

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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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.

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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

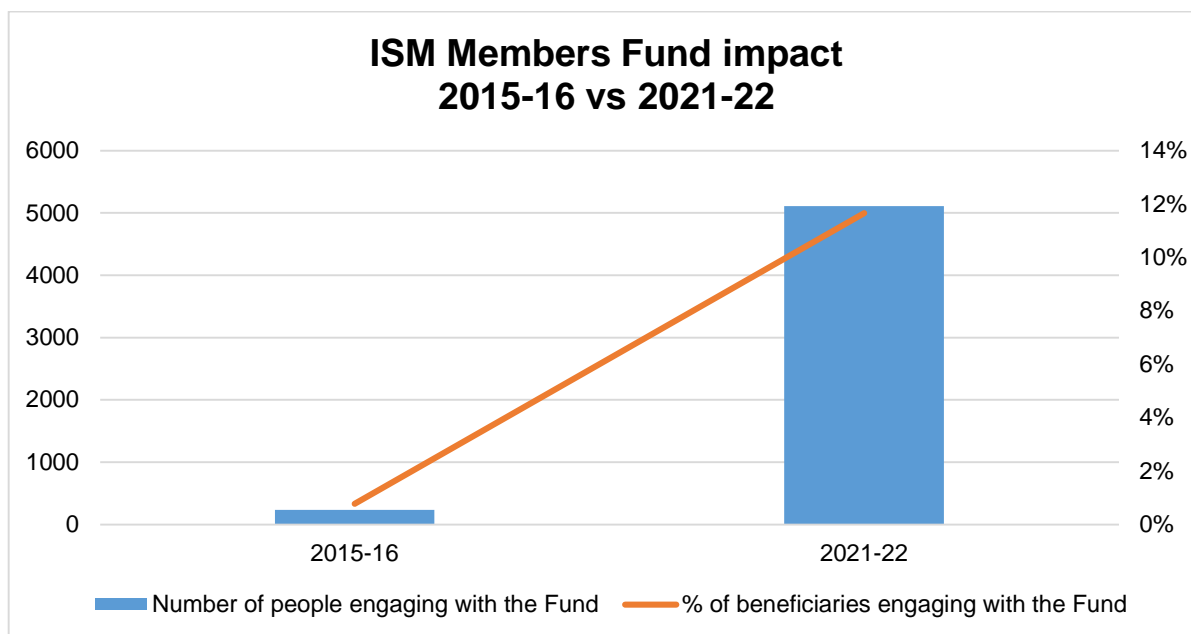
The Trustee had due regard to the Charity Commission's guidance on public benefit when setting objectives and planning activities.

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

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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

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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

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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

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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

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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:

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- 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
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**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
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**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
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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

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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.

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NOTES TO THE FINANCIAL STATEMENTS

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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.

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NOTES TO THE FINANCIAL STATEMENTS
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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).

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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>

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**NOTES TO THE FINANCIAL STATEMENTS
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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.

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**NOTES TO THE FINANCIAL STATEMENTS
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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).