

**MUSIC AND LETTERS TRUST
A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021**

INDEX

Page 1	Reference and administrative details of the charity
2-4	Report of the Board of Trustees
5	Independent Examiners' Report
6	Statement of Financial Activities
7	Balance Sheet
8-10	Notes to the Financial Statements

MUSIC AND LETTERS TRUST
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

Registered Company No. 564184

Registered Charity No. 262506

Trustees/Directors of the charitable company:

Professor D M Grimley (Chairman)
 Professor J S Rink
 Professor S C Downes (resigned 5 January 2021)
 Professor R Herissone
 Professor S Collins (appointed 5 January 2021)
 Professor K Ellis
 Dr P Wilton
 Dr S Barrett
 Professor S Hibberd
 Dr D Beard
 Dr B Blackburn
 Dr B Taylor
 Dr N O'Regan
 Dr Berta Joncus

Manager and Company Secretary: Dr P Wilton

Registered Office: Beaver House
 23 – 38 Hythe Bridge Street
 Oxford
 OX1 2EP

Independent Examiners: Critchleys Audit LLP
 Beaver House
 23 – 38 Hythe Bridge St
 Oxford
 OX1 2EP

Bankers: NatWest
 Piccadilly and New Bond Street Branch
 63-65 Piccadilly
 London
 W1J 0AJ

MUSIC AND LETTERS TRUST
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

**REPORT OF THE BOARD OF TRUSTEES IN RESPECT OF THE
YEAR ENDED 31 MARCH 2021**

The Trustees present herewith the financial statements for the year ended 31 March 2021.

Structure, Governance and Management

Music and Letters Trust is a company limited by guarantee registered as a charity under the Charities Act 1960. The charitable company is governed by its Articles of Association.

Trustees appoint new members of the Board either to fill a casual vacancy or by way of addition to the Board. Particular emphasis is placed upon the appointment of Trustees with knowledge and experience relevant to the charitable company's activities and who will enable Music and Letters to maintain a Board of Trustees with a wide range of musicological interests. There is no formal induction process, but proposed new Trustees are encouraged to familiarise themselves with their responsibilities under the Companies and Charities Acts before appointment.

Day to day administration of the Trust is delegated to a manager under the supervision of Board. The manager is also a member of the Board of Trustees. Decision-making powers are retained by the Board and exercised at meetings in January and July.

The Trustees have identified and considered the major risks to which the charity is exposed and have established systems and procedures to manage those risks.

Objectives and Activities

The main activity of the charitable company, as set out in its Articles of Association, continues to be the advancement of public education in, and fostering research into, the Art and Science of Music, principally through the sponsorship and promotion of scholarly works. The directors anticipate no future change to this activity.

The award of grants and prizes is a key element of the charitable company's activities. Awards are made twice a year, in January and July, in order to support musical research. Awards are made on the basis of academic excellence and financial need.

The directors confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

Directors

The directors set out below held office during the whole of the year except where otherwise stated. The company has no share capital and the directors have no interests therein.

Professor D M Grimley	(Chairman)	Dr P Wilton
Dr D Beard	Dr S Barrett	
Dr N O'Regan	Dr B Blackburn	
Professor S C Downes (appointed 5 Jan 2021)	Dr B Taylor	
Professor R Herissone	Professor K Ellis	
Professor J S Rink	Professor S Hibberd	
Dr B Joncus	Professor S Collins	

The Trustees have delegated the day to day management of the charity to Dr Peter Wilton.

MUSIC AND LETTERS TRUST
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

**REPORT OF THE BOARD OF TRUSTEES IN RESPECT OF THE
YEAR ENDED 31 MARCH 2021 (continued)**

Achievements and Performance

The charitable company's main achievements during the year were the continued publication of the journal Music & Letters and the award of grants and prizes in line with the Trustees' annual budget. The Trust has established its grant making policy to achieve its objects of supporting musical research and education for the public benefit. The benefits of the Trust's work include the education of future researchers, the funding of on-going research and the dissemination of research findings.

The Trust made awards to assist with organisation of academic conferences; to enable scholars to attend conferences to present their work; to assist with costs incurred in the publication of research; and to defray the costs of spending time away from home in order to undertake research.

The performance of the charitable company's investments in the COIF Charity Investment and Deposit Funds has been in line with the Trustees' expectations.

Financial Review

The results for the year are set out in the Statement of Financial Activities on page 6.

The charity's income is not guaranteed but depends on:

1. royalties from the journal, Music & Letters
2. dividends and interest from reserves invested in the COIF Charity Investment and Deposit Funds, which are subject to fluctuations in the stock market.

The Trust's charitable expenditure also varies from year to year as a result of the number and quality of the projects to be funded. In years when charitable expenditure exceeds net income, it is necessary to draw on the Trust's reserves.

From time to time the Trust makes larger than usual grants, mainly to organisations, and in such instances would draw on its reserves to avoid cutting back on grants to individuals.

The Trustees held the assets of the trust in accordance with their powers during the year. The Trustees have absolute discretion to invest the funds of the Trust; no restrictions are placed on these powers. The Trustees' policy for the selection of investments for the charity is to seek to produce a steady return on investment without exposing reserves to any undue level of risk.

The Trustees believe that the charity should maintain sufficient reserves to enable it to operate for about five years in the event of a sharp drop in income or of exceptional charitable expenditure. Reserves at 31 March 2021 were £160,873.

The Trust aims to keep the reserves at a steady level by spending its net annual income on grants and prizes. Projected expenditure on grants and prizes in the financial year to 31 March 2022 is between 15 and 20% of reserves.

If the reserves increase above the level considered necessary for safeguarding the activities of the Trust in the coming five years, more applications for grants will be sought by increased advertising. The financial situation is carefully reviewed by the Trustees at twice-yearly meetings of The Board.

MUSIC AND LETTERS TRUST
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

**REPORT OF THE BOARD OF TRUSTEES IN RESPECT OF THE
YEAR ENDED 31 MARCH 2021 (continued)**

Trustees' Responsibilities

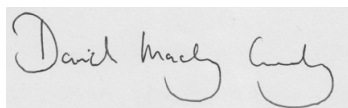
The Trustees (who are also directors of the Music and Letters Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that year. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

BY ORDER OF THE BOARD



.....
Professor D M Grimley (Director/Trustee)

10 September 2021

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF

MUSIC AND LETTERS TRUST

I report to the charity trustees on my examination of the financial statements of Music and Letters Trust (the charity) for the year ended 31 March 2021, which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

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

Having satisfied myself that the financial statements 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 charity's financial statements 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 report

I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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:

- accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those accounting records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities [applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

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Date:

Robert Kirtland

Critchleys Audit LLP
 Beaver House
 23-38 Hythe Bridge Street
 Oxford
 OX1 2EP

MUSIC AND LETTERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Not e	Unrestricted 2021	Unrestricted 2020
		£	£
INCOME AND ENDOWMENTS			
Income from investments		1,355	1,643
Income from charitable activities			
Royalties receivable		<u>24,532</u>	<u>23,765</u>
TOTAL INCOME AND ENDOWMENTS		25,887	25,408
EXPENDITURE			
Expenditure on charitable activities:			
Grants and prizes	2	12,879	17,557
Bank charges		45	155
Secretarial expenses		-	1,972
Governance costs	3	<u>2,478</u>	<u>2,981</u>
TOTAL EXPENDITURE		<u>(15,402)</u>	<u>(22,665)</u>
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		10,485	2,743
Net gains/(losses) on investments		<u>7,455</u>	<u>(1,180)</u>
NET INCOME/(EXPENDITURE)		17,940	1,563
Funds brought forward		<u>142,933</u>	<u>141,370</u>
Funds carried forward		<u>160,873</u>	<u>142,933</u>

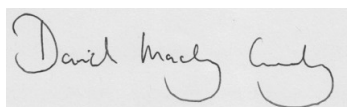
All activities are continuing. There were no gains or losses recognised during the year except those shown above.

As the company is limited by guarantee it is not considered appropriate to show a reconciliation of shareholders' funds.

MUSIC AND LETTERS TRUST
(Registered Company No. 564184)
BALANCE SHEET
AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Investments at market value	4	<u>118,680</u>	<u>102,373</u>
CURRENT ASSETS			
Debtors	5	24,556	23,789
Cash at bank and in hand		<u>37,851</u>	<u>31,847</u>
		62,407	55,636
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	<u>(20,214)</u>	<u>(15,076)</u>
NET CURRENT ASSETS		<u>42,193</u>	<u>40,560</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>160,873</u>	<u>142,933</u>
RESERVES			
Unrestricted fund	7	<u>160,873</u>	<u>142,933</u>

The financial statements were approved and authorised for issue by the Members of Board on 10 September 2021 and signed on their behalf by:



Professor D M Grimley (Director/Trustee)

MUSIC AND LETTERS TRUST

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

ACCOUNTING POLICIES

The following is a summary of the more important accounting policies:

a) **Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Music and Letters Trust 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 have been prepared on a going concern basis. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) **Income**

The following specific policies are applied to particular categories of income:

- Income from charitable activities consists of royalties received from the journal *Music & Letters* which is recognised when receivable.
- Investment income is accounted for when receivable.

c) **Expenditure**

Expenditure is accounted for on an accruals basis and gross of any related income. They are 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 use of the resources.

- Charitable expenditure comprises direct expenditure attributable to activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.
- Governance costs include those costs, such as statutory audit and legal and professional fees, associated with constitutional and statutory requirements.

d) **Investments**

Investments are stated in the financial statements at their market value as at the balance sheet date. Any unrealised gain or loss is taken to the income and expenditure account.

GRANTS AND PRIZES

During the year the charity awarded grants and prizes totalling £12,879 (2020: £17,557) to fifteen individuals (2020: twenty-seven). Grants and prizes expenditure includes an adjustment of £nil (2019: nil) in respect of grants awarded in previous years.

MUSIC AND LETTERS TRUST

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

3 GOVERNANCE COSTS

	2021 £	2020 £
Independent examiners fee	1,565	1,565
Company Secretarial fees	481	996
Corporation tax return fee	<u>432</u>	<u>420</u>
	<u>2,478</u>	<u>2,981</u>

4 FIXED ASSETS: INVESTMENTS

	Listed £	Investment Account £	Total £
a) Market Value			
At 1 April 2020	36,074	66,299	102,373
Additions	-	7,500	7,500
Gain/(loss)	7,455	-	7,455
Interest received	<u>-</u>	<u>1,352</u>	<u>1,352</u>
At 31 March 2021	<u>43,529</u>	<u>75,151</u>	<u>118,680</u>
b) Cost			
At 1 April 2020	21,361	66,299	87,660
Additions	-	8,853	8,853
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>21,361</u>	<u>75,152</u>	<u>96,513</u>

Investments include £75,151 as valued at market value of a COIF Charities Deposit fund, held by CCLA Investment Management Limited.

The listed investment relates to shares in COIF Charities Investment Fund Inc.

5 DEBTORS

	2021 £	2020 £
Royalties receivable	24,532	23,765
Investment interest	<u>24</u>	<u>24</u>
	<u>24,556</u>	<u>23,789</u>

MUSIC AND LETTERS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Grants payable	18,669	13,531
Accruals	<u>1,545</u>	<u>1,545</u>
	<u>20,214</u>	<u>15,076</u>

7 RESERVES

	Unrestricted Fund £
At 1 April 2020	142,933
Surplus/(Deficit) for the year	<u>17,940</u>
At 31 March 2021	<u>160,873</u>

8 GENERAL INFORMATION

Music and Letters Trust is a company limited by guarantee incorporated and domiciled in England. Its registered office address is 23-38 Hythe Bridge Street, Beaver House, Oxford, OX1 2EP.

In the event of the company being wound up, the liability of the members is limited to £1.

9 RELATED PARTY TRANSACTIONS

One member of the Board received remuneration for services to the company and reimbursement of expenses totalling £nil (2020: £1,972). As at 31 March 2021 a balance of £nil was outstanding (2020: £nil).

During the year ended 31 March 2021, the charity awarded grants totalling £nil (2020: £nil) to Trustees. The Trustees concerned were excluded from the decision-making process leading to the grant award; the Trustees involved declaring no pecuniary interest in the grants sought. The Board approved the grants having confirmed that it did not represent a conflict of interest for the Trustees concerned. As at 31 March 2021 grants awarded but not yet paid to Trustees amounted to £nil (2020: £nil).

No other trustees received any remuneration or reimbursement of expenses (2020: £nil).