

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

England & Wales · Charity number 206801

Details

Other names	Benevolent Fund of the Independent Society of Musicians
Status	Registered
Legal form	Other
Registered	1962-09-22
Register	View on the Charity Commission register

Contact

Address	Independent Society of Musicians 4-5 Inverness Mews London W2 3JQ
Phone	02072213499
Email	Members.Fund@ism.org

Activities

Objects: 2. THE OBJECTS OF THE FUND SHALL BE: 2.1 THE RELIEF OF NECESSITOUS PERSONS; 2.2 THE RELIEF AND PREVENTION OF POVERTY OF PERSONS; AND 2.3 THE ADVANCEMENT OF HEALTH OF PERSONS

Activities: Since 2019, the ISM Members Fund has focused on delivering services and resources to help ISM members improve their physical, mental, and financial health. It operates mental health services including counselling and Cognitive Behavioural Therapy (CBT) and offers a physiotherapy service, as well as discounted hearing protection and financial resources.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£199,918	£174,830	-	-
2023-08-31	£582,489	£110,710	£4,674,924	0
2022-08-31	£239,166	£109,067	-	-
2021-08-31	£102,061	£258,413	-	-
2020-08-31	£135,364	£146,934	-	-

Trustees

Name	Role	Appointed
ISM Trust		2015-10-01

Accounts

Charity number 206801

**BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**TRUSTEE'S REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED
31 AUGUST 2024

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

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BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2024

Trustees

On 1 October 2015, under a Scheme issued by the Charity Commission, the Incorporated Society of Musicians Trust ('ISM Trust') became the sole corporate Trustee of the ISM Members Fund. The ISM Trust is company number 9296727 and registered charity number 1160261.

The Trustees of the ISM Trust are:

Vick Bain
Pauline Black
Dr Marius Carboni
Dr Michelle Castelletti (resigned 20 June 2024)
Nicolas Chisholm MBE
Professor Christopher Collins
Dr Kirsty Devaney
Dr Paul Edlin
Ivor Flint (Treasurer)
Professor Stephen Goss
Deborah Keyser
Eugene Monteith
Professor David Smith
Nicky Spence (Chair)
Dr Jeremy Huw Williams
Bushra El-Turk

Charity registered number 206801

Principal office
4-5 Inverness Mews
London W2 3JQ

This is also the principal office of the ISM Trust.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2024

Independent examiner	James Mathieson FCA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	National Westminster Bank Baker Street London, W1U 6AT
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
Investment managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustee presents its annual report together with the financial statements of the Benevolent Fund of the Incorporated Society of Musicians ('the Fund') for the year ended 31 August 2024. The Trustee confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Fund's governing document 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 Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

The information set out on pages 1-2 forms part of this report.

Structure, governance, and management

The Fund is an unincorporated association which was established on 5 January 1917. It is governed by a Trust Deed which states that the Fund's object is the relief of necessitous members of the Independent Society of Musicians ('ISM'), formally the Incorporated Society of Musicians ('ISM'), former members and widows or other dependents of deceased members.

By a new Scheme issued by the Charity Commission on 1 October 2015, individual members of ISM Council ceased to be Trustees of the Fund and the Incorporated Society of Musicians Trust ('ISM Trust', a charitable company limited by guarantee), of which the ISM is the sole member, became the sole corporate trustee of the Benevolent Fund of the Incorporated Society of Musicians (ISM Members Fund, a charitable trust). The three organisations namely the ISM, the ISM Trust, and the ISM Members Fund work closely together and are operating under the name "the ISM Group". The ISM staff administering the Fund were Deborah Annetts (Chief Executive), Sabrina Taylor (Director of Finance and Membership), and Ruth McPherson (Head of Charity Development). The work of the Fund was also supported by the Senior Leadership Team and the Trustee.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Achievements and performance

2023-24 saw the Fund continue to deliver services to its members which are vital for their wellbeing. The Fund also extended its activities into new areas to support members in these often challenging times.

Counselling and financial wellbeing support

The Fund's counselling and advice services, including a 24-hour confidential adviceline, structured counselling and CBT (Cognitive Behavioural Therapy) saw a 47% increase in usage with 618 contacts in 2023-24.

By calling our 24-hour confidential adviceline, members can speak to experienced financial advisors who can offer guidance on topics including managing debt, budgeting, borrowing, investments and savings, pensions and banking.

We expanded our mental health offering in August 2024, providing members access to a new wellbeing platform called Ele. This innovative platform is designed to elevate the mental health and overall wellbeing of our members by providing a safe online space for information and support. Ele covers a comprehensive range of themes, including:

- diversity and inclusion
- financial wellbeing
- mental wellbeing
- personal development
- physical wellbeing
- workplace wellbeing

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Physiotherapy

The Fund's physiotherapy scheme offers ISM members quick, expert intervention for muscle and joint problems. In this financial year, a total of 61 referrals were made to the service, a 15% increase on the previous year.

Hearing health

The ISM Members Fund is a partner in the Musicians' Hearing Health Scheme from Help Musicians.

The scheme has given ISM members discounted access to:

- audiological assessment from a specialist in musicians' hearing
- a set of custom-made ear plugs
- expert advice on referral routes and next steps to manage problems
- the option of wax removal

To coincide with World Hearing Day on 3 March, the scheme opened to ISM student members giving discounted access to the scheme, funded by Help Musicians and subsidised by the ISM Members Fund.

Demand has been high for the scheme, with 257 ISM members accessing the scheme during the 2023-24 year (including 15 students).

Legal & tax helpline

The ISM Members Fund is now funding the 24-hour legal helpline. Available 24 hours a day, 365 days a year. Members can access the helpline for telephone-based advice on any legal issue. Advice can be sought on consumer matters, family law, criminal matters, property matters and issues between tenants and landlords. During the 2023-24 year 820 calls were received.

Visa and work permit advice

The visa service provided by Viva la Visa, has been funded by the Members Fund since February 2024. The service offers a free 30-minute consultation to members for each referral topic. Members can receive bespoke advice about any visas or work permits they will need to obtain in order to work abroad.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Webinars

In 2023-2024 we ran two ISM Members Fund webinars for ISM members, which attracted 113 live attendees and 91 recording views. The first webinar, in partnership with CiC wellbeing, focused on financial wellbeing for self-employed musicians and promoted our wellbeing services. And the second webinar, in partnership with Morrish Solicitors, focused on will writing and aimed to equip people with the knowledge and confidence to write their will.

Financial Review

The ISM Members Fund had an excellent financial year, achieving strong operating profits despite the introduction of additional services. Dividend income of £190,663 comfortably exceeded the annual expenditure of £174,830, the financial result for the year was a surplus of £25,088 (2023: £471,779) before realised gains from investment revaluations. The net investment gains were £329,132 (2023: losses of £163,510), resulting in a financial year surplus of £354,220 (2023: £308,269).

Income

The Fund's total income was £199,918 in the year, which was 65.7% down on the previous year.

Income from **donations and legacies** decreased to £9,255 (2023: £408,763), a 97.7% decrease on the previous financial year. We are extremely grateful for the support of our members and donors during 2023-24. The Trustee acknowledges with thanks the following legacies received during the financial year from the following estates:

- Iris Mary Williams
- Janet Canetty-Clarke

Income from the Fund's **investment** portfolio increased to £190,663 (2023: £173,726), a 9.7% increase over the previous financial year, owing primarily to favourable portfolio movements from stock market volatility but also due to reinvesting cash reserves into our portfolio.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Expenditure

The Senior Leadership Team monitored financial performance and costs on a monthly basis, with quarterly oversight by the Trustee. Total expenditure for the Fund amounted to £174,830 during the year, representing a 57.9% increase compared to the previous year. Of this, £166,953 (2023: £103,505) was spent on charitable activities.

The Fund continued to support a few long-standing members with **grants** which amounted to £6,200 (2023: £7,230) over the year. Other **direct costs** incurred in relation to supporting the physical, mental, and financial health of our beneficiaries amounted to £125,683 (2023: £54,566).

Support costs incurred concerning the charitable activities decreased by £6,639, 15.9% during the reporting period.

Investments

The market value of investment assets at the year-end stood at £4.53 million (2023: £4.00 million), reflecting a rise of £521,127, or 13.0%, of which £200,000 are additions at cost. This increase was driven by ongoing turbulence in the stock market over the past year. The Fund's portfolio continues to aim for a consistent objective: to preserve and grow the real capital value while generating adequate income to meet current expenditure needs.

The Members Fund adopts a total return strategy to its investments, giving it more freedom to use the portfolio to fulfil spending needs. Dividends are transferred to the unrestricted fund to meet costs associated with our charity initiatives, and funding requirements are assessed periodically throughout the year. The Fund's portfolio has an explicit responsible investment policy which screens out areas of concern and integrates environmental, social and governance analysis as a fundamental part of its selection process.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Reserves

The Fund's reserves policy is designed to reflect the fundamental risks it faces and ensure that there are an adequate number of reserves.

The Fund's Reserves Policy is to maintain a sufficient level of free reserves to enable normal operating activities to continue over a period of up to 6 months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. On 31 August 2024, these free reserves totalled £503,422 (2023: £670,329), the equivalent of 35 months (2023: 72 months) of the Fund's annual expenditure, which is well above the target range.

The total funds held as of 31 August 2024 were £5.03 million (2023: £4.67 million).

Compliance

The Fund is registered as a data controller in its own right at the Information Commissioner's Office (ICO). All ISM staff working on Fund activities are bound by the provisions of the ISM Group Data Governance Policy introduced across all ISM Group companies in 2018 as part of our activities to ensure compliance with the General Data Protection Regulation (EU) 2016/679 ('GDPR') and the Data Protection Act 2018. The Fund continued to be registered with the Fundraising Regulator as part of our commitment to best practice and transparency in fundraising. New Trustees to the ISM Trust who constitute the Trustee received guidance in relation to trustee duties and charity governance during the course of the year.

Future plans

We plan to continue to deliver the range and mix of services outlined above – we believe that they meet the needs of the ISM's members in these challenging times and address issues of wellbeing and linked issues. We have no plans at the moment to change the range and mix of services the Fund delivers.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's report and the 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 & Wales requires the Trustee to prepare financial statements for each financial 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 these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

This report was approved by the Trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 13 February 2025 and signed on their behalf by:

Nicky Spence
Chairman of the ISM Trust

Deborah Annetts
Chief Executive Officer

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

INDEPENDENT EXAMINERS REPORT TO TRUSTEE OF THE BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

I report to the charity's trustee on my examination of the accounts of Benevolent Fund of the Incorporated Society of Musicians (the Fund) for the year ended 31 August 2024, which comprise the Statement of Financial Activities (including Income and Expenditure Account), the Balance Sheet, and the related Notes.

Responsibilities and basis of report

As the charity Trustee of the Fund, 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 Fund's accounts carried out under section 145 of the 2011 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 Fund 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.

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.

James Mathieson FCA
Lindeyer Francis Ferguson Limited
North House
198 High Street
Tonbridge
Kent TN9 1BE

Date: 17 February 2025

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Expendable endowment 2024 £	Permanent endowment 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and legacies	2	9,255	-	-	9,255	408,763
Investments		4,783	-	185,880	190,663	173,726
Total income		14,038	-	185,880	199,918	582,489
Expenditure on:						
Investment management fees		81	868	6,928	7,877	7,205
Charitable activities	3	166,953	-	-	166,953	103,505
Total expenditure		167,034	868	6,928	174,830	110,710
Net (losses)/gains on investments	5	3,291	36,205	289,636	329,132	(163,510)
Net income		(149,705)	35,337	468,588	354,220	308,269
Transfers	7/9	185,880	-	(185,880)	-	-
Net movement in funds		36,175	35,337	282,708	354,220	308,269
Reconciliation of funds						
Total funds brought forward		711,498	441,485	3,521,941	4,674,924	4,366,655
Total funds carried forward		747,673	476,822	3,804,649	5,029,144	4,674,924

There were no restricted funds in the current or preceding periods.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**BALANCE SHEET
AS AT 31 AUGUST 2024**

	Note	£	2024 £	£	2023 £
Fixed assets					
Investments	5		4,525,722		4,004,595
Current assets					
Debtors: prepayments and accrued income		202,899		202,889	
Cash at bank		335,635		477,095	
		<u>538,534</u>		<u>679,984</u>	
Creditors: amounts falling due within one year	6	(35,112)		(9,655)	
Net current assets			503,422		670,329
Total net assets			<u>5,029,144</u>		<u>4,674,924</u>
The funds of the charity					
Endowment funds					
Expendable endowment			476,822		441,485
Permanent endowment	9		3,804,649		3,521,941
			<u>4,281,471</u>		<u>3,963,426</u>
Unrestricted funds			747,673		711,498
Total funds	7		<u>5,029,144</u>		<u>4,674,924</u>

The financial statements were approved by the trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 13 February 2025 and signed on their behalf by:

Nicky Spence
Chair of the ISM Trust

Deborah Annetts
Chief Executive

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS (ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and 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)" (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Benevolent Fund of the Incorporated Society of Musicians meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

1.2 Status

The Benevolent Fund of Incorporated Society of Musicians is an unincorporated charity governed by a Trust Deed and is registered with the Charity Commission for England and Wales. The address of the registered office is 4-5 Inverness Mews, London, W2 3JQ.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. For donations this is usually on receipt. Investment income is recognised when it is receivable.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Fund that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies continued

1.4 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably. It is inclusive of any VAT which cannot be recovered.

Grants payable are payments made to beneficiaries in the furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustee has agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Fund.

1.5 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.6 Other financial Instruments

The charity has financial instruments of a kind that qualify as basic financial instruments. The charity's short term debtors and creditors are measured at their settlement value.

1.7 Fund accounting

The permanent endowment fund is the capital of the members fund and must be held permanently. The permanent endowment fund holds investments on the total return basis, whereby the endowment includes both the value of the original gifts, and the unapplied total return.

The trustees of the charity can decide to release amounts from the unapplied total return to unrestricted income on a discretionary basis. This allocation is made by balancing the need for income to meet current requirements against the need to hold funds as part of the endowment to produce investment returns for the future.

The expendable endowment consists of funds currently held as capital of the members fund. However the Trustee has discretion over the use of the funds and these can be expended if required.

Unrestricted funds are those funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

2 Income from donations and legacies

	2024	2023
	£	£
Donations	253	5,045
Legacies	9,002	403,718
	<u>9,255</u>	<u>408,763</u>

3 Charitable activities

	2024	2023
	£	£
Supporting physical, mental, and financial health:		
Grants to individuals	6,200	7,230
Counselling helpline costs	49,357	45,389
Resources	-	720
Hearing Health Scheme	3,689	800
Physiotherapy	10,590	7,657
Legal and tax helpline	50,059	-
Visa and Work Permit Advice Service	10,800	-
Wellbeing Platform	1,188	-
Support costs (see below)	35,070	41,709
	<u>166,953</u>	<u>103,505</u>

	2024	2023
	£	£
Support costs are made up as follows:		
Management charges	31,138	36,595
Other costs	193	524
Governance costs:		
Legal fees	85	90
Independent examination fees	3,654	-
Audit fees	-	4,500
	<u>35,070</u>	<u>41,709</u>

All grants are for the relief and prevention of poverty amongst ISM (Independent Society of Musicians) members and the dependents of deceased members. During the year, the charity made grants to 3 individuals (2023: 4 individuals).

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

4 Staff and Trustee costs

The members' fund has no employees, and therefore none earning more than £60,000 (2023: none). The Trustee (and its Trustees) did not receive any remuneration during the year in regards to the Fund, and the Trustee (and its Trustees) did not receive reimbursed expenses during the year.

The key management of the charity includes the Trustee, the ISM Chief Executive, the ISM Director of Finance & Membership and the Head of Charity Development. The aggregate amount of remuneration recharged from ISM in respect of key management was £21,315 (2023: £27,617). Other staff costs have also been recharged from ISM, and there were no members of staff engaged in the members' fund's activities other than those recharged from ISM (2023: none).

5 Investments

	2024	2023
	£	£
Listed investments		
Market value at 1 September 2023	4,004,595	4,041,703
Additions at cost	200,000	140,475
Disposals at carrying value	(8,005)	(14,518)
Unrealised change in market value	329,132	(163,065)
Market value at 31 August 2024	4,525,722	4,004,595

At the balance sheet date no cash was held within the investment portfolio (2023: £nil).

6 Creditors due within one year

	2024	2023
	£	£
Trade creditors	1,430	188
Accruals	30,156	6,996
Amount due to the Independent Society of Musicians	3,526	2,471
	35,112	9,655

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7 Statement of movement in funds

	<i>Brought forward £</i>	<i>Net Movement £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
<i>Current year:</i>				
Unrestricted funds	711,498	(149,705)	185,880	747,673
Expendable Endowment	441,485	35,337	-	476,822
Permanent Endowment	3,521,941	468,588	(185,880)	3,804,649
Total	<u>4,674,924</u>	<u>354,220</u>	<u>-</u>	<u>5,029,144</u>
	<i>Brought forward £</i>	<i>Net Movement £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
<i>Prior year:</i>				
Unrestricted funds	365,621	306,980	38,897	711,498
Expendable Endowment	323,743	(13,658)	131,400	441,485
Permanent Endowment	3,677,291	14,947	(170,297)	3,521,941
Total	<u>4,366,655</u>	<u>308,269</u>	<u>-</u>	<u>4,674,924</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

8 Analysis of net assets between funds

	<i>Unrestricted funds 2024 £</i>	<i>Expendable endowment 2024 £</i>	<i>Permanent endowment 2024 £</i>	<i>Total funds 2024 £</i>
Current year:				
Investments	244,251	476,822	3,804,649	4,525,722
Net current assets	503,422	-	-	503,422
	<u>747,673</u>	<u>476,822</u>	<u>3,804,649</u>	<u>5,029,144</u>
	<u><u>747,673</u></u>	<u><u>476,822</u></u>	<u><u>3,804,649</u></u>	<u><u>5,029,144</u></u>
	<i>Unrestricted funds 2023 £</i>	<i>Expendable endowment 2023 £</i>	<i>Permanent endowment 2023 £</i>	<i>Total funds 2023 £</i>
Prior year:				
Investments	41,169	441,485	3,521,941	4,004,595
Net current assets	670,329	-	-	670,329
	<u>711,498</u>	<u>441,485</u>	<u>3,521,941</u>	<u>4,674,924</u>
	<u><u>711,498</u></u>	<u><u>441,485</u></u>	<u><u>3,521,941</u></u>	<u><u>4,674,924</u></u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

9 Permanent endowment total return

	<i>Trust for Investment 2024 £</i>	<i>Unapplied Total Return 2024 £</i>	<i>Total funds 2024 £</i>
Current year:			
At the beginning of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	808,155	808,155
	<u>2,713,786</u>	<u>808,155</u>	<u>3,521,941</u>
Movements in the reporting period:			
Investment returns: income	-	185,880	185,880
Investment returns: realised and unrealised gains	-	289,636	289,636
Less: Investment management costs	-	(6,928)	(6,928)
	<u>-</u>	<u>468,588</u>	<u>468,588</u>
Unapplied total return allocated to income in the reporting period	-	(185,880)	(185,880)
Net movement in the reporting period	<u>-</u>	<u>282,708</u>	<u>282,708</u>
At the end of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	1,090,863	1,090,863
	<u>2,713,786</u>	<u>1,090,863</u>	<u>3,804,649</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

9 Permanent endowment total return continued

	<i>Trust for Investment 2023 £</i>	<i>Unapplied Total Return 2023 £</i>	<i>Total funds 2023 £</i>
Prior year:			
At the beginning of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	963,505	963,505
	<u>2,713,786</u>	<u>963,505</u>	<u>3,677,291</u>
Movements in the reporting period:			
Investment returns: income	-	170,297	170,297
Investment returns: realised and unrealised gains	-	(148,794)	(148,794)
Less: Investment management costs	-	(6,556)	(6,556)
	<u>-</u>	<u>14,947</u>	<u>14,947</u>
Unapplied total return allocated to income in the reporting period	-	(170,297)	(170,297)
	<u>-</u>	<u>(155,350)</u>	<u>(155,350)</u>
Net movement in the reporting period			
At the end of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	808,155	808,155
	<u>2,713,786</u>	<u>808,155</u>	<u>3,521,941</u>

10 Control

The parent charity is the Incorporated Society of Musicians Trust, a charitable company limited by guarantee and registered in England and Wales (registered number - 9296727, charity number - 1160261). The Incorporated Society of Musicians Trust provides education and professional development for those involved in the arts and particularly music.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
*FOR THE YEAR ENDED 31 AUGUST 2024***

11 Related party transactions

At the balance sheet date, the charity owed £3,526 including VAT, (2023: £2,471) to the Independent Society of Musicians (ISM) in respect of expenses paid on behalf of the charity. Re-charged expenses totalled £31,138, including VAT, (2023: £36,595) and relate to salary costs and management charges reflecting time spent on Benevolent Fund of the Incorporated Society of Musicians by the staff at ISM. The ISM is considered to be a related party as it is the sole member of the charity's corporate trustee.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

England & Wales - Charity number 206801

Accounts

Charity number 206801

**BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**TRUSTEE'S REPORT AND AUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED
31 AUGUST 2023

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

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BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2023

Trustees

On 1 October 2015, under a Scheme issued by the Charity Commission, the Incorporated Society of Musicians Trust ('ISM Trust') became the sole corporate Trustee of the ISM Members Fund. The ISM Trust is company number 9296727 and registered charity number 1160261.

The Trustees of the ISM Trust are:

Vick Bain (Chair)
Pauline Black (Chair from 21 April 2023)
Dr Marius Carboni
Dr Michelle Castelletti
Nicolas Chisholm MBE
Professor Christopher Collins
Dr Kirsty Devaney
Dr Paul Edlin
Ivor Flint (Treasurer)
Professor Stephen Goss
Deborah Keyser
Eugene Monteith
Professor David Smith
Nicky Spence
Dr Jeremy Huw Williams
Bushra El-Turk (appointed 7 December 2022)

Charity registered number 206801

Principal office

4-5 Inverness Mews
London W2 3JQ
This is also the principal office of the ISM Trust.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2023

Independent auditors	Amy Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	National Westminster Bank Baker Street London, W1U 6AT
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
Investment managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS (ISM Members Fund)

TRUSTEE'S REPORT *FOR THE YEAR ENDED 31 AUGUST 2023*

The Trustee presents its annual report together with the financial statements of the Benevolent Fund of the Incorporated Society of Musicians ('the Fund') for the year ended 31 August 2023. The Trustee confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Fund's governing document 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 Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

The information set out on pages 1-2 forms part of this report.

Structure, governance, and management

The Fund is an unincorporated association which was established on 5 January 1917. It is governed by a Trust Deed which states that the Fund's object is the relief of necessitous members of the Incorporated Society of Musicians ('ISM'), former members and widows or other dependents of deceased members.

By a new Scheme issued by the Charity Commission on 1 October 2015, individual members of ISM Council ceased to be Trustees of the Fund and the Incorporated Society of Musicians Trust ('ISM Trust', a charitable company limited by guarantee), of which the ISM is the sole member, became the sole corporate trustee of the Benevolent Fund of the Incorporated Society of Musicians (ISM Members Fund, a charitable trust). The three organisations namely the ISM, the ISM Trust and the ISM Members Fund work closely together and are operating under the name "the ISM Group". The ISM staff administering the Fund were Deborah Annetts (Chief Executive), Sabrina Taylor (Director of Finance and Facilities), Sarah Osborn (Director of Business Development and Deputy CEO) and Ruth McPherson (Head of Charity Development). The work of the Fund was also supported by the Senior Leadership Team and the Trustee.

Achievements and performance

2022-23 was a challenging year for the music sector. Many musicians continued to face financial and emotional pressure as a result of the cost of living crisis and additional challenges including cuts to arts funding, job losses, venue closures, the ongoing impact of COVID-19 and Brexit.

The ISM Members Fund has a unique role to play in supporting ISM members through challenges, while fulfilling its objects to prevent poverty and advance health. In this financial year, we focused on improving our counselling services, broadening our financial wellbeing support, and expanding our physical health

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

services offer.

Counselling and financial wellbeing support

The Fund's counselling and advice services, including a 24-hour confidential adviceline, structured counselling and CBT (Cognitive Behavioural Therapy) saw a 12% increase in usage with 611 interactions in 2022-23. The number of structured counselling cases also rose significantly from 27 in 21-22 to 83 in 22-23.

We expanded our mental health offering in January 2023, providing members access to a new digital wellbeing resource, Well Online, and a live chat function.

Members can now access a new financial advice service to help manage their finances. By calling our 24-hour confidential adviceline, members can speak to experienced financial advisors who can offer guidance on topics including managing debt, budgeting, borrowing, investments and savings, pensions and banking.

Physiotherapy

The Fund's physiotherapy scheme offers ISM members quick, expert intervention for muscle and joint problems. In this financial year, a total of 53 referrals were made to the service, a 17% increase on the previous year.

Hearing health

On World Hearing Day 2023, the ISM Members Fund became a partner in the Musicians' Hearing Health Scheme from Help Musicians. We are delighted to be part of this ground-breaking scheme.

Joining the scheme has given ISM members discounted access to:

- audiological assessment from a specialist in musicians' hearing
- a set of custom-made ear plugs
- expert advice on referral routes and next steps to manage problems
- the option of wax removal

Demand has been high for the scheme, with 188 ISM members applying since launch, and feedback has been very positive.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

Webinars

In 2022-2023 we ran two ISM Members Fund webinars for ISM members, which attracted 57 live attendees and 280 views overall.

The first webinar, in partnership with The Money Charity, focused on pensions following several requests for advice on this topic. And the second webinar, in partnership with Help Musicians and Musicians' Hearing Services, focused on hearing health with the aim of raising awareness of the importance of protecting your hearing health and preventing noise-induced hearing loss.

Financial Review

Overview

The Fund experienced another successful financial year, thanks in part to a high level of legacy income. With increased income and expenditure control, the financial result for the year was a surplus of £471,779 (2022: £130,099) before realised and unrealised gains from investment revaluations. The net investment losses were £163,510 (2022: gains of £157,242), resulting in a financial year surplus of £308,269 (2022: £287,341).

Income

The Fund's total income was £582,489 in the year, which was 143.6% up on the previous year. The largest proportion of the Fund's income came from **donations and legacies** with £408,763 (2022: £127,236) being received over the course of the year. We are immensely grateful for the support of our members and donors during 2022-23. The Trustee acknowledges with thanks the following legacies received during the financial year from the following estates:

- Percy J Wright
- Michael Pointon

Income from the Fund's **investment** portfolio increased to £173,726 (2022: £111,930), a 55.2% increase over the previous financial year, owing primarily to a shift in our investment strategy implemented the prior year. We also reinvested more cash reserves back into our portfolio, which we were able to accomplish due to strong levels of legacy income during the previous two years.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS (ISM Members Fund)

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 AUGUST 2023

Expenditure

Financial costs and performance were monitored monthly by the Senior Leadership Team and quarterly by the Trustee. The Fund's total expenditure was £110,710 in the year, which was 1.5% higher on the previous year. Expenditure on charitable activities came to £103,505 (2022: £94,026).

The Fund continued to support a few long-standing members with **grants** which amounted to £7,230 (2022: £10,450) over the year. Other **direct costs** incurred in relation to supporting the physical, mental, and financial health of our beneficiaries amounted to £54,566 (2022: £46,630). During the financial year the ISM Members Fund became a partner in the Musicians' Hearing Health Scheme from Help Musicians and expanded its counselling service which both led to these increased costs.

Support costs incurred concerning the charitable activities were increased by £4,763, 12.9% during the reporting period.

Investments

The market value of investment assets at the year-end was £4.00 million (2022: £4.04 million) which equates to a fall of £37,108, 0.9%. We saw a decrease in the value of our investments last year due to a very turbulent stock market fuelled by high inflation levels, recession fears and an ongoing conflict in the Ukraine. The overall objective of the Fund's portfolio has been consistent: to maintain and increase the real capital value whilst generating sufficient income to cover the Fund's current expenditure.

The Members Fund adopts a total return strategy to its investments, giving it more freedom to use the portfolio to fulfil spending needs. Dividends are transferred to the unrestricted fund to meet costs associated with our charity initiatives, and funding requirements are assessed periodically throughout the year. The Fund's portfolio has an explicit responsible investment policy which screens out areas of concern and integrates environmental, social and governance analysis as a fundamental part of its selection process.

Reserves

The Fund's reserves policy is designed to reflect the fundamental risks it faces and ensure that there are an adequate number of reserves.

The Fund's Reserves Policy is to maintain a sufficient level of free reserves to enable normal operating

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

activities to continue over a period of up to 6 months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. On 31 August 2023, these free reserves totalled £670,329 (2022: £324,952), the equivalent of 72 months (2022: 36 months) of the Fund's annual expenditure, which is well above the target range and is with thanks to the high number of legacies received during the year. Due to the high level of free reserves at year end additional funds have now been invested into our investment portfolio and the remaining free reserves will be reinvested in the charity and used to deliver services in the next financial year.

The total funds held as of 31 August 2023 were £4.67 million (2022: £4.37 million).

Compliance

The Fund is registered as a data controller in its own right at the Information Commissioner's Office (ICO). All ISM staff working on Fund activities are bound by the provisions of the ISM Group Data Governance Policy introduced across all ISM Group companies in 2018 as part of our activities to ensure compliance with the General Data Protection Regulation (EU) 2016/679 ('GDPR') and the Data Protection Act 2018. The Fund continued to be registered with the Fundraising Regulator as part of our commitment to best practice and transparency in fundraising. New Trustees to the ISM Trust who constitute the Trustee received guidance in relation to trustee duties and charity governance during the course of the year.

Future plans

In the upcoming financial year, we plan to run a health and wellbeing marketing campaign to raise awareness of Fund services amongst the ISM membership and to attract new members to the ISM. This will help us to increase the reach and impact of the Fund.

The Fund will evaluate the physiotherapy service to understand how successful it has been, looking at quality and outcomes, with a view to continuing and improving the service over the long term. We plan to extend the Musicians' Hearing Health Scheme to ISM student members, so that they can access discounted hearing health support, including bespoke hearing protection.

As one of the Fund's objects is to alleviate and prevent poverty, we aim to consolidate and expand our financial resources so that we can provide members with the information they need to avoid slipping into poverty and to intervene early to prevent financial problems from occurring.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

We will also survey the ISM membership in the next financial year to see what other services and resources the Fund could usefully offer to members within its objects.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's report and the 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 & Wales requires the Trustee to prepare financial statements for each financial 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 these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 19 February 2024 and signed on their behalf by:

Pauline Black
Chairman of the ISM Trust

Deborah Annetts
Chief Executive Officer

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS (ISM Members Fund)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

Opinion

We have audited the financial statements of the Benevolent Fund of The Incorporated Society of Musicians for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 August 2023 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 of opinion

We have 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 charity 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.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS**

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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 financial statements is inconsistent in any material respect with the trustees' report; or

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS (ISM Members Fund)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 the Act and relevant regulations made or having effect thereunder.

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.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS**

We obtained an understanding of the legal and regulatory framework applicable to the charity, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified FRS102, the Charities Act 2011 and the Charities SORP.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations and to avoid material penalties, including the General Data Protection Regulation.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with sector experience to perform the audit;
- Obtained an understanding of the charity's procedures for ensuring compliance with laws and regulations;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with laws and regulations;
- Obtained and reviewed meeting minutes;
- Obtained and reviewed correspondence with the regulator;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the charity's control environment, systems and controls including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the charity's financial statements to material misstatement, including considering how fraud could occur;
- Considering whether there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they are aware of any actual or suspected incidences of fraud;
- Reviewing the accounting policies and accounting estimates for signs of management bias; and

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS**

- Identifying key risks relating to irregularities as relating to the completeness of income, the recognition of legacies, and management override of controls.

We then designed audit procedures in response to the risks identified, including substantive testing on all material income streams, review of all correspondence in relation to legacies including post year end review, and review of journal entries, estimates and judgements.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other Matters

The prior period financial statements and the corresponding comparative figures included within these financial statements were not audited.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS**

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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lindeyer Francis Ferguson Limited

Chartered Accountants

Statutory Auditor

Date: 26 February 2024

North House

198 High Street

Tonbridge

Kent TN9 1BE

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Expendable endowment 2023 £	Permanent endowment 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and legacies	2	408,763	-	-	408,763	127,236
Investments		3,429	-	170,297	173,726	111,930
Total income		412,192	-	170,297	582,489	239,166
Expenditure on:						
Investment management fees		72	577	6,556	7,205	15,041
Charitable activities	3	103,505	-	-	103,505	94,026
Total expenditure		103,577	577	6,556	110,710	109,067
Net (losses)/gains on investments	5	(1,635)	(13,081)	(148,794)	(163,510)	157,242
Net income		306,980	(13,658)	14,947	308,269	287,341
Transfers	7	38,897	131,400	(170,297)	-	-
Net movement in funds		345,877	117,742	(155,350)	308,269	287,341
Reconciliation of funds						
Total funds brought forward		365,621	323,743	3,677,291	4,366,655	4,079,314
Total funds carried forward		711,498	441,485	3,521,941	4,674,924	4,366,655

There were no restricted funds in the current or preceding periods.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Investments	5		4,004,595		4,041,703
Current assets					
Debtors: prepayments and accrued income		202,889		3,325	
Cash at bank		477,095		329,070	
		<u>679,984</u>		<u>332,395</u>	
Creditors: amounts falling due within one year	6	<u>(9,655)</u>		<u>(7,443)</u>	
Net current assets			670,329		324,952
Total net assets			<u>4,674,924</u>		<u>4,366,655</u>
The funds of the charity					
Endowment funds					
Expendable endowment			441,485		323,743
Permanent endowment	9		3,521,941		3,677,291
			<u>3,963,426</u>		<u>4,001,034</u>
Unrestricted funds			711,498		365,621
Total funds	7		<u>4,674,924</u>		<u>4,366,655</u>

The financial statements were approved by the trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 19 February 2024 and signed on their behalf by:

Pauline Black
Chair of the ISM Trust

Deborah Annetts
Chief Executive

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	A	100,701	10,627
Cash flows from investing activities:			
Dividends and interest from investments		173,726	111,930
Purchase of investments		(140,475)	(4,199,834)
Proceeds from sale of investments		14,073	3,986,557
Net cash provided by investing activities		47,324	(101,347)
Change in cash and cash equivalents for the year		148,025	(90,720)
Cash and cash equivalents at the beginning of the year		329,070	419,790
Cash and cash equivalents at the end of the year		477,095	329,070
A. Reconciliation of net surplus to net cash flow from operating activities			
Net income		308,269	287,341
<i>As per statement of financial activities</i>			
Adjustments for:			
Losses / (gains) on investments		163,510	(157,242)
Dividends and interest from investments		(173,726)	(111,930)
(Increase) / decrease in debtors		(199,564)	28
Increase / (decrease) in creditors		2,212	(7,570)
Net cash provided by operating activities		100,701	10,627

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and 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)" (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Benevolent Fund of the Incorporated Society of Musicians meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

1.3 Status

The Benevolent Fund of Incorporated Society of Musicians is an unincorporated charity governed by a Trust Deed and is registered with the Charity Commission for England and Wales. The address of the registered office is 4-5 Inverness Mews, London, W2 3JQ.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. For donations this is usually on receipt. Investment income is recognised when it is receivable.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Fund that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1 Accounting policies continued

1.5 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably. It is inclusive of any VAT which cannot be recovered.

Grants payable are payments made to beneficiaries in the furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustee has agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Fund.

1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Other financial Instruments

The charity has financial instruments of a kind that qualify as basic financial instruments. The charity's short term debtors and creditors are measured at their settlement value.

1.8 Fund accounting

The permanent endowment fund is the capital of the members fund and must be held permanently. The permanent endowment fund holds investments on the total return basis, whereby the endowment includes both the value of the original gifts, and the unapplied total return.

The trustees of the charity can decide to release amounts from the unapplied total return to unrestricted income on a discretionary basis. This allocation is made by balancing the need for income to meet current requirements against the need to hold funds as part of the endowment to produce investment returns for the future.

The expendable endowment consists of funds currently held as capital of the members fund. However the Trustee has discretion over the use of the funds and these can be expended if required.

Unrestricted funds are those funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2 Income from donations and legacies

	2023	2022
	£	£
Donations	5,045	885
Legacies	403,718	126,351
	<u>408,763</u>	<u>127,236</u>

3 Charitable activities

	2023	2022
	£	£
Supporting physical, mental, and financial health:		
Grants to individuals	7,230	10,450
Counselling helpline costs	45,389	39,185
Resources	720	60
Hearing Health Scheme	800	-
Physiotherapy	7,657	7,385
Support costs (see below)	41,709	36,946
	<u>103,505</u>	<u>94,026</u>

	2023	2022
	£	£
Support costs are made up as follows:		
Management charges	36,595	29,707
Other costs	524	1,927
Governance costs:		
Legal fees	90	2,762
Independent examination fees	-	2,550
Audit fees	4,500	-
	<u>41,709</u>	<u>36,946</u>

All grants are for the relief and prevention of poverty amongst ISM (Incorporated Society of Musicians) members and the dependents of deceased members. During the year, the charity made grants to 4 individuals (2022: 7 individuals).

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4 Staff and Trustee costs

The members' fund has no employees, and therefore none earning more than £60,000 (2022: none). The Trustee (and its Trustees) did not receive any remuneration during the year in regards to the Fund, and the Trustee (and its Trustees) did not receive reimbursed expenses during the year.

The key management of the charity includes the Trustee, the ISM Chief Executive, the ISM Director of Business Development, the ISM Director of Finance & Facilities and the Head of Charity Development. The aggregate amount of remuneration recharged from ISM in respect of key management was £27,617 (2022: £16,609). Other staff costs have also been recharged from ISM, and there were no members of staff engaged in the members' fund's activities other than those recharged from ISM (2022: none).

5 Investments

	2023	2022
	£	£
Listed investments		
Market value at 1 September 2022	4,041,703	3,836,638
Additions at cost	140,475	4,199,834
Disposals at carrying value	(14,518)	(3,942,544)
Movements in cash capital account	-	(165,454)
Unrealised change in market value	(163,065)	113,229
	<u>4,004,595</u>	<u>4,041,703</u>
Market value at 31 August 2023	<u>4,004,595</u>	<u>4,041,703</u>

At the balance sheet date no cash was held within the investment portfolio (2022: £nil).

Realised losses in the period were £445 (2022: gains £44,014).

6 Creditors due within one year

	2023	2022
	£	£
Trade creditors	188	-
Accruals	6,996	5,133
Amount due to the Incorporated Society of Musicians	2,471	2,310
	<u>9,655</u>	<u>7,443</u>
	<u>9,655</u>	<u>7,443</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6 Statement of movement in funds

	<i>Brought forward £</i>	<i>Net Movement £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
<i>Current year:</i>				
Unrestricted funds	365,621	306,980	38,897	711,498
Expendable Endowment	323,743	(13,658)	131,400	441,485
Permanent Endowment	3,677,291	14,947	(170,297)	3,521,941
Total	<u>4,366,655</u>	<u>308,269</u>	<u>-</u>	<u>4,674,924</u>
	<i>Brought forward £</i>	<i>Net Movement £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
<i>Prior year:</i>				
Unrestricted funds	218,822	43,352	103,447	365,621
Expendable Endowment	314,625	9,118	-	323,743
Permanent Endowment	3,545,867	234,871	(103,447)	3,677,291
Total	<u>4,079,314</u>	<u>287,341</u>	<u>-</u>	<u>4,366,655</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7 Analysis of net assets between funds

	<i>Unrestricted funds 2023 £</i>	<i>Expendable endowment 2023 £</i>	<i>Permanent endowment 2023 £</i>	<i>Total funds 2023 £</i>
<i>Current year:</i>				
Investments	41,169	441,485	3,521,941	4,004,595
Net current assets	670,329	-	-	670,329
	<u>711,498</u>	<u>441,485</u>	<u>3,521,941</u>	<u>4,674,924</u>
	<i>Unrestricted funds 2022 £</i>	<i>Expendable endowment 2022 £</i>	<i>Permanent endowment 2022 £</i>	<i>Total funds 2022 £</i>
<i>Prior year:</i>				
Investments	40,669	323,743	3,677,291	4,041,703
Net current assets	324,952	-	-	324,952
	<u>365,621</u>	<u>323,743</u>	<u>3,677,291</u>	<u>4,366,655</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8 Permanent endowment total return

	<i>Trust for Investment 2023 £</i>	<i>Unapplied Total Return 2023 £</i>	<i>Total funds 2023 £</i>
Current year:			
At the beginning of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	963,505	963,505
	<u>2,713,786</u>	<u>963,505</u>	<u>3,677,291</u>
Movements in the reporting period:			
Investment returns: income	-	170,297	170,297
Investment returns: realised and unrealised gains	-	(148,794)	(148,794)
Less: Investment management costs	-	(6,556)	(6,556)
	<u>-</u>	<u>14,947</u>	<u>14,947</u>
Unapplied total return allocated to income in the reporting period	-	(170,297)	(170,297)
Net movement in the reporting period	<u>-</u>	<u>(155,350)</u>	<u>(155,350)</u>
At the end of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	808,155	808,155
	<u>2,713,786</u>	<u>808,155</u>	<u>3,521,941</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8 Permanent endowment total return continued

	<i>Trust for Investment 2022 £</i>	<i>Unapplied Total Return 2022 £</i>	<i>Total funds 2022 £</i>
Prior year:			
At the beginning of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	832,081	832,081
	<u>2,713,786</u>	<u>832,081</u>	<u>3,545,867</u>
Movements in the reporting period:			
Investment returns: income	-	103,447	103,447
Investment returns: realised and unrealised gains	-	145,325	145,325
Less: Investment management costs	-	(13,901)	(13,901)
	<u>-</u>	<u>234,871</u>	<u>234,871</u>
Unapplied total return allocated to income in the reporting period	-	(103,447)	(103,447)
	<u>-</u>	<u>131,424</u>	<u>131,424</u>
Net movement in the reporting period			
At the end of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	963,505	963,505
	<u>2,713,786</u>	<u>963,505</u>	<u>3,677,291</u>

9 Control

The parent charity is the Incorporated Society of Musicians Trust, a charitable company limited by guarantee and registered in England and Wales (registered number - 9296727, charity number - 1160261). The Incorporated Society of Musicians Trust provides education and professional development for those involved in the arts and particularly music.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10 Related party transactions

At the balance sheet date, the charity owed £2,975, including VAT, (2022: £2,310) to the Incorporated Society of Musicians (ISM) in respect of expenses paid on behalf of the charity. Re-charged expenses totalled £36,595, including VAT, (2022: £29,707) and relate to salary costs and management charges reflecting time spent on Benevolent Fund of the Incorporated Society of Musicians by the staff at ISM. The ISM is considered to be a related party as it is the sole member of the charity's corporate trustee.

11 Contingent asset and post balance sheet event

At the balance sheet date, the charity was on notice that it was due to receive a residuary legacy, however the amount receivable could not be reliably estimated. Therefore, the legacy income has not been accrued. Subsequent to the balance sheet date, the charity has received settlement of the legacy in the amount of £7,886.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

England & Wales - Charity number 206801

Accounts

Charity number 206801

**BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**TRUSTEE'S REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED
31 AUGUST 2022

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

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BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2022

Trustees

On 1 October 2015, under a Scheme issued by the Charity Commission, the Incorporated Society of Musicians Trust ('ISM Trust') became the sole corporate Trustee of the ISM Members Fund. The ISM Trust is company number 9296727 and registered charity number 1160261.

The Trustees of the ISM Trust are:

Vick Bain (appointed Chair from 7 May 2022)
Pauline Black (future Chair from 7 May 2022)
Dr Marius Carboni
Dr Michelle Castelletti
Nicolas Chisholm MBE
Professor Christopher Collins
Tim Daniell (until 21 June 2022)
Dr Kirsty Devaney (from 14 June 2022)
Dr Paul Edlin
Reginald Fletcher (until 7 May 2022)
Ivor Flint (Treasurer)
Trevor Ford (until 7 May 2022)
Professor Stephen Goss
Deborah Keyser (former Chair from 7 May 2022)
Eugene Monteith
Professor David Smith
Nicky Spence
Dr Jeremy Huw Williams

Charity registered number 206801

Principal office
4-5 Inverness Mews
London W2 3JQ
This is also the principal office of the ISM Trust.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2022

Independent examiner	Amy Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	National Westminster Bank Baker Street London, W1U 6AT
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
Investment managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustee presents its annual report together with the financial statements of the Benevolent Fund of the Incorporated Society of Musicians ('the Fund') for the year ended 31 August 2022. The Trustee confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Fund's governing document 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 Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

The information set out on pages 1-2 forms part of this report.

Structure, governance, and management

The Fund is an unincorporated association which was established on 5 January 1917. It is governed by a Trust Deed which states that the Fund's object is the relief of necessitous members of the Incorporated Society of Musicians ('ISM'), former members and widows or other dependants of deceased members.

By a new Scheme issued by the Charity Commission on 1 October 2015, individual members of ISM Council ceased to be Trustees of the Fund and the Incorporated Society of Musicians Trust ('ISM Trust', a charitable company limited by guarantee), of which the ISM is the sole member, became the sole corporate trustee of the Benevolent Fund of the Incorporated Society of Musicians (ISM Members Fund, a charitable trust). The three organisations namely the ISM, the ISM Trust and the ISM Members Fund work closely together and are operating under the name "the ISM Group". The ISM staff administering the Fund were Deborah Annetts (Chief Executive), Sabrina Taylor (Director of Finance and Facilities), Sarah Osborn (Director of Business Development and Deputy CEO) and Ruth McPherson (Senior Charities Manager). The work of the Fund was also supported by the Senior Leadership Team and the Trustee.

Objectives and activities

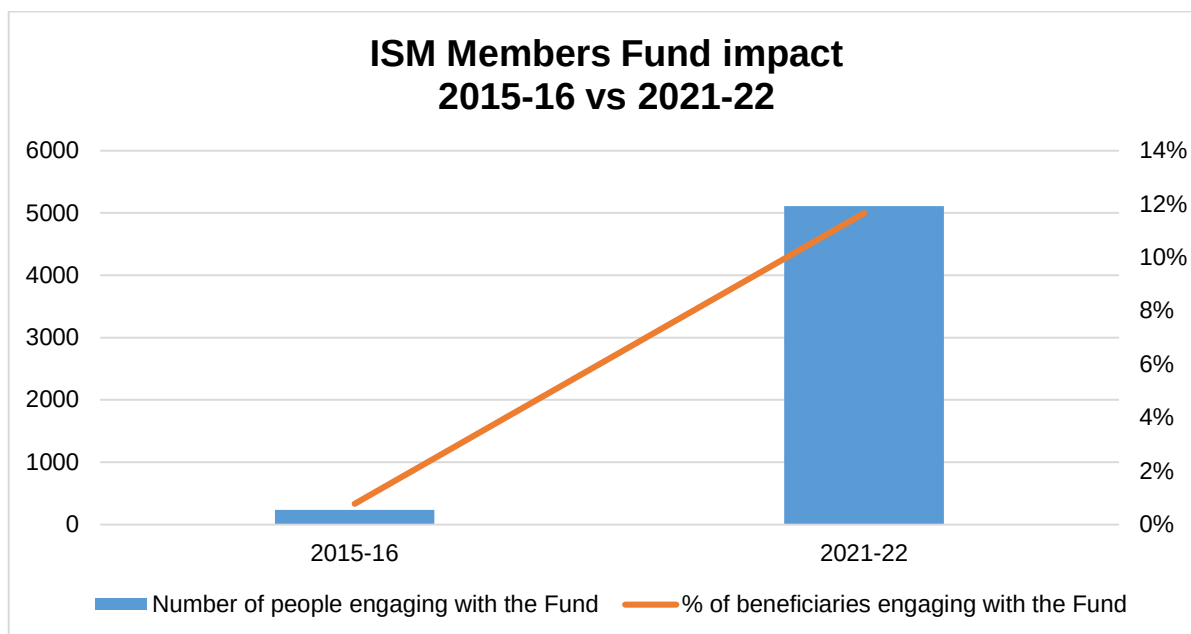
The Trustee had due regard to the Charity Commission's guidance on public benefit when setting objectives and planning activities.

We have assessed the impact of the Fund, and its services before and after it was overhauled in 2019. To assess the Fund's impact after 2019, we looked at the period 1 October 2021 – 30 September 2022. We chose a year when no COVID lockdowns were in place, in order to ensure it was as 'normal' a year

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

as possible. In total, approximately 5,111 people engaged with the Fund of this period which equates to 46.46% of the membership at the time (11,000).



The graph above shows how the Fund's impact has vastly improved since 2015-16. The number of people the Fund reached increased by **2,084%** since 2015-16 (from 234 to 5,111) .

With the conclusion of the COVID-19 hardship grants in August 2021, the 2021-22 financial year started afresh with a renewed focus on the core health and wellbeing services offered to ISM members, the primary beneficiaries of the ISM Members Fund.

The pandemic led to great hardship in the musician community and the member benefits funded by the Fund focussed both on alleviating these issues and the broader range of challenges associated with life as a musician in line with the direction of travel set in 2017 following the change to the Fund's objects and decision of the Trustee to centre on delivering services.

The 24-hour personal support and advice line and associated counselling services including structured counselling and CBT (Cognitive Behavioural Therapy) saw a 3% increase in usage with 546 calls across the period (2020-21: 531). The number of structure counselling cases was 27 (2020-21: 59) with a total of 337 sessions being delivered across the year (2020-21: 387). The service offers support with any personal issue with most calls seeking assistance around the issues of anxiety, depression, low mood

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

and relationships. The pilot physiotherapy scheme, launched in 2019, continued with a total of 45 referrals made across the year (2020-21: 49).

Over the course of the year three out of the Fund's seven beneficiaries passed away and four people continued to receive ongoing financial support by way of quarterly or monthly grants. This is a legacy from the Fund's pre-2019 activities and is gradually reducing.

A detailed demographic analysis of the members that applied for COVID-19 hardship funding during 2020-21 was undertaken. The results showed that musicians under the age of 35 were disproportionately affected by COVID-19. This is unsurprising given they tend to be less well-established in the profession and less financially secure. The stress of the pandemic and associated loss of work, coupled with the challenges of Brexit and continuing declined in music education have taken their toll on the profession as it becomes harder to secure work. Demand for mental health and counselling support grew and an impact assessment prepared in November 2021 showed the positive outcomes experienced by members accessing the Fund's 24-hour personal support and advice line and associated counselling services. Members with anxiety saw a 50% improvement, on average, whilst members presenting with depression experienced a 44% improvement in symptoms.

Lastly, focus groups were held in May 2022 as part of the ISM AGM which enabled the Fund to gather first-hand feedback on its service provision. Questions sought to establish the level of awareness of the services provided by the Fund and qualitative feedback on the quality of services on offer. ISM members thought highly of the range of services on offer and there was positive feedback on the quality and ease of accessing both counselling and physiotherapy. The view of the Trustee is that there is an increasing need for health and wellbeing support and to that end, a restructure of the staff team resulted in the creation of the Senior Charities Manager role in December 2021. Work also resumed on a rebrand for the ISM Members Fund which had been paused in 2019-20 due to the pandemic and the rebrand was delivered in September 2022.

Financial Review

Overview

Due to the lifting of most pandemic-related limitations and the gradual normalisation of service activity levels, the financial year that ended on 31 August 2022, was a more regular year for the Fund's

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

finances in terms of expenditure. The Fund had a strong financial year partly due to the shift in the fund's investment strategy that took place in the year and also because of a high level of legacy income. The strong financial position meant the Fund was able to set a deficit budget for the year of £30,434.

With the increase in income and control of costs the actual financial result for the year was a surplus of £130,099 (2021: deficit of £156,352) before realised and unrealised gains on the revaluation of investments. The net gains on investments were £157,242 (2021: 465,325) which led to the financial year yielding a surplus after investment gains of £287,341 (2021: £308,973). This is a strong financial performance for the year.

Income

The Fund's total income was £239,166 in the year, which was 134.3% up on the previous year.

The largest proportion of the Fund's income came from **donations and legacies** with £127,236 (2021: £8,867) being received over the course of the year. We are immensely grateful for the support of our members and donors during 2021-22. The Trustee acknowledges with thanks the following legacies received during the financial year from the following estates:

- Iris Mary Williams
- Kath Borland
- Michael Pointon
- Frances Blake
- Robert McFarlane

Income from the Fund's **investment** portfolio grew to £111,930 (£2021: £93,194) an increase of 20.1% on the last financial year. Due to the change in our investment strategy, the Fund was able to increase these levels closer to levels seen before the COVID-19 pandemic began and with the new strategy as outlined below we expect this to grow further still in 2022-23 financial year.

Expenditure

Financial costs and performance were monitored monthly by the Senior Leadership Team and quarterly by the Trustee. The Fund's total expenditure was £109,067 in the year, which was 57.8% down on the

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

previous year. Expenditure on charitable activities came to £94,026 (2021: £242,778). The Fund continued to support a few long-standing members with **grants** which amounted to £10,450 (2021: £14,130) over the year.

ISM members, their partners and dependents have access to a range of confidential **counselling** and advice services, and the provision of these services were the highest cost incurred by the Fund and amounted to £39,185 (2021: £39,256). The **physiotherapy** service is the other main service offered by the Fund and the cost of these services amounted to £7,385 (2021: £7,235) during the year. Support costs incurred concerning the charitable activities were reduced by £13,811, 27.2% during the reporting period.

Investments

The market value of investment assets at the year-end was £4.04 million (2021: £3.84 million) which equates to growth of £205,065, 5.6%. The portfolio performed exceptionally well, and its performance was significantly ahead of market benchmarks. The overall objective of the Fund's portfolio has been consistent: to maintain and increase the real capital value whilst generating sufficient income to cover the Fund's current expenditure.

During the year the Fund changed its investment strategy and moved to a total return approach which provides greater flexibility to use the portfolio to meet spending requirements. The Fund's investment managers Cazenove guided the Fund through this process. The Fund's new portfolio has an explicit responsible investment policy which screens out areas of concern and integrates environmental, social and governance analysis as a fundamental part of its selection process.

Reserves

The Fund's reserves policy is designed to reflect the fundamental risks it faces and ensure that there are adequate number of reserves.

The Fund's Reserves Policy is to maintain a sufficient level of free reserves to enable normal operating activities to continue over a period of up to 6 months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. On 31 August 2022, these free reserves totalled £324,952 (2021: £174,076), the equivalent of 36 months (2021: 8 months) of the Fund's annual expenditure, which is well above the target range and is with thanks to

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

the high number of legacies received during the year. These free reserves will be reinvested in the charity and used to deliver services in the next financial year.

The total funds held as of 31 August 2022 were £4.37 million (2021: £4.08 million).

Compliance

The Fund is registered as a data controller in its own right at the Information Commissioner's Office (ICO). All ISM staff working on Fund activities are bound by the provisions of the ISM Group Data Governance Policy introduced across all ISM Group companies in 2018 as part of our activities to ensure compliance with the General Data Protection Regulation (EU) 2016/679 ('GDPR') and the Data Protection Act 2018. The Fund continued to be registered with the Fundraising Regulator as part of our commitment to best practice and transparency in fundraising. New Trustees to the ISM Trust who constitute the Trustee received guidance in relation to trustee duties and charity governance during the course of the year.

Future plans

The Fund will tender for the counselling helpline and review the physiotherapy service in the upcoming financial year. It is also hoped that the development of a hearing health service, paused due to COVID-19, can be resumed.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's report and the 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 & Wales requires the Trustee to prepare financial statements for each financial 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 these financial statements, the Trustee is required to:

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 10 February 2023 and signed on their behalf by:

Vick Bain
Chairman of the ISM Trust

Deborah Annetts
Chief Executive Officer

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

I report to the Trustee on my examination of the accounts of the Benevolent Fund of the Incorporated Society of Musicians (the Fund) for the year ended 31 August 2022.

Responsibilities and basis of report

As the charity Trustee of the Fund, 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 Fund's accounts carried out under section 145 of the 2011 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 Fund 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.

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.

Amy Healey FCA CTA DChA
Lindeyer Francis Ferguson Limited

Chartered Accountants
North House, 198 High Street
Tonbridge
Kent TN9 1BE

15 February 2023

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Expendable endowment 2022 £	Permanent endowment 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and legacies		127,236	-	-	127,236	8,867
Investments		8,483	-	103,447	111,930	93,194
Total income		135,719	-	103,447	239,166	102,061
Expenditure on:						
Raising funds						
Investment management fees		175	965	13,901	15,041	15,635
Charitable activities	2	94,026	-	-	94,026	242,778
Total expenditure		94,201	965	13,901	109,067	258,413
Net income / (expenditure)		41,518	(965)	89,546	130,099	(156,352)
Transfers between funds	8	103,447	-	(103,447)	-	-
Net gains on investments		1,834	10,083	145,325	157,242	465,325
Net movement in funds		146,799	9,118	131,424	287,341	308,973
Reconciliation of funds						
Total funds brought forward		218,822	314,625	3,545,867	4,079,314	3,770,341
Total funds carried forward		365,621	323,743	3,677,291	4,366,655	4,079,314

There were no restricted funds in the current nor preceding period.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**BALANCE SHEET
AS AT 31 AUGUST 2022**

	Note	£	2022 £	£	2021 £
Fixed assets					
Investments	4		4,041,703		3,836,638
Current assets					
Debtors: prepayments and accrued income		3,325		3,353	
Cash at bank		329,070		254,336	
		<u>332,395</u>		<u>257,689</u>	
Creditors: amounts falling due within one year	5	(7,443)		(15,013)	
Net current assets			324,952		242,676
Total net assets			<u><u>4,366,655</u></u>		<u><u>4,079,314</u></u>
The funds of the charity					
Endowment funds					
Expendable endowment			323,743		314,625
Permanent endowment	8		3,677,291		3,545,867
			<u>4,001,034</u>		<u>3,860,492</u>
Unrestricted funds			365,621		218,822
Total funds	6		<u><u>4,366,655</u></u>		<u><u>4,079,314</u></u>

The financial statements were approved by the trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 10 February 2023 and signed on their behalf by:

Vick Bain
Chair of the ISM Trust

Deborah Annetts
Chief Executive

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and 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)" (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Benevolent Fund of the Incorporated Society of Musicians meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

1.2 Status

The Benevolent Fund of the Incorporated Society of Musicians is an unincorporated charity governed by a Trust Deed and is registered with the Charity Commission for England and Wales. The address of the registered office is 4-5 Inverness Mews, London, W2 3JQ.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. For donations this is usually on receipt. Investment income is recognised when it is receivable.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Fund that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies continued

1.4 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably. It is inclusive of any VAT which cannot be recovered.

Grants payable are payments made to beneficiaries in the furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustee has agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Fund.

1.5 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.6 Other financial instruments

The charity has other financial instruments that qualify as basic financial instruments. The charity's short term debtors and creditors are measured at their settlement value.

1.7 Fund accounting

The permanent endowment fund is the capital of the members fund and must be held permanently. The permanent endowment fund holds investments on the total return basis, whereby the endowment includes both the value of the original gifts, and the unapplied total return.

The trustees of the charity can decide to release amounts from the unapplied total return to unrestricted income on a discretionary basis. This allocation is made by balancing the need for income to meet current requirements against the need to hold funds as part of the endowment to produce investment returns for the future.

The expendable endowment consists of funds currently held as capital of the members fund. However the Trustee has discretion over the use of the funds and these can be expended if required.

Unrestricted funds are those funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2 Charitable activities

	2022	2021
	£	£
Supporting physical, mental, and financial health:		
Grants to individuals	10,450	14,130
Counselling helpline costs	39,185	39,256
Resources	60	-
Grants to individuals - Coronavirus Hardship scheme	-	131,400
Physiotherapy	7,385	7,235
Support costs (see below)	36,946	50,757
	<u>94,026</u>	<u>242,778</u>
	2022	2021
	£	£
Support costs are made up as follows:		
Management charges	29,707	37,205
Other costs	1,927	763
Governance costs:		
Legal fees	2,762	10,299
Independent examination fees	2,550	2,490
	<u>36,946</u>	<u>50,757</u>

All grants are for the relief and prevention of poverty amongst ISM (Incorporated Society of Musicians) members and the dependents of deceased members. During the year, the charity made grants to 7 individuals (2021: 446 individuals, including 438 via the Coronavirus Hardship scheme).

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3 Staff and Trustee costs

The members' fund has no employees, and therefore none earning more than £60,000 (2021: none). The Trustee (and its Trustees) did not receive any remuneration during the year in regards to the Fund, and the Trustee (and its Trustees) did not receive reimbursed expenses during the year (2021: none).

The key management of the charity includes the Trustee, the ISM Chief Executive, the ISM Director of Business Development, the ISM Director of Finance & Facilities and the Head of Charity Development. The aggregate amount of remuneration recharged from ISM in respect of key management was £16,609 (2021: £20,069). Other staff costs have also been recharged from ISM, and there were no members of staff engaged in the members' fund's activities other than those recharged from ISM (2021: none).

4 Investments

	2022	2021
	£	£
Listed investments		
Market value at 1 September 2021	3,836,638	3,586,830
Additions at cost	4,199,834	436,740
Disposals at carrying value	(3,942,544)	(817,712)
Movements in cash capital account	(165,454)	165,454
Change in market value	113,229	465,326
	<u>4,041,703</u>	<u>3,836,638</u>
Market value at 31 August 2022	<u>4,041,703</u>	<u>3,836,638</u>

At the balance sheet date no cash was held within the investment portfolio (2021: £165,454).

5 Creditors due within one year

	2022	2021
	£	£
Trade creditors	-	50
Grants payable	-	3,000
Accruals	5,133	7,027
Amount due to the Incorporated Society of Musicians	2,310	4,936
	<u>7,443</u>	<u>15,013</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

6 Movement on Funds

	<i>Brought forward £</i>	<i>Net Movement £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
Unrestricted funds	218,822	43,352	103,447	365,621
Expendable Endowment	314,625	9,118	-	323,743
Permanent Endowment	3,545,867	234,871	(103,447)	3,677,291
Total	<u>4,079,314</u>	<u>287,341</u>	<u>-</u>	<u>4,366,655</u>

Movement on Funds - prior year

	<i>Brought forward £</i>	<i>Net Movement £</i>	<i>Transfers £</i>	<i>Carried forward £</i>
Unrestricted funds	223,167	(86,211)	81,866	218,822
Expendable Endowment	396,336	(81,711)	-	314,625
Permanent Endowment	3,150,838	476,895	(81,866)	3,545,867
Total	<u>3,770,341</u>	<u>308,973</u>	<u>-</u>	<u>4,079,314</u>

Change in accounting policy

During the year ended 31 August 2022, the charity changed its accounting policy for permanent endowments and adopted the total returns basis. As at 1 September 2020, the Trust for Investment was calculated to be £2,713,786 and the Unapplied Total Return was £437,052.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7 Analysis of net assets between funds - current year

	<i>Unrestricted funds 2022 £</i>	<i>Expendable endowment 2022 £</i>	<i>Permanent endowment 2022 £</i>	<i>Total funds 2022 £</i>
Investments	40,669	323,743	3,677,291	4,041,703
Net current assets	324,952	-	-	324,952
	<u>365,621</u>	<u>323,743</u>	<u>3,677,291</u>	<u>4,366,655</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Expendable endowment 2021 £</i>	<i>Permanent endowment 2021 £</i>	<i>Total funds 2021 £</i>
Investments	44,746	246,025	3,545,867	3,836,638
Net current assets	174,076	68,600	-	242,676
	<u>218,822</u>	<u>314,625</u>	<u>3,545,867</u>	<u>4,079,314</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8 Total return basis for investment - current year

	<i>Permanent Endowment 2022 £</i>	<i>Unapplied Total Return 2022 £</i>	<i>Total funds 2022 £</i>
At the beginning of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	832,081	832,081
	<u>2,713,786</u>	<u>832,081</u>	<u>3,545,867</u>
Movements in the reporting period:			
Investment returns: income	-	103,447	103,447
Investment returns: realised and unrealised gains	-	145,325	145,325
Less: Investment management costs	-	(13,901)	(13,901)
	<u>-</u>	<u>234,871</u>	<u>234,871</u>
Unapplied total return allocated to income in the reporting period	-	(103,447)	(103,447)
Net movement in the reporting period	<u>-</u>	<u>131,424</u>	<u>131,424</u>
At the end of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	963,505	963,505
	<u>2,713,786</u>	<u>963,505</u>	<u>3,677,291</u>

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8 Total return basis for investment continued - prior year

	<i>Endowment 2021 £</i>	<i>Unapplied Total Return 2021 £</i>	<i>Total funds 2021 £</i>
At the beginning of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	437,052	437,052
	<u>2,713,786</u>	<u>437,052</u>	<u>3,150,838</u>
Movements in the reporting period:			
Investment returns: income	-	81,866	81,866
Investment returns: realised and unrealised gains and (losses)	-	408,763	408,763
Less: Investment management costs	-	(13,734)	(13,734)
	<u>-</u>	<u>476,895</u>	<u>476,895</u>
Unapplied total return allocated to income in the reporting period	-	(81,866)	(81,866)
Net movement in the reporting period	<u>-</u>	<u>395,029</u>	<u>395,029</u>
At the end of the reporting period:			
Trust for investment	2,713,786	-	2,713,786
Unapplied total return	-	832,081	832,081
	<u>2,713,786</u>	<u>832,081</u>	<u>3,545,867</u>

9 Control

The parent charity is the Incorporated Society of Musicians Trust, a charitable company limited by guarantee and registered in England and Wales (registered number - 9296727, charity number - 1160261). The Incorporated Society of Musicians Trust provides education and professional development for those involved in the arts and particularly music.

**BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10 Related party transactions

At the balance sheet date, the charity owed £2,310, including VAT (2021: £4,936) to the Incorporated Society of Musicians (ISM) in respect of expenses paid on behalf of the charity. Re-charged expenses totalled £29,707, including VAT (2021: £37,205) and relate to salary costs and management charges reflecting time spent on Benevolent Fund of the Incorporated Society of Musicians by the staff at ISM. The ISM is considered to be a related party as it is the sole member of the charity's corporate trustee.

11 Contingent asset

As at 31 August 2022, the charity has a contingent asset of £2,000 (2021: £90,000) in relation to a residuary legacy. At the balance sheet date the amount receivable could not reliably be estimated (2021: probate had not been granted).

Accounts

Charity number 206801

BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT AND UNAUDITED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 AUGUST 2021

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

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REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	On 1 October 2015, under a Scheme issued by the Charity Commission, the Incorporated Society of Musicians Trust ('ISM Trust') became the sole corporate Trustee of the ISM Members Fund. The ISM Trust is company number 9296727 and registered charity number 1160261. The Trustees of the ISM Trust are: Deborah Keyser (appointed Chair from 24 April 2021) Dr Jeremy Huw Williams Professor Christopher Collins (former Chair from 24 April 2021) Vick Bain (future Chair from 24 April 2021) Pauline Black Dr Marius Carboni Dr Michelle Castelletti Nicolas Chisholm MBE Tim Daniell Paul Edlin Reginald Fletcher Ivor Flint (Treasurer) Trevor Ford Professor Stephen Goss Eugene Monteith Professor David Smith Nicky Spence
Charity registered number	206801
Principal office	4-5 Inverness Mews London W2 3JQ This is also the principal office of the ISM Trust.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2021

Independent examiner	Amy Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	National Westminster Bank Portman Square London W1A 1DW
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
Investment managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustee presents its annual report together with the financial statements of the Benevolent Fund of the Incorporated Society of Musicians ('the Fund') for the year ended 31 August 2021. The Trustee confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Fund's governing document 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 Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

The information set out on pages 1-2 forms part of this report.

Structure, governance and management

The Fund is an unincorporated association which was established on 5 January 1917. It is governed by a Trust Deed which states that the Fund's object is the relief of necessitous members of the Incorporated Society of Musicians ('ISM'), former members and widows or other dependants of deceased members.

By a new Scheme issued by the Charity Commission on 1 October 2015, individual members of ISM Council ceased to be Trustees of the Fund and the Incorporated Society of Musicians Trust ('ISM Trust', a charitable company limited by guarantee), of which the ISM is the sole member, became the sole corporate trustee of the Benevolent Fund of the Incorporated Society of Musicians (ISM Members Fund, a charitable trust). The three organisations namely the ISM, the ISM Trust and the ISM Members Fund work closely together and are operating under the name "the ISM Group". The ISM staff administering the Fund were Deborah Annetts (Chief Executive), Sabrina Taylor (Head of Finance and Facilities) and Sarah Osborn (Head of Business Development). The work of the Fund was also supported by the Senior Leadership Team and the Trustee.

Objectives and activities

The Fund continued to implement the new strategy agreed by the Trustee in June 2018 following a review of its activities in March 2017 and the subsequent amendments to its objects that were approved by the Charity Commission in December 2017.

During 2020-21 the Fund continued to prioritise activities to support ISM members through the ongoing COVID-19 pandemic. Through a partnership with Help Musicians, £131,400 was distributed in hardship grants to 438 members. Help Musicians assessed applications and administered grants to agreed eligibility criteria that enabled those experiencing financial difficulties to receive financial support to the value of £300.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Fund also produced a number of resources to support the prevention of poverty:

A blog on managing unpredictable income, 'Five steps to building financial wellbeing for musical freelancers' was commissioned from The Money Charity as a precursor to developing further support around managing a fluctuating income.

An online debt advice hub was created through a partnership with StepChange debt charity covering topics such as understanding debt and being chased for money, advice on prioritising debts and managing debts in the event of redundancy. A referral system was also put in place to ensure members could access specialist, bespoke support and advice from StepChange.

Lastly the Fund supported two resources within the ISM's How To....guide series around aiding performers transition into a teaching career: *How to...Begin teaching music: An overview of the profession* and *How to...Begin teaching music: A practical guide to becoming an instrumental teacher* launched in December 2020.

The Fund continued to provide an outsourced 24-hour personal advice and support telephone helpline and associated counselling services available to all ISM members and their dependants. Demand for this service grew during the pandemic with a total of 60 new counselling cases (2020: 43). A total of 379 counselling sessions were delivered across either telephone or online over the year.

The physiotherapy service paused during government lockdowns but resumed operations later in the year. A total of 48 people contacted the service (2020: 31) with 5 people being referred for face-to-face treatment and 32 receiving a bespoke self-management treatment plan supplemented by telephone support. The remainder of members were referred back into the NHS or to specialist providers.

In total, 8 individuals received assistance by way of charitable grants. Also, there were times when applicants to the Fund were signposted to other sources of help, such as medical support, debt advice, welfare benefits, and other charities.

Financial Review

During the reporting period, total income fell by 24.6% over the previous year to £102,061 (2020: £135,364) and expenditure grew by 75.9% to £258,413 (2020: £146,934). During the year under review, the Fund generated a deficit of £156,352 (2020: a deficit of £11,570) before realised and unrealised gains/losses on the revaluation of investments. The net gains on investments were £465,325 (2020: losses of £245,575) due to the markets favourable recovery during the year which were a result of the market reacting to vaccines to combat the continued COVID-19 pandemic. This led to the financial year yielding a surplus after investment gains of £308,973 (2020: a deficit of £257,145).

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Donations and legacies

The Trustee acknowledges with thanks a legacy to the Fund from the estate of the late Miss F J Robson. Total donations and legacies received during the year were £8,867 (2020: £2,306). The Trustee is most grateful to all the individuals who made donations or organised fundraising initiatives.

Investments

The investment objective is to maintain and increase real capital value whilst generating sufficient income to cover the Fund's current expenditure. During the financial year, the COVID-19 outbreak continued to negatively affect our investment income which fell a further 30% during the year as companies continued to withhold dividend payments. With the markets however rallying during the year, the value of the Fund's investments grew by 7.0% to £3.84million and these investments generated income of £93,194 (2020: £133,058).

Charitable activities

Expenditure on direct charitable activities increased by £111,601 to £242,778, an increase of 85.1% largely due to the introduction of the Fund's Coronavirus Hardship Scheme which ran between February and August 2021. The Members Fund utilised part of its expendable endowment to fund the scheme which provided financial support for ISM members affected by coronavirus, £131,400 was distributed between 438 members who applied successfully.

During the year, the Fund spent £14,130 (2020: £36,044) on grants to individuals. £39,256 (2020: £36,863) on counselling services and £7,235 (2020: £3,995) on physiotherapy services. Support costs concerning charitable activities were reduced by £3,518, 6.5% during the reporting period.

Reserves

The Fund's Reserves Policy is to maintain a sufficient level of free reserves to enable normal operating activities to continue over a period of up to 6 months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. On 31 August 2021, these free reserves (unrestricted funds excluding those represented by investments) totalled £174,076 (2020: £183,511), the equivalent of 8 months (2020: 15 months) of the Fund's annual expenditure, which is well above the target range and sufficient to support the future plans of the Fund.

The total funds held as of 31 August 2021 were £4.08million (2020: £3.77million). Of these funds, £314,625 (2020: £396,336) were held in an expendable endowment fund and £3.55million (2020: £3.15million) in funds held for restricted purposes in our permanent endowment. The remaining unrestricted funds amount to £218,822 (2020: £223,167).

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Compliance

The Fund is registered as a data controller in its own right at the Information Commissioner's Office (ICO). All ISM staff working on Fund activities are bound by the provisions of the ISM Group Data Governance Policy introduced across all ISM Group companies in 2018 as part of our activities to ensure compliance with the General Data Protection Regulation (EU) 2016/679 ('GDPR') and the Data Protection Act 2018. The Fund continued to be registered with the Fundraising Regulator as part of our commitment to best practice and transparency in fundraising. New Trustees to the ISM Trust who constitute the Trustee received guidance in relation to trustee duties and charity governance during the course of the year.

Future plans

The Fund will review the physiotherapy service in the upcoming financial year. It is also hoped that the development of a hearing health service, paused due to COVID-19, can be resumed.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's report and the 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 & Wales requires the Trustee to prepare financial statements for each financial 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 these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

This report was approved by the Trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 16 February 2022 and signed on their behalf by:

Deborah Keyser
Chairman of the ISM Trust

Deborah Annetts
Chief Executive Officer

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

I report to the Trustee on my examination of the accounts of the Benevolent Fund of the Incorporated Society of Musicians (the Fund) for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity Trustee of the Fund 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 Fund's accounts carried out under section 145 of the 2011 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 Fund 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.

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.

Amy Healey FCA CTA DChA
Lindeyer Francis Ferguson Limited
Chartered Accountants
North House
198 High Street
Tonbridge
Kent TN9 1BE

22 February 2022

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Expendable endowment 2021 £	Permanent endowment 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and legacies		8,867	-	-	8,867	2,306
Investments		93,194	-	-	93,194	133,058
Total income		102,061	-	-	102,061	135,364
Expenditure on:						
Raising funds						
Investment management fees		173	1,728	13,734	15,635	15,757
Charitable activities	2	111,378	131,400	-	242,778	131,177
Total expenditure		111,551	133,128	13,734	258,413	146,934
Net expenditure		(9,490)	(133,128)	(13,734)	(156,352)	(11,570)
Net gains/(losses) on investments		5,145	51,417	408,763	465,325	(245,575)
Net movement in funds		(4,345)	(81,711)	395,029	308,973	(257,145)
Reconciliation of funds						
Total funds brought forward		223,167	396,336	3,150,838	3,770,341	4,027,486
Total funds carried forward		218,822	314,625	3,545,867	4,079,314	3,770,341

There were no restricted funds in the current or preceding periods.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Investments	4		3,836,638		3,586,830
Current assets					
Debtors: prepayments and accrued income		3,353		3,378	
Cash at bank		254,336		188,522	
		<u>257,689</u>		<u>191,900</u>	
Creditors: amounts falling due within one year	5	(15,013)		(8,389)	
Net current assets			242,676		183,511
Total net assets			<u>4,079,314</u>		<u>3,770,341</u>
The funds of the charity					
Endowment funds					
Expendable endowment			314,625		396,336
Permanent endowment			3,545,867		3,150,838
			<u>3,860,492</u>		<u>3,547,174</u>
Unrestricted funds			218,822		223,167
Total funds	6		<u>4,079,314</u>		<u>3,770,341</u>

The financial statements were approved by the trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 16 February 2022 and signed on their behalf by:

Deborah Keyser
Chair of the ISM Trust

Deborah Annetts
Chief Executive

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and 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)" (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Benevolent Fund of the Incorporated Society of Musicians meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

1.2 Going concern

Whilst COVID-19 continues to influence the company's activities, the Trustees have a reasonable expectation that the business will continue as a going concern as it will take action to alleviate the risks caused by reducing future expenditure or by utilising its reserves.

1.3 Status

The Benevolent Fund of Incorporated Society of Musicians is an unincorporated charity governed by a Trust Deed and is registered with the Charity Commission for England and Wales. The address of the registered office is 4-5 Inverness Mews, London, W2 3JQ.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. For donations this is usually on receipt. Investment income is recognised when it is receivable.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Fund that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies continued

1.5 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably. It is inclusive of any VAT which cannot be recovered.

Grants payable are payments made to beneficiaries in the furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustee has agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Fund.

1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Financial Instruments

The charity has financial instruments of a kind that qualify as basic financial instruments. The charity's short term debtors and creditors are measured at their settlement value.

1.8 Fund accounting

The permanent endowment fund is the capital of the members fund and must be held permanently.

The expendable endowment consists of funds held as capital of the members fund. However the Trustee has discretion over the use of the funds and these can be expended if required. During the year, some funds were used to provide grants under the Coronavirus Hardship scheme.

Unrestricted funds are those funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2 Expenditure on charitable activities

	2021 £	2020 £
Supporting physical, mental, and financial health:		
Grants to individuals	14,130	36,044
Grants to individuals - Coronavirus Hardship scheme	131,400	-
Counselling helpline costs	39,256	36,863
Physiotherapy	7,235	3,995
Support costs (see below)	50,757	54,275
	<u>242,778</u>	<u>131,177</u>
Support costs are made up as follows:		
Management charges	37,205	39,925
Other costs	763	8,517
Governance costs:		
Legal fees	10,299	3,403
Independent examination fees	2,490	2,430
	<u>50,757</u>	<u>54,275</u>

All grants are for the relief and prevention of poverty amongst ISM (Incorporated Society of Musicians) members and the dependents of deceased members. During the year, the charity made grants to 8 individuals (2020: 20). ISM ran a Coronavirus Hardship Scheme during the year, providing one-off grants to 438 individuals (2020: none).

All expenditure on charitable activities in 2020 was unrestricted.

3 Staff and Trustee costs

The members' fund has no employees, and therefore none earning more than £60,000 (2020: none). The Trustee (and its Trustees) did not receive any remuneration during the year in regards to the Fund, and the Trustee (and its Trustees) did not receive reimbursed expenses during the year (2020: one Trustee of the Trust was reimbursed £12 travel expenses in relation to the Trust).

The key management of the charity includes the Trustee, the ISM Chief Executive, the ISM Head of Business Development and the ISM Head of Finance & Facilities. The aggregate amount of remuneration recharged from ISM in respect of key management was £24,083 (2020: £24,908). Other staff costs have also been recharged from ISM, and there were no members of staff engaged in the members' fund's activities other than those recharged from ISM (2020: none).

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4 Investments

	2021 £	2020 £
Listed investments		
Market value at 1 September 2020	3,586,830	3,848,361
Additions at cost	436,740	1,813,259
Disposals at carrying value	(817,712)	(1,777,156)
Movements in cash capital account	165,454	(52,060)
Change in market value	465,326	(245,574)
Market value at 31 August 2021	<u>3,836,638</u>	<u>3,586,830</u>

At the balance sheet date £165,454 cash was held within the investment portfolio (2020: none).

5 Creditors due within one year

	2021 £	2020 £
Trade creditors	50	-
Grants payable	3,000	
Accruals	7,027	5,722
Amount due to the Incorporated Society of Musicians	4,936	2,667
	<u>15,013</u>	<u>8,389</u>

6 Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Expendable endowment 2021 £	Permanent endowment 2021 £	Total funds 2021 £
Investments	44,746	246,025	3,545,867	3,836,638
Net current assets	174,076	68,600	-	242,676
	<u>218,822</u>	<u>314,625</u>	<u>3,545,867</u>	<u>4,079,314</u>

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6 Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Expendable endowment 2020 £</i>	<i>Permanent endowment 2020 £</i>	<i>Total funds 2020 £</i>
Investments	39,656	396,336	3,150,838	3,586,830
Net current assets	183,511	-	-	183,511
	<u>223,167</u>	<u>396,336</u>	<u>3,150,838</u>	<u>3,770,341</u>

7 Control

The parent charity is the Incorporated Society of Musicians Trust, a charitable company limited by guarantee and registered in England and Wales (registered number - 9296727, charity number - 1160261). The Incorporated Society of Musicians Trust provides education and professional development for those involved in the arts and particularly music.

8 Related party transactions

At the balance sheet date, the charity owed £4,936, including VAT, (2020: £2,667) to the Incorporated Society of Musicians (ISM) in respect of expenses paid on behalf of the charity. Re-charged expenses totalled £37,205, including VAT, (2020: £39,925) and relate to salary costs and management charges reflecting time spent on Benevolent Fund of the Incorporated Society of Musicians by the staff at ISM. The ISM is considered to be a related party as it is the sole member of the charity's corporate trustee.

9 Contingent asset

As at 31 August 2021, the charity had been notified of one residuary legacy which has not been recognised in the financial statements as the grant of probate occurred subsequent to the balance sheet date. The amount of the legacy is expected to be in the region of £92,000.

During the year the charity were notified of a further legacy, where £2,500 was due after all the liabilities of the estate were settled. The settlement of liabilities had not been completed prior to the Balance Sheet date, and so the income has not been recognised in these financial statements.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS

England & Wales - Charity number 206801

Accounts

Charity number 206801

BENEVOLENT FUND OF THE
INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT AND UNAUDITED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 AUGUST 2020

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(working name “ISM Members Fund”)

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BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020

Trustees On 1 October 2015, under a Scheme issued by the Charity Commission, the Incorporated Society of Musicians Trust ('ISM Trust') became the sole corporate Trustee of the ISM Members Fund. The ISM Trust is company number 9296727 and registered charity number 1160261.

The Trustees of the ISM Trust are:-

Dr Jeremy Huw Williams (chair until 25 April 2020)
Professor Christopher Collins (from 18 September 2019 and chair from 25 April 2020)
Vick Bain (from 25 April 2020)
Pauline Black
Dr Marius Carboni
Dr Michelle Castelletti
Nicolas Chisholm MBE
Tim Daniell
Paul Edlin (from 25 April 2020)
Reginald Fletcher (from 25 April 2020)
Ivor Flint (Treasurer)
Trevor Ford
Professor Stephen Goss
Deborah Keyser (from 18 December 2019)
Eugene Monteith (from 17 June 2020)
Karl Lutchmayer (until 25 April 2020)
Elizabeth Partridge (until 25 April 2020)
Kevin Rogers (until 25 April 2020)
Professor David Saint (until 25 April 2020)
Ed Scolding (until 25 April 2020)
Professor David Smith
Nicky Spence (from 25 April 2020)
Susan Sturrock (until 25 April 2020)
George Vass (until 5 September 2019)

Charity registered number : 206801

Principal office 4-5 Inverness Mews
London W2 3JQ
This is also the principal office of the ISM Trust.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020

Independent examiner	Amy Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE
Bankers	National Westminster Bank Portman Square London W1A 1DW
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE
Investment managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS (ISM Members Fund)

TRUSTEE'S REPORT *FOR THE YEAR ENDED 31 AUGUST 2020*

The Trustee presents its annual report together with the financial statements of the Benevolent Fund of the Incorporated Society of Musicians ('the Fund') for the year ended 31 August 2020. The Trustee confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Fund's governing document 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 Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

The information set out on pages 1-2 forms part of this report.

Structure, governance and management

The Fund is an unincorporated association which was established on 5 January 1917. It is governed by a Trust Deed which states that the Fund's object is the relief of necessitous members of the Incorporated Society of Musicians ('ISM'), former members and widows or other dependants of deceased members.

By a new Scheme issued by the Charity Commission on 1 October 2015, individual members of ISM Council ceased to be Trustees of the Fund and the Incorporated Society of Musicians Trust (ISM Trust, a charitable company limited by guarantee), of which the ISM is the sole member, became the sole corporate trustee of the Benevolent Fund of the Incorporated Society of Musicians (ISM Members Fund, a charitable trust). The three organisations namely the ISM, the ISM Trust and the ISM Members Fund work closely together and are operating under the name "the ISM Group". The ISM staff administering the Fund were Deborah Annetts (Chief Executive), Sabrina Taylor (Head of Finance) and Sarah Osborn (Head of Business Development). The work of the Fund was also supported by the Senior Leadership Team and the Trustee.

Objectives and activities

The Trustee had due regard to the Charity Commission's guidance on public benefit when setting objectives and planning activities.

The Fund continued to implement the new strategy agreed by the Trustee in June 2018 following a review of its activities in March 2017 and the subsequent amendments to its objects that were approved by the Charity Commission in December 2017. The Fund now focuses on delivering services and resources that support physical, mental, and financial health. The first of three new services, the addition of face-to-face counselling and cognitive behavioural therapy to enhance the existing 24-hour personal support and advice line, launched in July 2019.

The second, a physiotherapy service to rehabilitate musculoskeletal injuries, launched as a pilot service in November 2019. The intended launch of a service to support hearing health was postponed as a result of the COVID-19 pandemic. The Trustee was mindful of the pandemic during the latter part of the financial year and

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

made sure that the services being delivered were aligned to the developing needs of ISM beneficiaries while at the same time being in line with the Fund's objectives.

The Fund continued to provide assistance to regular grant recipients throughout the year.

ACHIEVEMENTS AND PERFORMANCE

During the year, the Fund offered assistance to relieve a wide range of issues relating to poverty.

In total, 20 individuals (2019: 30) received assistance by way of charitable grants. Also, there were times when applicants to the Fund were signposted to other sources of help, such as medical support, debt advice, welfare benefits, and other charities.

The Fund continued to provide an outsourced 24-hour personal advice and support telephone helpline available to all ISM members and their dependants. The number of people accessing the service increased by 46% compared to the previous year. This includes 43 people who received counselling sessions either face-to-face, by telephone, or online over the course of the year.

A total of 31 people used the physiotherapy service across the year of which 8 received treatment through face to face physiotherapy sessions and a further 23 were provided with a bespoke programme to self-manage their injury which was supplemented by telephone support.

FINANCIAL REVIEW

During the reporting period, total income fell by 14.3% over the previous year to £135,364 (2019: £157,918) and expenditure grew by 4.9% to £146,934 (2019: £140,113). During the year under review, the Fund generated a deficit of £11,570 (2019: a surplus of £17,805) before realised and unrealised gains/losses on the revaluation of investments. The net losses on investments were £245,575 (2019: £105,458) due to the markets having a very turbulent period in the last 6 months of the financial year. This led to the financial year yielding a deficit after investment losses of £257,145 (2019: £87,653).

Donations and legacies

The Trustee acknowledges with thanks a legacy to the Fund from the estate of the late Anne Allan. Total donations and legacies received during the year were £2,306 (2019: £7,335). The Trustee is most grateful to all the individuals who made donations or organised fundraising initiatives.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Investments

The investment objective is to maintain and increase real capital value whilst generating sufficient income to cover the Fund's current expenditure. During the financial year, the COVID-19 outbreak and resulting measures taken by various governments to contain the virus negatively affected the economy and subsequently, our investment income fell in the last 6 months of the financial year. During the year, the value of the Fund's investments fell by 6.8% to £3.59million in line with general market trends and these investments generated income of £133,058 (2019: £150,583). The portfolio is expected however to recover over the long-term.

Charitable activities

Expenditure on direct charitable activities increased by £10,294 to £131,177, an increase of 15.5% largely due to the introduction of new services. Following on from the launch of a new face-to-face counselling service and Cognitive Behavioural Therapy (CBT) service in the previous financial year the Fund also launched a new physiotherapy service for our beneficiaries.

During the year, the Fund spent £36,044 (2019: £58,346) on grants to individuals. £36,863 (2019: £8,262) on counselling services and £3,995 (2019: £0) on physiotherapy services.

Support costs concerning charitable activities were reduced by £2,755, 4.8% during the reporting period.

Reserves

The Fund's Reserves Policy is to maintain a sufficient level of free reserves to enable normal operating activities to continue over a period of up to 6 months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. On 31 August 2020, these free reserves totalled £183,511 (2019: £179,125), the equivalent of 15 months (2019: 15 months) of the Fund's annual expenditure, which is well above the target range and sufficient enough to support the future plans of the Fund.

The total funds held as of 31 August 2020 were £3.77million (2019: £4.03million). Of these funds, £396,336 (2019: £425,211) were held in an expendable endowment fund and £3.15million (2019: £3.38million) in funds held for restricted purposes in our permanent endowment. The remaining unrestricted funds amount to £223,167 (2019: £221,883).

Post Balance Sheet Events

At the date of writing the Trustee report there has been a significant increase in value of our investment portfolio of approximately £200,000 because of signs of economic recovery from the COVID-19 pandemic in the stock market.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Compliance

The Fund is registered as a data controller in its own right at the Information Commissioner's Office (ICO). All ISM staff working on Fund activities are bound by the provisions of the ISM Group Data Governance Policy introduced across all ISM Group companies in 2018 as part of our activities to ensure compliance with the General Data Protection Regulation (EU) 2016/679 ('GDPR') and the Data Protection Act 2018. While the Fund's activities are, in general, not subject to any statutory requirements under data protection law to undertake data protection impact assessments (DPIAs), we undertook some DPIAs in relation the new services introduced by the Fund, as part of our commitment to best practice. Where necessary we also created tailored fair processing notices for users of our services to ensure fairness and transparency of our processing of any personal information. The Fund continued to be registered with the Fundraising Regulator as part of our commitment to best practice and transparency in fundraising. New Trustees to the ISM Trust who constitute the Trustee received guidance in relation to trustee duties and charity governance during the course of the year.

Plans for future periods

The COVID-19 pandemic has severely impacted the music profession. As a result, the Fund has paused work on the pilot hearing health scheme in order to re-orientate its focus towards providing support through the crisis. It will distribute hardship grants to those in most need through a partnership with Help Musicians. A number of resources to support the prevention of poverty will also be produced.

Plans to develop and enhance the website remain in place.

Trustee's Responsibilities Statement

The Trustee is responsible for preparing the Trustee's report and the 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 & Wales requires the Trustee to prepare financial statements for each financial 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 these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the

Trust Deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 12 February 2021 and signed on their behalf by:

Professor Christopher Collins
Chairman of the ISM Trust

Deborah Annetts
Chief Executive Officer

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

I report to the Trustee on my examination of the accounts of the Benevolent Fund of the Incorporated Society of Musicians (the Fund) for the year ended 31 August 2020.

Responsibilities and basis of report

As the charity Trustee of the Fund 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 Fund's accounts carried out under section 145 of the 2011 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 Fund 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.

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.

Amy Healey FCA CTA DChA
Lindeyer Francis Ferguson Limited
Chartered Accountants
North House
198 High Street
Tonbridge
Kent TB9 1BE

1 March 2021

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Expendable endowment 2020 £	Permanent endowment 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and legacies		2,306	-	-	2,306	7,335
Investments		133,058	-	-	133,058	150,583
Total income		135,364	-	-	135,364	157,918
Expenditure on:						
Raising funds						
Investment management fees		175	1,741	13,841	15,757	16,474
Charitable activities	2	131,177	-	-	131,177	123,639
Total expenditure		131,352	1,741	13,841	146,934	140,113
Net (expenditure)/ income		4,012	(1,741)	(13,841)	(11,570)	17,805
Net losses on investments		(2,729)	(27,134)	(215,712)	(245,575)	(105,458)
Net movement in funds		1,283	(28,875)	(229,553)	(257,145)	(87,653)
Reconciliation of funds						
Total funds brought forward		221,884	425,211	3,380,391	4,027,486	4,115,139
Total funds carried forward		223,167	396,336	3,150,838	3,770,341	4,027,486

There were no restricted funds in the current or preceding periods.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Investments	4		3,586,830		3,848,361
Current assets					
Debtors: prepayments and accrued income		3,378		9,009	
Cash at bank		188,522		180,196	
		<u>191,900</u>		<u>189,205</u>	
Creditors: amounts falling due within one year	5	(8,389)		(10,080)	
		<u></u>		<u></u>	
Net current assets			183,511		179,125
			<u></u>		<u></u>
Total net assets			<u>3,770,341</u>		<u>4,027,486</u>
The funds of the charity					
Endowment funds					
Expendable endowment			396,336		425,211
Permanent endowment			3,150,838		3,380,392
			<u>3,547,174</u>		<u>3,805,603</u>
Unrestricted funds			223,167		221,883
			<u></u>		<u></u>
Total funds	6		<u>3,770,341</u>		<u>4,027,486</u>

The financial statements were approved by the trustees of the ISM Trust acting on behalf of the Trust as the Fund's sole corporate Trustee on 12 February 2021 and signed on their behalf by:

Chris Collins
Chair of the ISM Trust

Deborah Annetts
Chief Executive

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and 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)" (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Benevolent Fund of the Incorporated Society of Musicians meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

1.2 Going concern

The trustee have considered the effect of the COVID-19 outbreak on the charity's activities. Although the outbreak has caused some disruption to the charity, the trustees do not believe that this will be significant, they have a reasonable expectation that the charity will continue as a going concern as it will take action to mitigate the risks caused by Covid-19 by reducing future expenditure.

1.3 Status

The Benevolent Fund of Incorporated Society of Musicians is an unincorporated charity governed by a Trust Deed and is registered with the Charity Commission for England and Wales. The address of the registered office is 4-5 Inverness Mews, London, W2 3JQ.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. For donations this is usually on receipt. Legacies are recognised when probate is granted, the executor for the estate has established that there are sufficient assets after settling liabilities and any conditions attached to the legacy have been met. Investment income is recognised when it is receivable.

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies continued

1.5 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably. It is inclusive of any VAT which cannot be recovered.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustee has agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Fund.

1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured that their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Financial Instruments

The charity has financial instruments of a kind that qualify as basic financial instruments. The charity's short term debtors and creditors are measured at their settlement value.

1.8 Fund accounting

The permanent endowment fund is the capital of the members fund and must be held permanently.

The expendable endowment consists of funds currently held as capital of the members fund. However the Trustee has discretion over the use of the funds and these can be expended if required.

Unrestricted funds are those funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

2 Charitable activities

	2020	2019
	£	£
Supporting physical, mental, and financial health:		
Grants to individuals	36,044	58,346
Counselling helpline costs	36,863	8,262
Physiotherapy	3,995	-
Support costs (see below)	54,275	57,031
	<u>131,177</u>	<u>123,639</u>

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2 Charitable activities continued

	2020 £	2019 £
Support costs are made up as follows:		
Management charges	39,925	41,132
Other costs	8,517	5,585
Governance costs:		
Legal fees	3,403	7,944
Independent examination fees	2,430	2,370
	54,275	57,031
	54,275	57,031

All grants are for the relief and prevention of poverty amongst ISM (Incorporated Society of Musicians) members and the dependents of deceased members. During the year, the charity made grants to 20 individuals (2019: 30). All support costs are considered to relate to the grant making

All expenditure on charitable activities in 2019 was unrestricted.

3 Staff and Trustee costs

The members' fund has no employees earning more than £60,000 (2019: none). No Trustee received any remuneration during the year and one Trustee received reimbursed travel expenses during the year of £12 (2019: none).

The key management of the charity includes the Trustee, the ISM Chief Executive, the ISM Head of Business Development and the ISM Head of Finance & Facilities. The aggregate amount of remuneration recharged from ISM in respect of key management was £20,756 (2019: £20,063). Other staff costs have also been recharged from ISM, and there were no members of staff engaged in the members' fund's activities other than those recharged from ISM (2019: none).

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4 Investments

	2020 £	2019 £
Listed investments		
Market value at 1 September 2019	3,848,361	3,970,289
Additions at cost	1,813,259	358,319
Disposals at carrying value	(1,777,156)	(426,535)
Movements in cash capital account	(52,060)	51,746
Change in market value	(245,574)	(105,458)
Market value at 31 August 2020	3,586,830	3,848,361

At the balance sheet date no cash cash was held within the investment portfolio (2019: £52,060).

5 Creditors due within one year

	2020 £	2019 £
Trade creditors	-	1,728
Accruals	5,722	5,795
Amount due to the Incorporated Society of Musicians	2,667	2,557
	8,389	10,080

6 Analysis of net assets between funds - current year

	Unrestricted funds 2020 £	Expendable endowment 2020 £	Permanent endowment 2020 £	Total funds 2020 £
Investments	39,656	396,336	3,150,838	3,586,830
Net current assets	183,511	-	-	183,511
	223,167	396,336	3,150,838	3,770,341

BENEVOLENT FUND OF THE INCORPORATED SOCIETY OF MUSICIANS
(ISM Members Fund)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6 Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2019 £</i>	<i>Expendable endowment 2019 £</i>	<i>Permanent endowment 2019 £</i>	<i>Total funds 2019 £</i>
Investments	42,758	425,211	3,380,392	3,848,361
Net current assets	179,125	-	-	179,125
	<u>221,883</u>	<u>425,211</u>	<u>3,380,392</u>	<u>4,027,486</u>

7 Control

The parent charity is the Incorporated Society of Musicians Trust, a charitable company limited by guarantee and registered in England and Wales (registered number - 9296727, charity number - 1160261). The Incorporated Society of Musicians Trust provides education and professional development for those involved in the arts and particularly music.

8 Related party transactions

At the balance sheet date, the charity owed £2,667, including VAT, (2019: £2,557) to the Incorporated Society of Musicians (ISM) in respect of expenses paid on behalf of the charity. Re-charged expenses totalled £39,925, including VAT, (2019: £41,132) and relate to salary costs and management charges reflecting time spent on Benevolent Fund of the Incorporated Society of Musicians by the staff at ISM. The ISM is considered to be a related party as it is the sole member of