

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2024

CHARITY NO. 1191904

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

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THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2024

Administrative Information

Principal Office & Administrator:

Ms Jo White
47 Olive Road
London
NW2 6UE

Bankers:

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
Kent ME19 4JQ

Investment Advisers:

Cazenove Capital Management
1 Wall Place
London
EC2Y 5AU

Rathbones Investment Management
8 Finsbury Circus,
London
EC2M 7AZ

Independent Auditors:

Couch Bright King & Co
2 Tolherst Court, Turkey Mill Business Park
Ashford Road
Maidstone, Kent
ME14 5SF

Registered Charity No.

1191904

Trustees:

The Trustees during the period and to date were:

Peter William Richard Beare (Resigned 8th July 2024)
Andrew John Sindall
David Allen Woodrow Waterman
Lesley Clare Hatfield
John Spencer McCuin
Julian Robert Milford

Apart from the first CIO Trustees, every Trustee must be appointed for a term of four years by a resolution passed at a properly convened meeting of the CIO Trustees.

Objectives and Activities

By Transfer Deed dated the 23rd November 2020 the Trustees transferred the undertaking and assets of The Albert and Eugenie Frost Music Trust to The Albert and Eugenie Frost Music Trust CIO a Charitable Incorporated Organisation (CIO) registered in England with the Charity Commission on 20th October 2020 with Registered Charity Number 1191904.

The Trustees hold the Trust Fund and its income upon trust to promote, improve, develop and maintain public education in and appreciation of the art and science of music with particular emphasis on playing the violin, viola and cello by giving assistance and encouragement to talented young violinists, violists and cellists by the presentation of public concerts and recitals, the making of grants and scholarships to schools of music, to individual students and to other young professional musicians.

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO
TRUSTEES REPORT FOR THE YEAR ENDED 31ST MARCH 2024

Trustees responsibilities in relation to the financial statements

The Charity Trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare Financial Statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing the financial statements the Trustees are required to :

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity 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 Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

As Trustees, we confirm that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditors are unaware; and
- We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

Financial Review

The Trustees were satisfied with the financial position of the Charity and confirmed that there were adequate assets available to fulfil their obligations.

1. All cash was held on interest bearing bank accounts.
2. The accounts complied with current statutory requirements.
3. Investments were acquired in accordance with powers contained within the governing document.

Achievements and Performance

Investment income of £438,076 (2023: £516,082) and Donation of £40,000 was received during the period. Grants payable of £478,654 (2023: £193,325) were agreed during the period and made to the charitable organisations shown in note 2.

The Trustees received reports from the recipients of the CIO's grants which enabled them to ensure funds were being used appropriately. The Trustees also discussed with recipients their plans and aspirations, and attended performances given by recipients.

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO
TRUSTEES REPORT FOR THE YEAR ENDED 31ST MARCH 2024

Risk Assessment, Investment Policy & Performance & Reserves Policy

The Trustees assessed the major risks to which the Charity was exposed, in particular those related to the operations and finances, and were satisfied that systems were in place to mitigate the exposure to risk. The Trustees perceived that the major risk was the exposure to the effect of market conditions and other problems associated with Stock Exchange investments. They sought to contain this risk so far as possible by employing Cazenove Capital Management and Rathbones Investment Management to manage the Charity's investments on a discretionary basis. The portfolio was invested so as to achieve a balanced return of income and capital growth. The Trustees and the Investment Managers reviewed this policy regularly and were satisfied with the performance in present market conditions.

The Trustees' Reserves Policy was part of this Investment Policy. The Charity's support costs were modest and so the Trustees judge that there was no need to keep substantial financial reserves to safeguard the running costs of the Charity. Rather, their priority was to get the best return from investments, while safeguarding capital, in order to be able to continue making donations in future years to charities working within the Charity's field of interest.

The Trustees plan to continue to use the income of the Trust, supplemented with contributions from the capital where necessary, to fund donations and to pay for the Charity's support costs.

Public Benefit Statement

The Trustees confirm that they complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Approved by the Trustees

On ____ November 2024

.....

Andrew John Sindall

.....

John Spencer McCuin

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2024

	Note	2024 Total Unrestricted Funds £	2023 Total Unrestricted Funds £
Income			
Investment Income	4	438,076	516,082
Donations	1	40,000	-
		-----	-----
Total Income		478,076	516,082
		-----	-----
Expenditure			
Grants Payable	2	478,654	193,325
Support Costs	3	50,359	53,579
		-----	-----
Total Expenditure		529,013	246,904
		-----	-----
Net income before investment gains/(losses)		(50,937)	269,178
Net gains/ (losses) on investments	6	1,040,153	(1,073,953)
		-----	-----
Net Movement in Funds		989,216	(804,775)
Balance brought forward		13,911,478	14,716,253
		-----	-----
Balance carried forward at 31st March 2024		£ 14,900,694	£ 13,911,478
		=====	=====

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

BALANCE SHEET AS AT 31ST MARCH 2024

	Note	2024	2023
		£	£
Fixed Assets			
Investments	6	15,101,752	13,912,999
		-----	-----
		15,101,752	13,912,999
Current Assets			
Cash at Bank	7	30,902	1,659
		-----	-----
		30,902	1,659
Creditors: Amounts falling due within one year			
Creditors	8	(140,160)	(3,180)
		-----	-----
Net Current (Liabilities)		(109,258)	(1,521)
		-----	-----
Total Assets Less Current Liabilities		14,992,494	13,911,478
Creditors: Amounts falling due after more than one year			
Creditors	8	(91,800)	-
		-----	-----
Total Net Assets		£14,900,694	£13,911,478
		=====	=====
Charity Funds			
Unrestricted Funds		14,900,694	13,911,478
		-----	-----
Total Charity Funds		£ 14,900,694	£ 13,911,478
		=====	=====

Approved by the Trustees on

Date: _____ November 2024

Andrew John Sindall

John Spencer McCuin

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2024

	Note	2024	2023
		£	£
Cash flows from operating activities			
Net movements in funds for the year		989,216	(804,775)
		-----	-----
		989,216	(804,775)
<i>Movements in working capital</i>			
(Gains)/losses on investments		(1,040,153)	1,073,953
Loss on musical instruments		-	-
Dividends and interest from investments		(438,076)	(516,082)
Decrease/(Increase) in Debtors		-	-
(Decrease)/Increase in Creditors		228,780	(810)
		-----	-----
Net cash generated by operating activities		(260,233)	(247,714)
		-----	-----
Cash flows from investing activities:			
Dividends and interest from investments		438,076	516,082
Proceeds from sale of musical instruments		-	-
Proceeds from sale of investments		2,796,872	4,695,369
Purchase of investments		(3,130,137)	(4,951,735)
		-----	-----
Cash used in investing activities		104,811	259,716
		-----	-----
Increase in cash and cash equivalents		(155,422)	12,002
Cash and cash equivalents at beginning of the year		422,982	410,980
		-----	-----
Cash and cash equivalents at the end of the year	7	267,560	422,982
		=====	=====

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST MARCH 2024**

Notes

1. Accounting Policies

The following accounting policies had been applied consistently in dealing with items which were considered material in relation to the financial statements.

Basis of Preparation

The financial statements were prepared under the historical cost convention except for investments which have been included at market value. The financial statements had been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 2019) issued in October 2019 and the Charities Act 2011.

The Charity constituted a public benefit entity as defined by FRS 102. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements were presented in sterling which is the functional currency of the Charity and rounded to the nearest £.

Going Concern

The Trustees continue to adopt the going concern basis in preparing the financial statements and confirm there are no material uncertainties about the charity's ability to continue as a going concern.

Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investments and Investment Income

Investments are stated in the balance sheet at their market value at the balance sheet date. All movements in value arising from investment changes or revaluation were shown in the Statement of Financial Activities. Investment Income was the amount received during the period. Realised gains or losses on investments were calculated as the difference between the disposal proceeds and the market value at the beginning of the year or cost if purchased during the period. Unrealised gains or losses are derived from the movement in market values during the period.

Resources Expended

Resources expended were accounted for on an accruals basis. Grants payable in the period were charged to the Statement of Financial Activities in the period in which the Trustees resolved to make the grant.

Support costs comprise central overheads not directly attributable to the cost of generating funds. These relate to the management of the charity's funds, organisational, administration, professional fees and compliance with statutory requirements.

Fund Accounting

The Charity's funds are unrestricted funds which are for use in the general charitable objectives of the Charity.

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

	2024	2023
	£	£
2. Grants Payable		
Chamber Studio	20,000	20,000
Chetham's School of Music	9,000	7,000
Foundation for Young Musicians	5,000	5,000
Future Talent	7,500	7,500
The Guildhall School Trust	20,800	20,800
The Glasgow Barons	9,500	9,500
IMS Prussia Cove (Amscordi Ltd)	20,000	20,000
London Music Fund	1,000	1,000
The Manchester Collective	3,500	-
MusicAbility Foundation	20,000	-
Magdalen Farm Strings	4,000	3,500
Maxwell Quartet Music	50,000	-
Music in the Round	87,351	-
Making Music, Changing Lives	8,937	7,000
Music Masters Ltd	12,000	6,000
MusicMOB	2,000	2,000
Music in Secondary Schools Trust	6,000	6,000
Music Works	7,000	7,000
Orchestra of the Age of Enlightenment	5,000	5,000
Poole Society for Young Musicians	5,130	6,000
Royal Academy of Music	20,000	20,000
Royal Northern College of Music	20,000	20,000
The Stringcredibles	4,950	4,750
Royal Welsh College of Music and Drama	111,486	-
The Tunnell Trust for Young Musicians	5,000	4,000
Wells Cathedral School	6,000	5,275
Whittington Music Festival	7,500	6,000
	-----	-----
	478,654	193,325
	=====	=====
3. Management and Administration of the Charity		
Legal Fees	-	3,600
Audit Fees	3,360	3,180
Investment Management Fees	44,440	42,582
Administration Fee	2,370	3,935
Information Commissioner Registration Fee	35	35
Sundry Expenses	154	247
	-----	-----
	50,359	53,579
	=====	=====
4. Investment Income		
Interest received	13,043	8,908
Unit Trust distributions received	312,092	506,394
Dividends received	112,941	780
	-----	-----
	438,076	516,082
	=====	=====

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

5. Trustees Remuneration

None of the Trustees received any remuneration as Trustee during the period. Travel expenses of trustees totalling £94 (2023: £175) were paid to one Trustee by the Charity.

	2024	2023
	£	£
6. Investments listed on a recognised Stock Exchange		
Market Value at start of period	13,912,999	14,719,458
Movement in the period	(88,058)	(153,829)
(Decrease) / Increase in market value	1,040,153	(1,073,953)
	-----	-----
Market value at 31 st March	14,865,094	13,491,676
 Cazenove Investment Income Account	 107,185	 268,833
Rathbones Capital & Income Accounts	129,473	152,490
	-----	-----
Total Investments	15,101,752	13,912,999
	=====	=====
 7. Cash and cash equivalents		
<u>Cash at Bank</u>		
CAF Bank	30,902	1,659
 <u>Investments</u>		
Cazenove Investment Income Account	107,185	268,833
Rathbones Capital & Income Accounts	129,473	152,490
	-----	-----
	267,560	422,982
	=====	=====
 8. Creditors: Amounts falling due within one year		
Couch Bright King & Co – Audit fees	3,360	3,180
Administrator Fees & Expenses	-	-
Grants Payable	136,800	-
	-----	-----
	140,160	3,180
 Creditors: Amounts falling due after more than one year		
Grants Payable	91,800	-
	-----	-----
	231,960	3,180
	=====	=====

THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

9. Movement in funding commitments

	Current liabilities (see note 8) £	Non-current liabilities (see note 8) £	Total £
Opening Balance at 1 April 2023	-	-	-
Commitments made during the year	179,037	91,800	260,837
Movement from non-current to current	-	-	-
Amounts paid during the year	(42,237)	-	(42,237)
	-----	-----	-----
Closing balance at 31 March 2024	136,800	91,800	228,600
	=====	=====	=====

The CIO awards a number of grants in the year. Most grants are awarded and paid out in the same financial year. The CIO does not usually commit to multi-year funding, however, during the year the trustees made a decision to fund a number of multiyear grants paid over a maximum of 2 years which included the establishment of three regional string quartet residencies and a grant to fund string players. As the CIO has control over the award and timing of grants there is little uncertainty around these payments.

10. Related Party Transactions

David Waterman and Lesley Hatfield provide small amounts of paid and unpaid coaching, teaching and masterclasses to students within the Chamber Studio, Chetham's School of Music, The Guildhall School Trust, IMS Prussia Cove, Royal Welsh College of Music and Drama, Changing Lives where grants are paid as shown in Note 2 on page 8.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

Opinion

We have audited the financial statements of The Albert and Eugenie Frost Music Trust CIO for the year ended 31st March 2024 which comprise the primary statements such as the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

(Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees Report is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ALBERT AND EUGENIE FROST MUSIC TRUST CIO

(Continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We have;

- Obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- Identified the laws and regulations that have significance in the context of the entity;
- Obtained an understanding of the entity's risk assessment process, including the risk of fraud;
- Assessed and evaluated the susceptibility of the entity's financial statements to material misstatement, through error and fraud;
- Reviewed the financial statements and tested the disclosures against supporting documentation;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Tarwa Mohammed BA FCA (Senior Statutory Auditor)
For and on behalf of
Couch Bright King & Co
Chartered Accountants &
Statutory Auditors

2 Tolherst Court, Turkey Mill Business Park
Ashford Road, Maidstone
Kent, ME14 5SF

_____ November 2024