



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2021

- Company Registration No 955930  
- Charity Commission No 259077

THE MUSIC THERAPY CHARITY (company registration number 955930)

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FOR THE YEAR ENDED 30 JUNE 2021**

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**REPORT OF THE BOARD OF GOVERNORS  
FOR THE YEAR ENDED 30 JUNE 2021**

1. The Charity is a company limited by guarantee; it has no issued share capital and is exempt for using Limited as part of its name. Every member in pursuance of clause 7 of the Memorandum of Association undertakes to contribute a sum not exceeding £1 in the event of the company being wound up whilst a member.
2. The objects for which the Charity is established are:
  - (a) to prevent, relieve and cure sickness and ill-health of every kind whether physical or mental by the use of arts, music therapy and colour therapy.
  - (b) to promote research into the use of arts, music therapy and colour therapy for the above purposes and to publish the results thereof; and in furtherance of these objects the Charity has powers, inter alia, to provide training for music therapists.

The Governors have had regard to the Charity Commission's guidance on public benefit and believe that these objects provide a public benefit.

3. The President throughout the year was Nicola Benedetti CBE and the Charity is most grateful for her support.
4. At 30 June 2021, the Vice-Presidents were Sir Thomas Allen CBE, Simon Callow CBE, Richard Crewdson, Julius Drake, Roy Van Gelder, Dame Beryl Grey DBE, Brian Kay, John Lubbock OBE, Penny Neary, Baroness Nicholson of Winterbourne, Anne Skeggs, Professor Malcolm Troup, Benjamin Zander.
5. The Charity received in its unrestricted fund donations of £37,780 (£69,272 in 2020) including Gift Aid. Due to Covid, the Charity was unable to hold its annual fundraising event in 2020. Instead, it developed a Musical E-Cards section for the website which produced income of £6,669. Investment income and bank deposit interest was £10,524 (£14,477 in 2020). During the year the Charity made grants totalling £88,392 (£74,764 in 2020), further details are given in sections 7 and 8.
6. The net incoming resources on the general account showed a loss of £49,260 (£8,652 gain in 2020). After adding unrealised gains of £28,240 (£48,269 loss in 2020) on investments, the net decrease in funds was £21,020 (£39,617 loss in 2020). The total fund at 30 June 2021 was £333,669, compared with £354,689 a year previously.
7. Clinical Research Initiatives

The Governors have agreed to continue funding long-term doctoral academic research in conjunction with major initiatives as they arise.

A PhD grant of £70,424 was awarded to Nottingham University in 2019 and this is being paid over 3 years in three instalments: £24,000 on 01/10/19; £24,000 on 01/10/20; £22,424 on 01/10/21. The title of this research project is "Development and evaluation of the Person Attuned Musical Interaction in Dementia Manual UK version (PAMI-UK)".

A Scoping Project grant of £17,000 was awarded to The Queen's University, Belfast on 12/01/21. The title of this research project is "Building capacity for high-quality research on the role of music therapy in supporting informal carers of people at end of life".

The response to the May 2020 Small Grants Call resulted in awards to Joanna Parsons (£1,500) and Marianne Rizkallah (£1,500). The December 2020 Small Grants Call resulted in awards to Paul Fernie (£1,492), Victoria Kammin (£1,500) and Joon Oh (£1,400).

8. Grants totalling £40,000 were made to 60 postgraduate music therapy students at the following universities:

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|                                   |         |
|-----------------------------------|---------|
| Anglia Ruskin                     | £4,000  |
| Guildhall School of Music & Drama | £4,000  |
| Nordoff Robbins                   | £12,000 |
| Queen Margaret University         | £4,000  |
| University of Derby               | £4,000  |
| University of Roehampton          | £4,000  |
| University of South Wales         | £4,000  |
| University of the West of England | £4,000  |

9. The Governors have considered the risks to which the Charity might be subject and are satisfied that systems are in place to mitigate such risks.
10. At their meeting on 10 June 2021, the Governors updated the Charity's Reserves Policy in which the aim is to hold sufficient reserves to be able to finance the Charity's usual grants and administrative expenses for a period of one year (previously three years) if there were no incoming resources during that time.
11. The Governors follow an Investment Policy which includes an asset allocation policy and investment objective. This Policy is kept under regular review.

The target proportions of the portfolio to be invested in each asset class are:

| Asset Class    | Target (%) | Minimum (%) | Maximum (%) |
|----------------|------------|-------------|-------------|
| Equities       | 60         | 50          | 80          |
| Fixed Interest | 15         | 0           | 30          |
| Cash           | 25         | 10          | 35          |

The investment objective is to generate a high total return subject to an acceptable level of risk. The performance of the investment portfolio (excluding cash) is measured against the following composite benchmark:

|                               |     |
|-------------------------------|-----|
| FTSE All Share Index          | 80% |
| ICE BoAML 1-15 Gilt Index     | 10% |
| ICE BoAML 1-15 Non-Gilt Index | 10% |

The equity and fixed interest investments are achieved through holdings in the M&G Charifund and Charibond respectively. Investment performance for the year to 30 June 2021 was 20.2% (net of fees) which compares to 16.3% from the composite benchmark. The portfolio benefitted from a strong recovery in UK equity markets and outperformance by fund managers of their benchmarks.

Over the last five years, the investment portfolio (ex cash) has returned 6.0% per annum which compares to the composite benchmark of 6.0% per annum.

12. To assist with forward planning the charity's activities and to support any future grant bids, the Governors have approved a budget for 2021/22 and forecasts for 2022/23 and 2023/24.
13. The Governors, who are also the Directors, during the year were:

Professor Michael Thorne CBE (Chairman)  
 Professor Helen Odell-Miller OBE BA (Hons) MPhil PhD LGSM (MT) (Deputy Chairman)  
 Mr Roger Swain (Treasurer)  
 Lady Caroline Borg ARCM  
 Professor Ian Cross  
 Dr Rachel Darnley-Smith  
 Mr Dominic Delaforce  
 Mrs Pauline Etkin OBE DpPPEd PGDip (MT)  
 Mrs Angela Mary Harrison GRNCM PGDip (MT)  
 Mrs Grace Meadows  
 Dr Kate Thomson MB BS MRCP DCH  
 Mrs Susan E Waldman

The Governors are appointed taking into account their relevant experience.

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14. Mark Taylor FCCA of Banks & Co, 1 Carnegie Road, Newbury, Berkshire RG14 5DJ is the Independent Examiner.
15. The report of the Board of Governors has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD

Michael Thorne  
CHAIRMAN



26 Fitzroy Square, London W1T 6BT

21/09/ 2021

THE MUSIC THERAPY CHARITY (company registration number 955930)

**REPORT OF THE INDEPENDENT EXAMINER TO THE GOVERNORS  
FOR THE YEAR ENDED 30 JUNE 2021**

I report to the governors who are the Charity trustees on my examination of the accounts of the company for the year ended 30 June 2021 which are set out on pages 7 to 11.

**Responsibilities and basis of report**

As the charity governors of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.

R M L Taylor FCCA  
On behalf of Banks & Co  
Chartered Certified Accountants  
1 Carnegie Road,  
Newbury, Berkshire,  
RG14 5DJ

21.9. 2021

THE MUSIC THERAPY CHARITY (company registration number 955930)

**INCOME STATEMENT**  
FOR THE YEAR ENDED 30 JUNE 2021

|   | Notes | 2021            | 2020            |
|---|-------|-----------------|-----------------|
|   |       | £               | £               |
| <b>INCOME AND ENDOWMENTS FROM:</b>                |       |                 |                 |
| Donations   | 2     | 37,780          | 69,272          |
| Charitable activities                             |       | -               | 18,682          |
| Other income                                      |       | 6,669           | -               |
| Investment income                                 |       |                 |                 |
| Bank deposit interest                             |       | 14              | 204             |
| Other investment income                           |       | 10,510          | 14,273          |
| <b>Total incoming resources</b>                   |       | <b>54,973</b>   | <b>102,431</b>  |
| <b>EXPENDITURE ON:</b>                            |       |                 |                 |
| Raising Funds                                     |       | 1,313           | 3,658           |
| Charitable Activities                             |       |                 |                 |
| Grants to Music Therapists                        |       | 40,000          | 40,000          |
| Grants for Research Projects                      |       | 48,392          | 34,764          |
| Tony Wigram Travelling Fellowship                 |       | 648             | 541             |
| Management costs                                  |       |                 |                 |
| Secretarial                                       |       | 10,745          | 11,236          |
| Accountancy                                       |       | 1,775           | 2,075           |
| Website and Computer Training                     |       | -               | 127             |
| Travel and Meeting Expenses                       |       | -               | 319             |
| Other Management Cost                             |       | 640             | 339             |
| Governance costs - Independent Review             |       | 720             | 720             |
| <b>Total resources expended</b>                   |       | <b>104,233</b>  | <b>93,779</b>   |
| <b>NET INCOME/(EXPENDITURE)</b>                   |       | <b>(49,260)</b> | <b>8,652</b>    |
| <b>NET GAIN/(LOSS) ON INVESTMENT ASSETS</b>       |       |                 |                 |
| Net Gains/(Losses) on investments during the year |       | 28,240          | (48,269)        |
| <b>NET MOVEMENT IN FUNDS</b>                      |       | <b>(21,020)</b> | <b>(39,617)</b> |
| <b>RECONCILIATION OF FUNDS:</b>                   |       |                 |                 |
| Total funds brought forward                       |       | 354,689         | 394,306         |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                |       | <b>333,669</b>  | <b>354,689</b>  |

THE MUSIC THERAPY CHARITY (company registration number 955930)

**STATEMENT OF FINANCIAL POSITION**  
FOR THE YEAR ENDED 30 JUNE 2021

|   | Notes | 2021<br>Total<br>funds | 2020<br>Total<br>funds<br>£ |
|---|-------|------------------------|-----------------------------|
| <b>FIXED ASSETS:</b>                                    |       |                        |                             |
| Investments at Market Value                             | 3     | 241,314                | 270,074                     |
| <b>CURRENT ASSETS:</b>                                  |       |                        |                             |
| Debtors   | 5     | 22,454                 | 48,394                      |
| Cash at bank and short term deposits                    |       | <u>98,021</u>          | <u>93,446</u>               |
|   |       | 120,475                | 141,840                     |
| <b>LIABILITIES</b>                                      |       |                        |                             |
| Creditors: Amounts falling due within one year          | 6     | <u>(28,120)</u>        | <u>(34,801)</u>             |
| <b>NET CURRENT ASSETS</b>                               |       | <u>92,355</u>          | <u>107,039</u>              |
| <b>LONG TERM LIABILITIES</b>                            |       |                        |                             |
| Creditors: Amounts falling due after more than one year | 7     | -                      | (22,424)                    |
| <b>TOTAL NET ASSETS</b>                                 |       | <u>333,669</u>         | <u>354,689</u>              |
| <b>THE FUNDS OF THE CHARITY</b>                         |       |                        |                             |
| Unrestricted fund                                       |       | <u>333,669</u>         | <u>354,689</u>              |
| <b>TOTAL CHARITY FUNDS</b>                              |       | <u>333,669</u>         | <u>354,689</u>              |

For the year ended 30 June 2021, the Company was entitled to exemption from audit under s.477 of Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the financial year in accordance with s.476 of the Act. The directors acknowledge their responsibilities:

- ensuring that the company keeps accounting records which comply with s.386 of the Companies Act 2006, and
- preparing accounts which give a true and fair view of the state of affairs of the company, as at end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of s.394 and s.395 of the Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These Accounts have been prepared in accordance with the provisions applicable to Companies subject to the small companies regime.

The financial statements were approved by the Board of Governors on 21/09/ 2021 and were signed on its behalf by:

Michael Thorne - Chairman



Roger Swain - Treasurer





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance the Charity's deeds, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as commitments but not accrued as expenditure.

**Employees**

The Charity does not employ any staff and its Governors are volunteers.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors receivable or payable within one year are recorded at transaction price.

**Investment Policy**

The investment objective is to generate a high total return subject to an acceptable level of risk. Further details are given in the Governors' report.

**Taxation**

The company is a charity for the purpose of Section 505 of the Income and Corporation Taxes Act 1988 and as such is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The Charity does not have any restricted funds.

|                            | 2021<br>£     | 2020<br>£     |
|----------------------------|---------------|---------------|
| <b>2 DONATIONS</b>         |               |               |
| Donations                  | 35,771        | 68,064        |
| Gift Aid and tax reclaimed | 2,009         | 1,208         |
|                            | <u>37,780</u> | <u>69,272</u> |

**3 LISTED INVESTMENTS**

|  | Charifund<br>£ | Charibond<br>£ | Total<br>£     |
|--|----------------|----------------|----------------|
| <b>COST</b>                                  |                |                |                |
| At 1 July 2020                               | 181,220        | 42,986         | 224,206        |
| Disposal during the year                     | (43,228)       | -              | (43,228)       |
| At 30 June 2021                              | <u>137,992</u> | <u>42,986</u>  | <u>180,978</u> |
| <b>REVALUATION</b>                           |                |                |                |
| At 1 July 2020                               | 44,401         | 1,467          | 45,868         |
| Disposals during the year                    | (13,772)       | -              | (13,772)       |
| Increase/(decrease) in value during the year | <u>28,925</u>  | <u>(685)</u>   | <u>28,240</u>  |
| At 30 June 2021                              | <u>59,554</u>  | <u>782</u>     | <u>60,336</u>  |
| <b>MARKET VALUE</b>                          |                |                |                |
| At 30 June 2021                              | <u>197,546</u> | <u>43,768</u>  | <u>241,314</u> |
| At 30 June 2020                              | <u>225,621</u> | <u>44,453</u>  | <u>270,074</u> |

During the year the Charity sold 4,731,546 units in its Charifund Holdings for £57,000 (2020: 4,520,737 units were sold for £70,000 (£41,302 + £28,698)). No units were acquired in 2021 (2020: 3,493,019 units were acquired for £48,000).

- 4 On the 8 September 2011 the Charity, along with other charities, became a Registered Member of the £1 Ordinary Guarantee class of Members in The Dudgeon Estate Nominee Company Ltd, which controls the activities of the agent who supervises the distribution of any further musical royalties arising from the estates of Gus and Sheila Dudgeon. In view of the difficulty of valuation, no value has been attributed to this holding in the balance sheet of the Charity. Roger Swain, a Governor of The Music Therapy Charity, was appointed director of The Dudgeon Estate Nominee Company on 24<sup>th</sup> November 2020.

|  | 2021<br>£     | 2020<br>£     |
|--|---------------|---------------|
| <b>5 DEBTORS</b>   |               |               |
| Income tax recoverable   | 30            | -             |
| Other Debtors  | -             | 1,500         |
| Prepayments  | <u>22,424</u> | <u>46,894</u> |
|  | <u>22,454</u> | <u>48,394</u> |
| <b>6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>          |               |               |
| Trade Creditors  | 300           | 5,500         |
| Other creditors  | 5,396         | 5,301         |
| Grant due to Nottingham University                               | <u>22,424</u> | <u>24,000</u> |
|  | <u>28,120</u> | <u>34,801</u> |
| <b>7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b> |               |               |
| Grant due to Nottingham University                               | <u>-</u>      | <u>22,424</u> |

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The Charity committed £70,424 to Nottingham University, to fund a long-term doctoral research project titled "Development and Evaluation of the Person Attuned Musical Interaction in Dementia Manual UK Version (PAI-UK). As at 30 June 2021 £22,424 remained outstanding (2020: £46,424) and it will be paid in October 2021.

**8 CONTINGENT LIABILITIES**

There were no contingent liabilities at 30 June 2021 (2020: nil)

**9 GOVERNORS' REMUNERATION AND BENEFITS**

No governors' remuneration or other benefits were paid for the year ended 30 June 2021 (2020: nil).

**Governors' expenses**

Except for reimbursements made in respect of expenditure incurred on behalf of the Charity no payments were made to members of the governors. Due to the Covid-19 pandemic meetings were virtual so no expenses were incurred for travel or other expenses in respect of the governors (2020: £144 travel expenses and £278 other charity expenses).

There are no employees who received total employee benefits, excluding pension costs, of more than £60,000.

**10 RELATED PARTY DISCLOSURE**

There are no related party transactions.

**11 ULTIMATE CONTROLLING PARTY**

The governors are considered to be the ultimate controlling party of the Charity by virtue of their ability to act in concert in relation to the operational and financial policies of the Charity.

**12 COMPANY DETAILS**

The company is registered in England, number 955930, and is registered with the Charity Commission, number 259077. Its registered office is 26 Fitzroy Square, London W1T 6BT.

**13 COVID-19**

The current worldwide Coronavirus outbreak commenced in China, being notified to the World Health Organisation ("WHO") by China on 31 December 2019, being declared by the WHO as a Public Health Emergency of International Concern on 30 January 2020 and as a worldwide pandemic on 11 March 2020. The pandemic is ongoing, however since the global immunisation programme, which commenced in early 2021, the effect of the pandemic appears to be stabilising.

The impact on the Charity for the year ended 30 June 2021 was that it was unable to hold its fund raising events during the year, which resulted in a loss of income and that the governors meetings were held virtually. In order to mitigate the reduction in income the Charity introduced the sale of Ecards which generated income of £6,669 and sold £57,000 worth of investments. The expenditure on its charitable grants was not impacted.