



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2023

- Company Registration No 955930
- Charity Commission No 259077

THE MUSIC THERAPY CHARITY (company registration number 955930)

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**REPORT OF THE BOARD OF GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2023**

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 2023, the Vice-Presidents were Sir Thomas Allen CBE, Simon Callow CBE, Richard Crewdson, Julius Drake, Roy Van Gelder, Brian Kay, John Lubbock OBE, Penny Neary, Baroness Nicholson of Winterbourne, Anne Skeggs, Benjamin Zander.
5. The Charity received in its unrestricted fund significant donations of £14,853 (£16,454 in 2022) including Gift Aid. The Charity's annual fundraising event was held on 3rd November 2022 at The Grosvenor Chapel produced income of £20,686. Investment income and bank deposit interest was £11,064 (£10,457 in 2022). During the year the Charity made grants totalling £45,807 (£69,924 in 2022), further details are given in sections 7 and 8.
6. The net incoming resources on the general account showed a loss of £20,111 (£49,277 loss in 2022). After adding unrealised losses of £11,728 (£8,440 loss in 2022) on investments, the net decrease in funds was £31,839 (£57,717 decrease in 2022). The total fund at 30 June 2023 was £244,113, compared with £275,952 a year previously.
7. Clinical Research Initiatives

The Governors have agreed to continue to consider funding long-term doctoral academic research in conjunction with major initiatives as they arise. However no such funding was awarded in 2023. A Scoping Project competition was announced in May 2022 for which an award of up to £17,000 is expected to be made in January 2024.

The response to the May 2022 Small Grants Call resulted in awards to Vicky Kammin (£1,500), and Beth Pickard (£1,500). The response to the December 2022 Small Grants Call resulted in awards to ARRIMT (£1,500), Emma Maclean (£817), Joon Oh (£1,500), Sound Emotive (£1,490) and Tina Warnock (£1,500).

8. Grants totalling £40,000 were made to 67 postgraduate music therapy students at the following universities:

Anglia Ruskin	£4,000
Guildhall School of Music & Drama	£4,000
Nordoff and 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 in 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 2023 was -0.8% (net of fees) which compares to 4.8% from the composite benchmark. The main theme of investment markets over the year has been the rapid rise in inflation around the world. Central banks around the world including the Bank of England have raised interest rates to levels not seen before the great financial crisis of 2008/9. The political turmoil in September and October led to sharp falls in the prices of long-dated UK government bonds. While there was a recovery at the start of year, this was reversed as inflation levels rose to over 10%. Despite this equity markets have seen a reasonable growth over the year although the UK has underperformed world markets. Our equity investments in Charifund have significantly underperformed the benchmark this year as a result of M&G's focus on higher yielding stocks. Our bond investments in Charibond have performed relatively better due to the manager's defensive positioning. However this wasn't sufficient to offset the loss on Charifund.

Longer term performance has been more in line with our benchmark. Over the last eight years, the investment portfolio (ex cash) has returned 3.9% per annum which compares to the composite benchmark of 4.8% per annum.

12. To assist with forward planning the charity's activities and to support any future grant bids, the Governors will approve a budget for 2023/24 and forecasts for 2024/25 and 2025/26 at their meeting in October 2023.
13. There were some changes to the board in 2023 and these are shown in the list below of Governors, who are also the Directors, during the year:

Professor Michael Thorne CBE – was Chair until he resigned on 30/03/23
 Professor Helen Odell-Miller OBE BA (Hons) MPhil PhD LGSM (MT) (Chair) – appointed Chair 30/03/23, was Deputy Chair until that date
 Dr Rachel Darnley-Smith (Deputy Chair) - appointed 30/03/23
 Mr Roger Swain (Treasurer)
 Lady Caroline Borg ARCM
 Professor Ian Cross
 Mr Dominic Delaforce
 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.

THE MUSIC THERAPY CHARITY (company registration number 955930)

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

Helen Odell-Miller
CHAIR



26 Fitzroy Square, London W1T 6BT

31.10.2023

**REPORT OF THE INDEPENDENT EXAMINER TO THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2023**

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 2023 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').

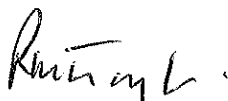
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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

6.11.2023

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
		£	£
INCOME AND ENDOWMENTS FROM:			
Donations	2	14,853	16,454
Charitable Activities	2	20,706	14,394
Research Conference Ticket Sales		3,818	-
Other Income		730	1,631
Investment Income			
Bank deposit interest		620	45
Other investment income		10,444	10,412
Total incoming resources		51,171	42,936
EXPENDITURE ON:			
Raising Funds		5,251	6,539
Charitable Activities			
Grants to Music Therapists		36,000	40,000
Grants for Research Projects		9,807	29,924
Tony Wigram Travelling Fellowship		500	-
Other Sponsorship		-	1,900
Research Conference Presentation		4,187	
Management costs			
Secretarial		11,886	10,607
Accountancy		2,350	1,850
Website and Computer Training		148	404
Travel and Meeting Expenses		159	-
Other Management Cost		84	269
Governance costs - Independent Review		910	720
Total resources expended		71,282	92,213
NET (EXPENDITURE)		(20,111)	(49,277)
NET (LOSS) ON INVESTMENT ASSETS			
Net (Losses) on investments during the year		(11,728)	(8,440)
NET MOVEMENT IN FUNDS		(31,839)	(57,717)
RECONCILIATION OF FUNDS:			
Total funds brought forward		275,952	333,669
TOTAL FUNDS CARRIED FORWARD		244,113	275,952

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 Total funds	2022 Total funds £
FIXED ASSETS:			
Investments at Market Value	3	184,092	212,874
CURRENT ASSETS:			
Debtors	5	34	271
Cash at bank and short term deposits		<u>66,682</u>	<u>72,007</u>
		66,716	72,278
LIABILITIES			
Creditors: Amounts falling due within one year	6	<u>(6,695)</u>	<u>(9,200)</u>
NET CURRENT ASSETS		<u>60,021</u>	<u>63,078</u>
TOTAL NET ASSETS		<u>244,113</u>	<u>275,952</u>
THE FUNDS OF THE CHARITY			
Unrestricted fund		<u>244,113</u>	<u>275,952</u>
TOTAL CHARITY FUNDS		<u>244,113</u>	<u>275,952</u>

For the year ended 30 June 2023, 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:

- (a) ensuring that the company keeps accounting records which comply with s.386 of the Companies Act 2006, and
- (b) 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 ^{24.}~~21~~.10.2023 and were signed on its behalf by:

Helen Odell-Miller - Chair

Helen Odell-Miller

Roger Swain - Treasurer

R Swain

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

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).

The Music Therapy Charity is a public benefit entity, as defined by FRS 102.

The financial statements are presented in Pounds Sterling, rounded to the nearest pound.

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.

2. DONATIONS AND CHARITABLE ACTIVITIES

Gift aid received and receivable included in Donations is £135 (2022: £137) and Charitable activities £467 (2022: £932).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

3 LISTED INVESTMENTS

	Charifund £	Charibond £	Total £
COST			
At 1 July 2022	126,337	42,986	169,323
Disposal during the year	(9,325)	(2,577)	(11,902)
At 30 June 2023	<u>117,012</u>	<u>40,409</u>	<u>157,421</u>
REVALUATION			
At 1 July 2022	46,252	(2,701)	43,551
Disposals during the year	(5,512)	360	(5,152)
Increase/(decrease) in value during the year	(8,801)	(2,927)	(11,728)
At 30 June 2023	<u>31,939</u>	<u>(5,268)</u>	<u>26,671</u>
MARKET VALUE			
At 30 June 2023	<u>148,951</u>	<u>35,141</u>	<u>184,092</u>
At 30 June 2022	<u>172,589</u>	<u>40,285</u>	<u>212,874</u>

During the year the Charity sold 1,020.763 units in its Charifund Holdings for £14,839 (2022: 1,275.835 units were sold for £20,000) and 2,000.00 units in its Charibond Holdings for £2,216. No Charifund or Charibond units were acquired during 2023 (2022: nil).

- 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 24th November 2021.

	2023 £	2022 £
5 DEBTORS		
Income tax recoverable	34	33
Other Debtors	-	238
	<u>34</u>	<u>271</u>
6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade Creditors	817	4,000
Other creditors	5,878	5,200
	<u>6,695</u>	<u>9,200</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023 (Continued)

7 CONTINGENT LIABILITIES

The Charity has invited bids for a Scoping Project grant of up to £17,000. Should a bidder be successful, the grant is to be awarded in January 2024. (2022: no contingent liabilities.)

8 GOVERNORS' REMUNERATION AND BENEFITS

No governors' remuneration or other benefits were paid for the year ended 30 June 2023 (2022: 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. Travel expenses of £41.39 were repaid to 1 governor (nil in 2022 as all meetings were held virtually).

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

9 RELATED PARTY DISCLOSURE

There are no related party transactions.

10 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.

11 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.

