks to...

*The Rowlands Trust*

*Dumbreck Charity*

... for helping to fund iPads for Music Therapy.

We are particularly grateful for the heartfelt and steadfast support of the Midlands Hospitals’ Choir who regularly raise money for MTW at their wonderful concerts. Huge thanks also to the B Natural Choir and the Acocks Green Methodist Church Society for their valuable financial support. We remain fully committed to ensuring that our donated income is used responsibly, efficiently, and effectively to ensure that as many people as possible can benefit from Music Therapy.

#### **The Board**

The Trustees met for an Away Day in April 2025, which was a valuable opportunity to discuss MTW’s priorities for the future and shape the 3-year strategic plan. It also provided a wonderful chance for our 5 new trustees to meet other members of the board. We are delighted with the impact which this intake of new trustees is having on the board as a whole and I would like to thank all of the trustees for their support and contributions during this year.



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A number of subcommittees have been introduced during 2024-25 enabling trustees to dig into more detail than a full board meeting affords, while further deepening and formalising the working relationship between the board and the executive.

A robust and supportive induction process was introduced for the new trustees joining MTW this year, together with a code of conduct, role descriptions and a trustee buddying scheme and this will be reviewed as we look to seek to recruit further in 2026 as part of our succession planning.

We are working to be a board that is diverse and inclusive, including diversity of opinions. We want the board of trustees to be both supportive and constructively challenging of MTW, mixing realism and pragmatism with innovation and creativity.

#### **Thanks**

On behalf of the trustees, I would like to thank all our Music Therapists and staff for their hard work and enthusiasm which helped make 2024/25 another successful and special year for our clients. We look forward to working with them all on the clear vision and focus for MTW set out in the new 3-year strategic plan and are immensely grateful to Doug for developing this and driving it forward.

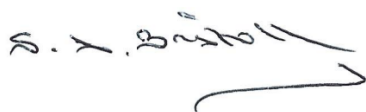
I would like to pay tribute to:

- Karmah Boothe whose term as a trustee ended in December 2025 – she brought great skills and insights to the role and was a key part of our CEO recruitment campaign;
- Sue Ayres who retired as a trustee in December 2025 - she gave many years of dedicated service to MTW and helped to guide it forward and offered great mentoring support to both therapists and fellow trustees, including myself.

The Board wishes to explore an alumni scheme for retired trustees so as to preserve the valuable knowledge, experience and networks of retiring trustees. We hope that they will be as excited as we are to see MTW grow and thrive as it takes its strategy forward seeking to deliver Music Therapy for and with a greater diversity of clients and partners, leading to greater wellbeing through music for more people.

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Signed on behalf of the Board



**Sandra Bristoll - Chair**

Date: 23/03/2026

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MUSIC THERAPY WORKS**

I report to the trustees on my examination of the financial statements of Music Therapy Works (the Charity) for the year ended 31<sup>st</sup> August 2025, which are set out on pages 11 to 18.

**Responsibilities and basis of report**

As the Trustees of the Charity (and also its directors for the purpose of company law) you are responsible for the preparation of the financial statements in accordance with the requirements for the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination, I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 Charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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 matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**L E Parkes FCA**  
Chartered Accountant  
Parkes & Co  
5 Crondal Place, Birmingham B15 2LB

Date: 31/03/2026

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**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2025**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>2025 Total Funds</u>	<u>2024 Total Funds</u>
		£	£	£	£
<b>INCOME FROM:</b>					
Donations		3,552	5,500	9,052	21,122
Charitable Activities	2	375,583	0	375,583	355,929
Investments	3	8,481	0	8,481	6,260
<b>TOTAL</b>		<b>387,616</b>	<b>5,500</b>	<b>393,116</b>	<b>383,311</b>
<b>EXPENDITURE ON:</b>					
Charitable Activities	4	364,045	15,478	379,523	336,489
<b>TOTAL</b>		<b>364,045</b>	<b>15,478</b>	<b>379,523</b>	<b>336,489</b>
<b>NET INCOME/(EXPENSE)</b>		<b>23,571</b>	<b>(9,978)</b>	<b>13,593</b>	<b>46,822</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total Funds Brought Forward</b>		<b>230,951</b>	<b>11,835</b>	<b>242,786</b>	<b>195,964</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>254,522</b>	<b>1,857</b>	<b>256,379</b>	<b>242,786</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Statement of Financial Activities also complies with the requirements for an Income and Expenditure Account under the Companies Act 2006.

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**BALANCE SHEET**

**AS AT 31<sup>ST</sup> AUGUST 2025**

	Notes	<u>2025 Total</u> <u>Funds</u>	<u>2024 Total</u> <u>Funds</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	6	799	0
<b>Total Fixed Assets</b>		<b>799</b>	<b>0</b>
<b>CURRENT ASSETS</b>			
Debtors	7	35,645	18,884
Prepayments		354	327
Cash at bank and in hand		233,104	232,137
<b>Total Current Assets</b>		<b>269,103</b>	<b>251,348</b>
<b>CREDITORS</b>			
Amounts falling due within one year	8	13,523	8,562
<b>Net Current Assets</b>		<b>255,580</b>	<b>242,786</b>
<b>TOTAL NET ASSETS</b>		<b>256,379</b>	<b>242,786</b>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted funds	9	254,522	230,951
Restricted funds	10	1,857	11,835
<b>Total Charity Funds</b>		<b>256,379</b>	<b>242,786</b>

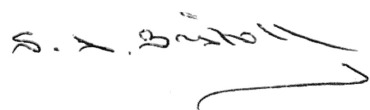
The Company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 August 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

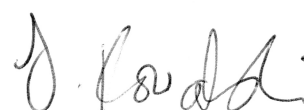
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS102 SORP.

The financial statements were approved by the Trustees on 23 March 2026.



**Sandra Bristoll – Trustee**  
Company Registration No. 6663759



**Joanna Kowalski – Trustee**

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## **1. Accounting Policies**

### **Charity Information**

Music Therapy Works is a private company limited by guarantee incorporated in England and Wales. The registered office is 105 High Street, Worcester, WR1 2HW.

### **Accounting Convention**

The financial statements have been prepared in accordance with the Charity's accounting policies and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the provisions of "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 the Republic of Ireland (FRS 102)" (effective for accounting periods commencing 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are presented in Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### **Going Concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis in preparing the financial statements.

### **Incoming Resources**

Income is included in the Statement of Financial Activities when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the monetary value of the income can be measured with sufficient reliability.

### ***Activities***

Income from therapy fees, teaching and workshops are included in incoming resources in the period in which the relevant event takes place.

### ***Donations and Grants***

Income from donations and grants is included in incoming resources when receivable, except as follows:

- where donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those accounting periods;
- when donors impose conditions that have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met,
- when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

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**Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax that cannot be recovered.

Charitable activities include expenditure associated with the provision of Music Therapy and both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

**Tangible Fixed Assets**

Tangible Fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets with an individual value of £500 or more are capitalised on the balance sheet. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Musical instruments	4 years
Office equipment	3 years

Depreciation is not provided on assets which have not yet been brought into use.

**Pension Costs**

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities in the period to which they relate.

**Fund Accounting**

Funds held by the charity are either:

- *unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *designated funds* – these are unrestricted funds designated by the trustees for a particular purpose;
- *restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**Financial Instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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***Basic financial assets***

Basic Financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**Significant Judgement Estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2025</u>	<u>Total Funds 2024</u>
	£	£	£	£
<b>2. Income from Charitable Activities</b>				
Other Income	123	0	123	100
Music Therapy Fees	375,460	0	375,460	355,829
	<u>375,583</u>	<u>0</u>	<u>375,583</u>	<u>355,929</u>

**3. Investment Income**

Deposit Account Interest	<u>8,481</u>	<u>0</u>	<u>8,481</u>	<u>6,260</u>
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**4. Charitable Activities Costs**

	<u>Direct Costs Therapists</u>	<u>Support Costs Administration</u>	<u>Total 2025</u>	<u>Total 2024</u>
	£	£	£	£
Salaries & NI (Note 5)	257,275	66,949	324,224	302,658
Other Staff and Equipment Costs	10,128	0	10,128	11,917
Administration Costs	0	45,171	45,171	21,914
	<u>267,403</u>	<u>112,120</u>	<u>379,523</u>	<u>336,489</u>

The Independent Examiner received £600 (including VAT) in respect of examination fees (2024: £600).

**5. Staff Costs**

	<u>2025</u>	<u>2024</u>
	£	£
Wages & Salaries	299,901	279,495
Social Security Costs	18,020	17,424
Pension Costs	<u>6,303</u>	<u>5,739</u>
	<u>324,224</u>	<u>302,658</u>

Total remuneration paid to key management personnel during the year was £47,812 (2024: £16,447).

During the year, the Charity employed 8 full time equivalent staff (2024: 7) of which there was 1 (2024: 1) administrative staff and 7 (2024: 6) therapy staff.

None of the directors received any emolument or reimbursement of expenses in respect of their services as Trustees of the charity. No individual received emoluments equal to, or in excess of, £60,000.



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**6. Fixed Assets**

	<u><b>Musical Instruments</b></u>	<u><b>Computers &amp; Equipment</b></u>	<u><b>Total</b></u>
	<b>£</b>	<b>£</b>	<b>£</b>
Cost at 1 September 2024	1,409	3,563	4,972
Additions	0	1,198	1,198
Cost at 31 August 2025	<u>1,409</u>	<u>4,761</u>	<u>6,170</u>
Depreciation at 1 September 2024	1,409	3,563	4,972
Charge for the Year	0	399	399
Depreciation at 31 August 2025	<u>1,409</u>	<u>3,962</u>	<u>5,371</u>
<b>Net Book Value at 31 August 2025</b>	<u><u>0</u></u>	<u><u>799</u></u>	<u><u>799</u></u>
Net Book Value at 31 August 2024	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

**7. Debtors: amounts falling due within one year**

	<u><b>2025</b></u>	<u><b>2024</b></u>
	<b>£</b>	<b>£</b>
Debtors for Therapy Fees	27,577	11,784
Accrued Income	8,068	7,100
	<u>35,645</u>	<u>18,884</u>

**8. Creditors: amount falling due within one year**

	<u><b>2025</b></u>	<u><b>2024</b></u>
	<b>£</b>	<b>£</b>
Taxation and Social Security	7,141	4,386
Other Creditors	5,782	3,329
Accruals	600	847
	<u>13,523</u>	<u>8,562</u>

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**9. Unrestricted Funds**

	<u>2025</u>	<u>2024</u>
	£	£
General Fund	<u>254,522</u>	<u>230,951</u>

**10. Restricted Funds**

	<u>Instruments</u>	<u>Subsidised Therapy</u>	<u>Retirement Village Project</u>	<u>IT</u>	<u>Total</u>	<u>2024</u>
	£	£	£	£	£	£
Incoming Resources	0	0	3,000	2,500	5,500	2,731
Resources Expended	28	1,760	11,560	2,130	15,478	14,600
Net Inflow/(Outflow) of Funds	(28)	(1,760)	(8,560)	370	(9,978)	(11,869)
Funds at 1 September 2024	31	3,244	8,560	0	11,835	23,704
Funds at 31 August 2025	<u>3</u>	<u>1,484</u>	<u>0</u>	<u>370</u>	<u>1,857</u>	<u>11,835</u>

**11. Analysis of Net Assets between Funds**

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>	<u>2024</u>
	£	£	£	£
Fund Balances at August 31, 2025 are represented by:				
Tangible Assets	799	0	799	0
Current Assets	253,723	1,857	255,580	242,786
	<u>254,522</u>	<u>1,857</u>	<u>256,379</u>	<u>242,786</u>

**12. Related Party Transactions**

There were no disclosable related party transactions during the year (2024 – None).

**13. Capital Commitments**

Amounts contracted for but not provided in the financial statements amounted to £0 (2024: £0).

**14. Taxation**

Music Therapy Works is a registered charity and, therefore, is not liable to income tax or corporation tax on income and gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.