



enriching life through music

Trustees' Annual Report and Financial Statements

31 December 2023

MusicAbility Foundation | Charitable Incorporated Organisation
Registered Charity Number 1197197

MusicAbility Centre, 10 Parade Street, Penzance, Cornwall TR18 4BU

Trustees' Annual Report



Contents

Trustees' report	Page
Reference and administrative details	4
Structure, Governance and management	5
Objectives and activities	6
Review of achievements and public benefit for the year	6
Financial review and results for the year	8
Reserves policy	8
Investment policy	9
Statement of trustees' responsibilities	10
 Independent examiner's report	 11
Charity statement of financial activities	12
Charity balance sheet	13
Notes to the financial statements	14

TRUSTEES' REPORT

For the year to 31 December 2023

The trustees are pleased to present their report together with the audited consolidated financial statements of the MusicAbility Foundation CIO ("the Foundation") for the year to 31 December 2023 and can confirm that the latter comply with the requirements of the Charities SORP 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011 and "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 (FRS 102) (effective 1 January 2019)."

Reference and Administrative Details

Registered name	MusicAbility Foundation
Charity registration number	1197197

Trustees

The Trustees at 31 December 2023

Terry Jane Binns
Dr Mimi Jade Samantha Bird
Jowanna Bridget Conboye
Michael Anthony Conboye
Edward Nicholas Francis-Smith
Julia Havard
Dr Paul James Hodson
John Joseph Maggs
Chantelle Louise Moore
Tanya Maria Ellen Moore

Officers

Chair	Michael Anthony Conboye
Secretary	Julia Havard
Treasurer	Chantelle Louise Moore

Senior Management Team

Chief Executive Officer	Tim Boulton
Chief Operations Officer	Ruth Boulton

The principal and operating address of the charity:

MusicAbility Foundation
MusicAbility Centre
10 Parade Street
Penzance
Cornwall TR18 4BU

Structure, Governance and management

Governing instrument

The charity, which is a Charitable Incorporated Organisation, is governed by its Constitution dated 17 December 2021.

Recruitment and induction of trustees

Following a skills audit, trustees are sought whose skills, knowledge and experience are relevant to the administration of the charity and complement the skills of the existing trustees.

New trustees must be appointed by resolution at a properly convened meeting of the charity trustees. The Chair of trustees is responsible for the induction of new trustees.

Trustees on appointment are given:

1. A copy of the Charity Commission's publication "The Essential Trustee: What you need to know",
2. A copy of the charity's current constitution.
3. A copy of the charity's latest Trustees' Annual Report and statement of accounts.
4. A copy of the minutes of recent meetings.

They are given a tour of the MusicAbility Centre, 10 Parade Street, Penzance and meet the trustees and the senior management team.

Organisation

The trustees formulate policy.

The Chair of trustees is responsible for the administration of the charity.

Operational control is delegated to the Chief Executive Officer and the Chief Operations Officer.

Risk Management

The trustees have assessed the major risks to which the charity is currently exposed, in particular those relating to its finances and its operations (including health and safety) and they are satisfied that systems are in place to monitor and mitigate the charity's exposure to such risks.

They are also satisfied that a robust procedure is in place for identifying and evaluating the risks associated with new areas of activity.

The risk management action plan is reviewed each year.

Objectives and activities

The objects of the CIO are:

To advance education by providing access to music education services and resources for the general public and for young people in particular but not exclusively, in Cornwall and elsewhere in England.

The relief of those in need by reason of youth, age, ill-health, disability, financial or other social disadvantage by the provision of music therapy services in Cornwall.

To advance, improve, develop and maintain public education in, and appreciation of, the art and science of music in particular but not exclusively by presenting concerts, lectures and workshops for the general public in Cornwall.

The trustees are granted wide powers to achieve these objects, which are set out in the Constitution.

Inter alia these relate to:

1. Borrowing money
2. Buying, leasing or hiring property
3. Selling leasing or otherwise disposing of property
4. Employing and remunerating staff
5. Depositing or investing funds

Review of achievements and public benefit for 2023

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities.

This year has been extremely busy, commencing with an Open Day which we held at MusicAbility Centre, 10 Parade Street, Penzance, in January 2023. This event gave people and local organisations the opportunity not only to see around the building, particularly the fully operational music therapy room and the first floor Assembly Hall, but also to meet the trustees and to learn more about our plans for the future. The event was a huge success with 136 visitors and unanimous support for the project and our ambitions, not only from those attending on the day but also in the on-line feedback which we received afterwards.

Among the visitors that day were representatives from several local organisations supporting young people. As a result of the interest generated by the publicity and open day there has been a surge in the number of people asking about music therapy.

There were eight scheduled trustee meetings during 2023 and, as these were held in the early evening, light refreshments were made available for those attending directly from work.

In this second year of the charity's operation, the trustees continued to devote a significant amount of time and effort to drafting, approving and reviewing essential policies. More policies are still at the draft stage and the trustees have set themselves a target to formally approve them in the year ahead.

Following recommendations made at the Safeguarding Training Session for MusicAbility Foundation trustees, held at the end of March 2023, all trustees now have Enhanced DBS checks and a specific mention about our Safeguarding Policies and procedures for both Children and Vulnerable Adults has been added to our website.

During the year, the trustees were able to deliver on our charitable objects, for the public benefit, in the following ways:

- 🎵 Music Therapy sessions in MusicAbility Centre, including a clinical placement for an MA student. There were about 60 clients (and supervisees) with needs ranging from neuro-conditions, learning disabilities, abuse and neglect, emotional and behavioural difficulties and family bonding problems;
- 🎵 meetings were held with health, education and welfare professionals and parents.
- 🎵 about 20 regular weekly music lessons were held in MusicAbility Centre,
- 🎵 weekly youth music group sessions were held with Penzance Junior Strings, *BOWS* and *KERcophony*.
- 🎵 we supported the Penzance Junior Strings when they were invited to the National Festival of Music for Youth, at the Birmingham Symphony Hall in July 2023, where they received excellent feedback;
- 🎵 termly concerts were given by young people to parents / families, usually with about 20 performers in each concert.
- 🎵 Pang Ensemble performed to an invited audience in December 2023.
- 🎵 a new project which engages 20 beginner violin and cello students at St. Mary's CofE primary school, most receiving bursaries with funding from MusicAbility Foundation, including donations from St. Paul's Trust.
- 🎵 a grant from the Frost Trust supported the start of a 2 year 'Teach First' programme for a recent music conservatoire graduate.
- 🎵 we held an Open Day in June 2023, for the week of the Golowan Festival in Penzance, providing music technology and recording experience for local young people and a rehearsal space for the Festival music concerts.
- 🎵 the trustees' Music Education working group produced a 2-page leaflet called 'Information for School Leaders', to inform school leaders about the national picture on the study of music for children in local schools, and what we propose doing about it. The leaflet includes information on the national curriculum, the National Plan for Music Education, and Ofsted's new music subject report (September 2023) and what is required under that. The leaflet goes on to talk about how we can help.
- 🎵 we are receiving a large number of donated instruments for students to use and as some of them are in need of repair, we have set up an instrument repair fund for which we are actively seeking funding.

Improvements and repair work continue to be carried out at the Parade Street building - MusicAbility Centre - and a Feasibility Study has been completed with funding from the Architectural Heritage Fund.

Part of this funding covered a Heritage Report, which contained amazing details about the building. The Statement of Significance in the report is particularly noteworthy saying:

"The surviving Library Room (on the first floor) is a particularly rare and valuable survival in a national context."

Being older than St Mary's parish church, and the Market Hall, and St Johns Hall (which incorporated the publicly accessible functions of the building) the building represents probably the largest surviving purpose built institutional building of its date and type in Penzance."

The trustees recognise the importance of further developing strong links and relationships with local charities and the local community and consider that the charity is very fortunate in our continuing close relationship with a local Community Interest Company – MusicAbility CIC - which has an outstanding reputation, in particular for delivering music therapy. This relationship has been of huge benefit to the charity and the trustees consider that it has been a significant factor in our achieving so much in delivering our objectives in this second year of our operation and they look forward to many more years of such a productive relationship.

Finally, in this Review of 2023, the trustees wish to record, once again, their sincere thanks to both the Chief Executive Officer and Chief Operations Officer for their immensely valuable contribution to the success which the charity has achieved in its second year of operation.

Financial review and results for the year

In the charity's set of accounts for the period ending 31 December 2023 the Net Income was £23,352 [2022: £575,870].

Total income of £61,151 [2022 £619,860] comprised donations of £7,320 [2022 £599,101], rental income of £20,611 [2022: £19,817] and grants of £33,220.

Expenditure totalled £37,799 [2022: £43,990].

In the balance sheet, our total charity funds, £6,000 of which is restricted funds, comprised Fixed Assets of £559,336 [2022: £544,500], cash at the bank of £41,022 [2022: £35,054], less current creditors of £1,136. [2022: £3,684]

The trustees confirmed that funds which had been donated from Penzance Youth String Orchestra Society and Concerts Penzance are put to one side – ringfenced not restricted funds.

Reserves policy

The charity has just completed its second financial year and therefore does have a limited history of income and expenditure to which it can refer.

The positive side of being relatively new is that the charity has little in the way of ongoing financial commitments other than the upkeep of the two buildings which it acquired shortly after its establishment. To help cover these ongoing costs the charity has income from lettings from those two buildings.

This currently represents the charity's only source of regular, reasonably well-defined income. As is the case at present, there will be periods when 100% of this income is not forthcoming.

The prime risks to this income are the charity's inability to find new tenants as and when required and/or that one or more of those tenants fails to pay rents as and when due. This is mitigated to some extent by the fact that the charity currently has six letting units in total and therefore the risks are spread over those six units.

The charity's expenditure commitments (i.e. non-discretionary) are similarly centred on the two properties.

There are, at present, two primary financial risks that the charity faces for which there is a need to have a level of reserves.

The first is that the rental income falls short of expectations due either to tenants leaving and the property being empty for an unspecified period and/or to tenants not paying their rents. The likelihood of all units being empty/non-yielding at the same time should be slim but is not beyond the realms of possibility.

The second is that ongoing expenditure related to the two buildings cannot be covered by regular rental income either because the rental income is interrupted (as above) or an unexpected expense arises, e.g. a major repair/maintenance bill.

Given that uncertainty is going to be at its highest in the charity's first few years of existence there is a need to be prudent in setting the initial level of reserves. It is worth noting that Office for National Statistics figures show that in the UK only 40% of business start-ups survive their first five years.

The trustees have agreed a level of reserves of £25,000. This is based on a 30% shortfall for one year in expected rental income plus a building costs contingency of £15,000, to cover, for example, a short term unexpected significant repair.

The amount held in reserve will be regularly monitored during the course of each year as the charity's knowledge and experience of its income and expenditure increases and develops.

The level of reserve will be formally reviewed by the trustees at the financial year-end and thereafter at six monthly intervals.

Fundraising policy

A Funding Options Report, produced by a local fundraising consultant, was received in May 2023 and the trustees have been following up on the recommendations made by the consultant.

The charity has not, as yet, carried out any other formal fundraising activity, but occasionally members of the public do make donations which are accounted for through the charity's financial management systems and the charity has more than reached its desired reserve figure.

Investment policy

The trustees are entitled to place funds in any kind of investments that they see fit.

The current policy of the trustees is to hold any surplus funds on short term deposit, applying the income generated to charitable purposes for which the funds are intended.

The trustees recognise that a higher level of return could be obtained by placing funds in riskier equity or other investments. This is outside the parameters of the current investment policy.

Statement of trustees' responsibilities

The trustees 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).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. The financial statements are required by law to give a true and

fair view of the state of affairs of the charity and group, and of the financial activities of the charity for that year.

In preparing those 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 judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are required to act in accordance with the Constitution of the charity, within the framework of charity law. They are responsible for keeping proper accounting records which 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.

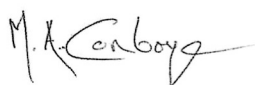
They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Statement of disclosure to independent examiner

So far as the trustees are aware, there is no relevant information of which the charity's examiner is unaware.

Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant information and to establish that the charity's examiner is aware of that information.

By order of the trustees:



M. A. Conboye

For and on behalf of the trustees

17 October 2024

MusicAbility Foundation
MusicAbility Centre
10 Parade Street
Penzance
Cornwall TR18 4BU

MUSICABILITY FOUNDATION
INDEPENDENT EXAMINER'S REPORT TO
THE TRUSTEES OF MUSICABILITY FOUNDATION

I report on the accounts of the charity for the year ended 31 December 2023 which are set out on pages 12 to 17.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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].
4. 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.

Signed

Dick Maule FCA

Date

25-10-2024

Name: Dick Maule F.C.A.

Relevant professional qualification or body

Member of Institute of Chartered Accountants England and Wales

Address: The Cross House, South Woodchester, GL5 5EL

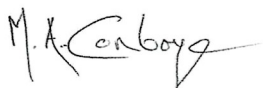
**Statement of Financial Activities [including Income and Expenditure Account]
for the year ended 31st. December 2023**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	
		2023	2023	2023	2022
		£	£	£	£
Income from					
Donations		7,320	-	7,320	49,101
Donated assets		-	-	-	550,000
Charitable activities:					
Rent and room hire		20,611	-	20,611	19,817
Grants		-	33,220	33,220	-
Miscellaneous		-	-	-	943
Total Income		27,931	33,220	61,151	619,860
Expenditure on	(7)				
Charitable activities		<u>10,579</u>	<u>27,220</u>	<u>37,799</u>	<u>43,990</u>
Net income/[expenditure]		17,352	6,000	23,352	575,870
Reconciliation of funds					
Total funds brought forward		<u>575,870</u>	=	<u>575,870</u>	=
Total funds carried forward		<u>593,222</u>	<u>6,000</u>	<u>599,222</u>	<u>575,870</u>

Balance sheet as at 31st. December 2023

	Notes	2023	2022
		£	£
Fixed assets			
Tangible assets	2	559,336	544,500
Current assets			
Debtors and prepayments	3	-	-
Cash at bank and on hand		<u>41,022</u>	<u>35,054</u>
Total current assets		41,022	35,054
Current liabilities			
Creditors: amounts falling due within 12 months	4	<u>(1,136)</u>	<u>(3,684)</u>
Net Current assets		<u>39,886</u>	<u>31,370</u>
Net assets		<u>599,222</u>	<u>575,870</u>
The funds of the charity:			
Unrestricted funds	7		
General funds		33,886	31,370
Designated Funds		<u>559,336</u>	<u>544,500</u>
Restricted funds	7	6,000	-
Total charity funds		<u>599,222</u>	<u>575,870</u>

These financial statements were approved by the Trustees
on 17 October 2024



M A Conboye
For and on behalf of the Trustees

Notes to the accounts for the year ended 31st. December 2023**(1) Principal Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous years.

(a) Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 (FRS 102) as updated by Update Bulletin 2, and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention.

(b) Fund accounting

[i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

[ii] Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

[iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

Income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

[i] Income received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

[ii] Donated services and facilities are included at the value to the charity where this can be quantified.

[iii] The value of services provided by volunteers has not been included in these accounts.

[iv] Investment income is included when receivable.

[v] Income from charitable trading activity are accounted for when earned.

[vi] Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered

[i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

[ii] Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

[iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

(1) Principal Accounting Policies**(e) Fixed assets**

Tangible fixed assets are written off over the expected useful life of the asset, at 25% per annum on the reducing balance method.

Items costing over £500 are capitalised.

Property is written off over the expected useful life of the asset, at 2% per annum on the straight line basis

(2) Fixed Assets

	Property £
Balance brought forward	550,000
Additions in the year	<u>20,751</u>
	<u>570,751</u>
Depreciation brought forward	5,500
Depreciation charge for the year	<u>5,915</u>
	<u>11,415</u>
Net book value as at 31st December 2023	<u>559,336</u>
Net book value as at 31st December 2022	<u>544,500</u>

The Old Church House was valued by David Marshall F.N.A.E.A. at £350,000 on 21 January 2022.

Parade Chambers [The Centre] was valued by Miller Commercial Valuers at £200,000 on 14 April 2022.

(3) Debtors	2023 £	2022 £
Sundry debtors	<u>-</u>	<u>-</u>

(4) Creditors

Amounts falling due within 12 months		
Sundry creditors	<u>1,136</u>	<u>3,684</u>

(5) Employee information

Number of employees	=	=
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(6) Trustees information

	£	£
Trustees remuneration and expenses	<u>124</u>	<u>105</u>

Expenses relate to Trustees' travel and subsistence at meetings.

(7) Movements in funds

	Balance 31st. Dec 2022 £	Income £	Expenditure £	Balance Transfers £	Balance 31st. Dec 2023 £
Restricted funds					
Architectural Heritage	-	23,220	(23,220)	-	-
Frost Music Trust	-	<u>10,000</u>	<u>(4,000)</u>	-	<u>6,000</u>
	-	<u>33,220</u>	<u>(27,220)</u>	-	<u>6,000</u>
Unrestricted funds					
General Fund	<u>31,370</u>	<u>27,931</u>	<u>(10,579)</u>	<u>(14,836)</u>	<u>33,886</u>
Designated funds	544,500	-	-	<u>14,836</u>	<u>559,336</u>
Total funds	<u>575,870</u>	<u>61,151</u>	<u>(37,799)</u>	-	<u>599,222</u>

The Land & Building Designated Fund was created in 2023 and represents the Net Book Value of the property.

(7) Charitable expenditure

	Total 2023 £	Total 2022 £
Acquisition costs		7,277
Centre building and repairs costs	1,250	14,900
Rented property building and repairs costs	6,750	4,673
Centre utility costs	3,768	4,556
Rented property utility costs	4,017	1,941
Office costs	1,012	611
Trustees meeting refreshments	124	105
Insurance	2,796	3,177
Publicity	-	120
Miscellaneous	526	355
Depreciation	5,915	5,500
Independent examination	775	775
Cleaning and laundry	1,053	-
Travel costs	1,964	-
Trainee teacher costs	4,000	-
Non capitalised equipment	598	-
Legal and professional	<u>3,249</u>	-
	<u>37,799</u>	<u>43,990</u>

(8) Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Fixed assets	-	559,336	-	559,336
Current assets	35,022	-	6,000	41,022
Current liabilities	<u>(1,136)</u>	<u>-</u>	<u>-</u>	<u>(1,136)</u>
Net assets at 31st December 2023	<u>33,886</u>	<u>559,336</u>	<u>6,000</u>	<u>599,222</u>