

Charity registration number 262506

Company registration number 564184 (England and Wales)

MUSIC AND LETTERS TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

MUSIC AND LETTERS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor S Collins Dr B Joncus Dr Noel O'Regan Dr B Taylor Professor K Ellis Dr D Beard Professor R Herissone Professor S Hibberd Professor J S Rink Dr P Wilton
Secretary	Dr P Wilton
Charity number	262506
Company number	564184
Registered office	C/O Critchleys LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP
Independent examiner	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP

MUSIC AND LETTERS TRUST

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MUSIC AND LETTERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's articles of association, the Companies Act 2006 and "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).

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

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.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

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.

MUSIC AND LETTERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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 2024 were £209,742.

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 2024 is between 10 and 15% 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.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Professor S Collins

Dr B Joncus

Dr Noel O'Regan

Dr B Taylor

Professor K Ellis

Dr D Beard

Professor R Herissone

Professor S Hibberd

Professor S Barrett

Professor J S Rink

Dr P Wilton

(Resigned 17 January 2024)

MUSIC AND LETTERS TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Recruitment and appointment of trustees

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 delegated the day to day management of the charity to Dr Peter Wilton.

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.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.



.....
Professor J S Rink
Trustee

Date: 9 July 2024
.....

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MUSIC AND LETTERS TRUST

I report to the trustees on my examination of the financial statements of Music and Letters Trust (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 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 accounts 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.



Gary Pready FCA
Critchleys Audit LLP

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

Dated: 3/10/2024

MUSIC AND LETTERS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income and endowments from:			
Investments	3	5,305	2,921
Other income	4	27,956	24,265
Total income		33,261	27,186
Expenditure on:			
Charitable activities	5	17,524	15,190
Total expenditure		17,524	15,190
Net gains/(losses) on investments	11	4,118	(1,789)
Net income and movement in funds		19,855	10,207
Reconciliation of funds:			
Fund balances at 1 April 2023		189,887	179,680
Fund balances at 31 March 2024		209,742	189,887

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

MUSIC AND LETTERS TRUST

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	13		133,983		124,668
Current assets					
Debtors	14	28,321		24,522	
Cash at bank and in hand		59,628		60,283	
		87,949		84,805	
Creditors: amounts falling due within one year	15	(12,190)		(19,586)	
Net current assets			75,759		65,219
Total assets less current liabilities			209,742		189,887
The funds of the charity					
Unrestricted funds			209,742		189,887
			209,742		189,887

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 9 July 2024



Professor J S Rink
Trustee

Company registration number 564184 (England and Wales)

MUSIC AND LETTERS TRUST

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

1 Accounting policies

Charity information

Music and Letters Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is C/O Critchleys LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford, OX1 2EP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

MUSIC AND LETTERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MUSIC AND LETTERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	5,305	2,921

4 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Royalties	27,956	24,265

5 Charitable activities

	2024 £	2023 £
Bank charges	10	8
Grants and prizes	13,819	11,444
Share of governance costs (see note 7)	3,695	3,738
	17,524	15,190

6 Grants payable

	2024 £	2023 £
Grants and prizes	13,819	11,444
	13,819	11,444

During the year, the charity awarded grants and prizes totalling £19,885 (2023: £19,657) to 20 individuals (2023: 20 individuals)

Grants and prizes expenditure includes an adjustment of £3,725 (2023: £8,365) in respect of grants awarded in previous years which were not paid.

MUSIC AND LETTERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Grants payable (Continued)

7 Support costs	Governance costs £	2024 £	2023 £
Independent examination fees	2,120	2,120	2,064
Accountancy fees	570	570	534
Secretarial expenses	1,005	1,005	1,140
	<u>3,695</u>	<u>3,695</u>	<u>3,738</u>
Analysed between Charitable activities	<u>3,695</u>	<u>3,695</u>	<u>3,738</u>

8 Net movement in funds

	2024 £	2023 £
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The net movement in funds is stated after charging/(crediting):

Fees payable for the independent examination of the charity's financial statements	<u>2,120</u>	<u>2,064</u>
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9 Trustees

One of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. One trustee received remuneration for services to the company and reimbursement of expenses totalling £263 (2023: £1,140)

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

MUSIC AND LETTERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Revaluation of investments	4,118	(1,789)

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Fixed asset investments

	Listed	Investment account	Total
	£	£	£
Valuation			
At 1 April 2023	45,496	79,172	124,668
Valuation changes	4,118	-	4,118
Interest received	-	5,197	5,197
At 31 March 2024	49,614	84,369	133,983
Carrying amount			
At 31 March 2024	49,614	84,369	133,983
At 31 March 2023	45,496	79,172	124,668

Investments include £84,369 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.

14 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Royalties receivable	27,956	24,265
Investment income	365	257
	28,321	24,522

MUSIC AND LETTERS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Grants payable	8,485	17,086
Accruals and deferred income	3,705	2,500
	<u>12,190</u>	<u>19,586</u>

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2024 £
General funds	<u>189,887</u>	<u>33,261</u>	<u>(17,524)</u>	<u>4,118</u>	<u>209,742</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2023 £
General funds	<u>179,680</u>	<u>27,186</u>	<u>(15,190)</u>	<u>(1,789)</u>	<u>189,887</u>

17 Related party transactions

One member of the Board received remuneration for services to the company totaling £263 (2023: £1,140). As at 31 March 2024 a balance of £863 was outstanding (2023: £600).

During the year ended 31 March 2024, the charity awarded grants totaling £nil (2023: £2,250) 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 2024 grants awarded but not yet paid to Trustees amounted to £nil (2023: £1,500).

