

Annual Report

*and Financial
Statements*

For the year ended 31 December 2019

Thank you

Help Musicians is grateful to the many people who share our love of music and choose to support our work in different ways. To the hundreds of volunteers who donate their time, to the organisations who support or collaborate with us, sharing our view that we can achieve more by working together – a huge thank you.

We are grateful for donations and legacies whatever the size – every penny of donations we received in 2019 went directly towards helping musicians in need. As we approach our centenary, we are determined to reach more musicians than ever before, right across the UK. Without philanthropic help our work would not be possible and is vital to our mission of creating a world where musicians thrive.

Finally, the charity continues to be honoured to have Her Majesty The Queen as Patron for many years and we are enormously thankful for her long standing support.

Help Musicians is the working name of the Musicians Benevolent Fund, a registered charity (228089), a registered charity in Scotland (SC049625) a registered company (England 00252783) limited by guarantee and a Trust Corporation. The registered office is 7–11 Britannia Street London WC1X 9JS

helpmusicians.org.uk

4	Chairman’s message
5	Chief Executive’s message
6	Trustees’ report
9	Strategic priorities and goals
10	Our highlights from 2019
12	Programme
15	Communications
16	Profile and reach
17	Partners and events
18	Fundraising
20	Business services
22	Governance
24	Financial review
29	Looking forward to 2020
30	Principal risks and uncertainties
33	Statement of Trustees’ responsibilities
34	Independent auditor’s report
39	Summary

Contents



Chairman's *message*

At Help Musicians we are nearly 100 years young, and passionate about creating a world where musicians thrive. Throughout our long history we have been both resolute and consistent in our commitment to understanding and responding to the challenges which musicians face. From the first green shoots of a professional career through to end-of-life care, we aim to provide a lifetime of support when it is needed most.

Today our programme supports musicians' creativity, health and welfare, as well as business expertise. This balanced approach is unique. And it is vital, because musicians need all these elements to be in harmony if they are to sustain a successful career.

Each musician will enjoy a unique journey and we work hard to ensure what we do remains centred on the individual, proactive and relevant, for this generation of musicians and those to come. This is why we continue to invest in a programme of research which deepens our knowledge, and ensures we deploy our resources wisely and effectively.

In 2019 we achieved over 14,600 connections with emerging, professional and retired musicians, from all musical genres across the UK. Our direct charitable expenditure increased to £5.6m. Both these figures represent all-time highs for the charity.

However, there is still much more to do; the challenges which I mentioned continue to evolve. We work hard to respond to changing needs. Our ambition is equal to the challenge and we are currently deploying a percentage of our reserves to sustain a level of work greater than our annual income.

We are fortunate to have a number of loyal current supporters and we are hugely grateful for their continued involvement. However, we do need to build greater recognition and support for the charity, if we are to continue our work in a sustainable fashion. You will observe us doing more in the coming year to tell the stories of our beneficiaries, so that a wider public can better understand the real impact the charity achieves. As we prepare to mark our centenary in 2021, we plan to build a wider network of supporters, advocates and Ambassadors. United by a love of music, our diverse and growing family of supporters will work together to deliver the essential and enduring advice and assistance that musicians need.

Plato wrote: "Music gives a soul to the universe, wings to the mind, flight to the imagination and life to everything". This is why we love music and why we want to help musicians. If you feel the same, please consider joining us to support our endeavours in whatever way you can.

Graham Sheffield, CBE
Chairman



Chief Executive's *message*

There is a growing need for what we do and in response our team of staff and volunteers right across the UK are providing more support than ever before. Over the last two years combined we have seen a 70% increase in the number of payments made to support individuals and organisations. In 2019 we reached a new high-water mark in terms of direct charitable expenditure.

We saw a 19% increase in calls to our Music Minds Matter helpline, we referred 21% more musicians for medical assessments and treatments with the British Association for Performing Arts Medicine (BAPAM), we made more health and welfare payments than in any other year of our 98-year history and we more than doubled the size of our flagship 'Do It Differently' creative fund. Demand also remained strong for the Musicians Hearing Health Scheme and we have now helped over 12,000 professional musicians through this since its launch in 2016.

These statistics highlight the growing need amongst professional musicians for our creative support, business guidance and comprehensive health and welfare package. And they underline the magnitude of the task before us, as we strive to provide a lifetime of support when it's needed most.

We continue to commission research and surveys in order to improve our insight, so that we can be sure the work we do is the most essential with the most enduring impact. And where possible we do this in partnership with others, utilising the best expertise and sharing widely the knowledge that is generated.

We have also grown our reach across the regions and nations within the UK, opened up access to our postgraduate funding, increased engagement with volunteers (who grew in number by 45%) and on social media (e.g. Facebook fans increased 19%), and reinvigorated our Friends programme for those who want to support and engage with the charity.

Our income grew by 32% thanks to an increase in legacies and other donated income but we continue to spend significantly more than we bring in. Over the last two years we have spent on average £4m per year more than we receive. This is deliberate and we intend to continue in this manner for the next few years but funding from our reserves is not sustainable in the long term. We anticipate that demand for support will continue to grow, so increasing our income over the next few years will be vital.

I am hugely indebted to all those who support this charity. In particular it is a great joy to lead such a talented and caring team. Together we are passionate about reaching as many musicians as possible with our broad range of services, in order to make a meaningful difference now and for the long-term.

James Ainscough
Chief Executive

Trustees' *report*

The Trustees present the Trustees' Report, and the audited financial statements for the year ended 31 December 2019.

For nearly a century the charity has provided help, support and opportunities to empower musicians through all stages of their lives.

We love music and help musicians, aiming to have a positive impact on their lives and careers.

We are a unique, independent charity working in partnership with others. Offering a wide spectrum of research-led support we work proactively to provide help, support and opportunity across all genres of music and all areas of the UK.

Our support is:

Essential: providing a lifetime of support, when it's needed most.

Enduring: making a meaningful difference now and for the long-term.

Our wide spectrum of work includes; an integrated programme combining Health & Welfare services with Creative development funding, ground breaking research, a mental health helpline for the entire music industry and a hearing health scheme which aims to prevent hearing problems that would otherwise bring musicians' careers to an untimely end. Reaching all genres and locations, and with offices in London, Belfast and Glasgow, our help continues to evolve to support a world where musicians thrive.

Mission Statement

We want a world where musicians thrive.

We will support and empower musicians through all stages of their lives.

We are an independent charity with the freedom to think long-term and act responsively.



Objectives of the charity

- To relieve poverty and financial hardship and to advance education among:
 - (1) musicians
 - (2) those persons (not being members of the Association) who work or have worked in professions or occupations closely connected with music and who in the opinion of the Association have rendered valuable service to music
 - (3) the spouses, children and other dependants of those set out in (1) and (2) above.
- To advance musical education among musicians and also among members of the public.

Public benefit

When setting the objectives and planning the work of the charity for the year the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Values

HMUK has a strong values-based culture. Our values are central to how we work and were developed through employee consultation:

Passionate

We love music and are personally invested in supporting and empowering musicians through all stages of their lives.

Impactful

Our ambition is to use our unique position to make a meaningful difference to the lives of musicians. This drives us forward to ensure our knowledge is deep, our partnerships are strong, and our work is excellent and accessible.

Collaborative

We're stronger, more creative, and more impactful within the music industry when we work together, building inclusive teams and partnerships.

Respectful

We value our relationships and embrace our diversity. In all circumstances we will build trust by being open, honest, kind, consistent, fair and accountable.



Strategic priorities and goals: 2019-2021

From 2019 onwards the following strategic themes were put in place to shape the charity's development and focus for this three-year period. The strategic themes are:

Insight-led, collaborative & themed Programme

Programme will be shaped by research (therefore requiring long-term planning) and regular review. Research will be done in partnership with other organisations and the results will be shared publicly. Annual "themes" will provide coherence and focus, both for the planning of research and the resulting communication. Research will inform External Affairs' advocacy and gives opportunity for fundraising.

Holistic & inclusive Programme

Holistic Programme (Health & Welfare & Creative combined) acknowledges that musicians' needs are frequently interlinked (e.g. successful and struggling musicians alike struggle with mental health). We want to widen access to the support we offer, in order to reach as many musicians as possible and increase the number of applicants who can receive support.

Thinking nationally, acting locally

Our strategy for the "Nations & Regions" will enable local Programme and Fundraising to fit seamlessly alongside national strategy and activity. Each territory will be a bespoke microcosm of the national charity.

Building a nationwide volunteering community

Over time we aim to build and enable a large volunteering community, who both fundraise and significantly increase the reach and local impact of our charitable activity.

Awareness & influence

We will develop strategies to increase understanding, raise the profile and enhance the reputation of the charity's work on a national level. We will work in a targeted and collaborative manner to ensure maximum engagement and impact across all audiences, including advocacy to influence and improve working conditions in the music industry.

Sustainable financial growth

The charity is currently spending more than it receives, therefore income growth (both fundraising and commercially generated) combined with responsible expenditure decision-making is vital if we are to maintain or grow our current charitable activities.

Investing in our staff, systems and processes

We will ensure a continual focus on staff training, appraisal, engagement & benefits, to ensure a motivated workforce with low turnover. We will continue to invest in our systems and processes, particularly to improve IT resilience, security and functionality.

Our highlights from 2019

Throughout 2019, we used a matrix of KPIs to measure our progress towards achieving our strategic priorities and goals. This KPI data, collated every quarter with qualitative performance measures, was reviewed through the charity's governance structure.

Providing more support than ever before

The charity **increased its direct expenditure on our Creative, Health & Welfare Programme by 5.6%** to £5.6m in 2019. This led to a further increase in the number of payments to support individuals and organisations, rising by 3% to 14,630 interactions in 2019. Within this we have:

- Awarded a total of **335 creative grants** to individual artists and organisations (7% more than in 2018), totalling £1.5m (9% higher than in 2018). This was driven primarily by doubling the size of our flagship Do It Differently fund.
- Made **8,101 health and welfare payments** to musicians (an increase of 23% on prior year), totalling £2.2m.
- **Supported 3,747 musicians** through our Musician's Hearing Health Scheme (at a value of £0.4m), meaning that since the launch in 2016 we have supported over 12,000 musicians with heavily subsidised specialist audiological assessment and bespoke hearing protection.
- Witnessed a **19% increase** in calls from people working in the music industry to our Music Minds Matter helpline.
- Conducted **646 home visits** to musicians who need a bespoke level of support, the majority of whom were over 65 years of age.
- **Funded 1,194 musicians' medical assessments** and treatments through the British Association for Performing Arts Medicine (BAPAM), 21% up on 2018.
- Changed from a nominations process to an open application process for our Postgraduate Awards (across all instruments, voice, opera and musical theatre), in order to **increase the number and diversity of applicants**. This led to an increase in the number of applicants by 106% resulting in 103 awards to musicians totalling £286k.


19%

Increase in calls to **Music Minds Matter**


8,101

Health and welfare payments made to musicians


45%


We increased the number of our **volunteers** by 45% to nearly 250


335

Creative grants awarded to individual artists and organisations


1,194

Musicians' medial **assessments and treatments** were funded through BAPAM


3,747

Musicians were supported through our Musician's Hearing Health Scheme

Insight-led & collaborative

- We launched an innovative piece of research into the impact of tinnitus on professional musicians, partnering with the British Tinnitus Association, with completion due later in 2020.
- We commenced a three-year partnership with the Association of British Orchestras to increase our presence at the annual conference and to work collaboratively on research.
- We worked in partnership with the British Association of Performing Arts Medicine (BAPAM) to create a 'healthy touring' package of support for musicians in the Do it Differently fund.
- We co-curated a 15-episode podcast series with Elevate Music and Listen (formerly Wise Buddah) exploring health issues affecting musicians, providing tools and strategies to manage problems, as well as helping them to prevent the issues from happening in the future. To date this has attracted nearly 10,000 listens across 15 episodes and received 20 5-star iTunes reviews.

Building support

- We grew our Twitter followers (9%) and Facebook fans (19%), with the number of unique visits to our website rising by approximately 13.5% to over 120,000.
- We increased our number of volunteers by 45% to nearly 250.
- We launched a new Friends programme to engage better with longstanding supporters, alongside a growing number of annual supporter events.
- Total fundraising income grew by 67% to £3.3m.

Programme

This year we have provided more support than ever before by increasing our direct expenditure on Programme.

We have more than doubled the size of our Do it Differently Fund, which exemplifies our approach to empowering musicians with a balance of creative support, business guidance and a comprehensive health and welfare package.

We continue to commission and partner on studies and surveys in order to ensure that our work is insight-led. And we continue to develop and test our programme of work to ensure that our services are as impactful as possible.

Some of the key highlights from 2019 include:

Hearing Health. The Musicians Hearing Health Scheme continues to provide both early prevention of hearing damage as well as raising awareness of hearing health and has now reached over 12,000 musicians since it started in 2016. To better inform our approach to hearing protection, we launched an innovative piece of research into the impact of tinnitus on professional musicians, partnering with the British Tinnitus Association, with completion due in 2020.

Increase in Creative Funding. We gave more creative grants and awards than in previous years, notably through our flagship Do it Differently fund which offered £0.2m through 69 grants in the year. Additionally, this fund has recruited and coordinated a committed network of eight business advisors, partnered with BAPAM to create a Healthy Touring toolkit and with Featured Artist Coalition to provide membership and support from their featured artists. The scheme continues to attract musicians who are interested in maintaining independence in their careers and is reaching across all genres with the first reggae and opera artists funded in the second round of 2019.

Core Health and Welfare services continue to demonstrate growing need – we saw a 23% increase in the number of health and welfare payments made to professional and student musicians overall in the year and an increase in the number of applications from musicians to the visiting Health & Welfare casework team. And through our partnership with BAPAM we saw a 21% increase in the number of referrals we made for musicians to have a medical assessment and treatment with their clinicians.

Supporting classical music. Our ongoing review of the impact of Postgraduate Awards and the future of a classical music as a career led us to make some subtle but important changes to this year's awards process. We moved from a nominations process to an open application process to test the impact on numbers and diversity of applicants across instrumentalists, voice, opera and musical theatre. As a result we saw an increase in the number of applications from 234 in 2018 to 483 and we made 103 awards totalling £286k. Building on our understanding of classical music as a career we commissioned a qualitative research exercise to understand the training needs of classical musicians in the 21st century and commenced a three-year partnership with Association of British Orchestras to increase our presence at the annual conference and to work collaboratively on research.



The aim of our recently-developed Nations & Regions strategy is that each territory becomes a bespoke microcosm of the national charity, raising awareness of our national funds and services in a locally-relevant way. We already have an established presence in Scotland and Northern Ireland and our work there is starting to impact positively on the number of applicants to our Creative funds. In 2019 we commissioned studies relating to Wales and the North of England to gather insights and reflections from the musical community in these areas, in order to learn how we can best serve those areas. We have already developed a partnership with the international showcase festival Focus Wales and the Welsh Music Prize to raise awareness of our national programme of support in that nation.

We have also piloted our National Mentoring Bank; supported by a steering group of music sector representatives that saw 18 mentees matched with 18 mentors (all fully trained). The pilot ran for six months and resulted in a positive experience for all participants.

And finally, Music Minds Matter, our 'listening ear' mental health service, saw a 19% increase in the number of calls. We worked in partnership with Music Support to offer a series of training sessions in Mental Health First Aid to support a network of trained music professionals across the UK, working with our National Grants Programme organisations as session hosts.



Communications

We believe that we can help more musicians across the UK by doing more to raise awareness of the charity's role, breadth of support on offer and by sharing our insights and expertise with others to encourage wider engagement. Demonstrating ongoing need for philanthropic support is also key if we are to generate the level of funds required to meet current and future need.

Our communication efforts centre on raising the profile of the charity further in order to engage existing audiences and reach new ones (i.e. potential beneficiaries, donors, community fundraisers, corporate supporters etc.) to generate greater engagement, support and appreciation of the charity's work across the UK.

Key highlights of 2019: Growth in Digital Engagement

In 2019 there were 120,268 unique visits to the Help Musicians main website, a 13.5% increase year on year.

Engagement in the charity's social platforms also grew, with increases across all Help Musicians social entities.

Total increase in national reach by platform:

-  **Twitter followers – +2,399**
-  **Facebook fans – +1,760**
-  **LinkedIn community – +3,600**
-  **Help Musicians' Instagram profile was launched in September and early indications of engagement are positive.**

Launch of the Elevate podcast

Launched in July 2019, Help Musicians co-curated a 15-episode podcast series with Elevate Music and Listen (formerly Wise Buddah) exploring health issues affecting musicians. The pilot series aimed to raise awareness of the issues musicians can face during their careers, providing tools and strategies to manage problems, as well as helping them to prevent the issues from happening in the future. Presented by music industry researcher and vocal coach Lucy Heyman, the series featured interviews with artists and experts exploring topics such as mental and vocal health, hearing health, stage fright, wellbeing and other health related issues. Guests featured in the series included Nina Nesbitt, Hannah Peel, Shaun Ryder, Imogen Heap and Miles Kane along with expert contributions from Tamsin Embleton, Adam Ficek, Mind, Attitude is Everything, Musicians Union and Musicians Hearing Services.

The podcast has received positive engagement with nearly 10,000 listens to date across 15 episodes and received 20 5-star iTunes reviews. Tweets about the podcast averaged between 10,000–14,000 impressions each month. Several retweets from major music companies and individuals interviewed generated high engagement and increased awareness of the charity.



Profile *and reach*

Awareness of the charity and its support offer grew through involvement in a number of key media opportunities. Of note was involvement in the BBC6 Music prime drivetime show where we were invited to talk as part of Mental Health Awareness Week. In total, the charity received 1,452 media mentions in 2019.

The charity's profile was further raised as a result of the Smoke Rainbows compilation album, released during Mental Health Awareness Week to raise funds for Music Minds Matter. The album was the brainchild of CIC and publisher Karousel Music and York St John University, working with Help Musicians and Monks Road Records, inviting 12 artists to record the album at Abbey Road Studio 2 across four days as part of York St John's annual music production project. Artists featured included The Magic Numbers, Magic Lantern, Ren Harvieu, Penny Police, Matt Deighton, Pat Dam Smyth, Charlie Wood, The Leisure Society and The Blow Monkeys.

The album received good press and radio support, including features and reviews in M-Magazine, CMU Daily, Nordic Music Review along with regional press from Belfast Telegraph (8/10 and featured in albums of the week), York Press and Yorkshire Post (8/10).

Radio support for the album included multiple plays on BBC 6 Music by Chris Hawkins and Tom Robinson and plays on BBC Wales' Janice Long, including an interview with Romeo Stodart from the band The Magic Numbers talking about the album.

The charity was delighted to collaborate with Phil Taggart on his first book, 'Phil Taggart's Slacker Guide to the Music Industry' which was released in May. Phil's engagement with the charity deepened later in the year when he became a Help Musicians Ambassador in October with a key role for advocacy within Northern Ireland.

Partners *and events*

A key part of the charity's promotion is appearances at key events throughout the year, to raise awareness of the support Help Musicians offers. In total, we were involved in 406 events, which included participating or hosting panels and presentations, providing information, and curating content to educate attendees or raise awareness of an issue.



| Key highlights were:

- Partnering with the Americana Music Association UK to provide education and advice on how to manage a sustainable career as part of their January conference.
- Curating content and hosting panels as part of the Brighton Music Conference to engage with musicians from the electronic music sector.
- Partnering with The Visit, Showcase Scotland Expo to engage musicians from the traditional, world and folk genres, resulting in a week-long event for 21 musicians.
- A partnership with AVA Festival in Northern Ireland to raise awareness of the charity and engage with the electronic music sector.
- Offering a musician's hub to showcase the charity's breadth of support and panel support at The Great Escape and a panel with a line up including Phil Taggart, Laurie Vincent, AWATE, and Paulette Long OBE discussing what kind of support musicians in the 21st century need to thrive.
- Marking the final year of the charity partnership with the Scottish Album of the Year Awards, raising funds and building positive engagement with musicians and the wider sector.
- The continuation of our collaboration with Stendhal, Northern Ireland's largest outdoor music festival with a focus on greater artist engagement and fundraising.
- A significant presence at BBC Introducing Live in November 2019, including content and advice on building a sustainable career and engagement in hearing health.

Fundraising

Thanks to the generous music lovers who have left legacies and donations, our generations of trustees have been able to invest their money effectively. We are in the fortunate position of having substantial reserves within the charity. Our strong financial bedrock allows us to plan for the long term and gives us confidence that we can continue supporting the musicians who rely on us despite short-term fluctuations in income.

The "100% pledge" remains an important message within our fundraising. We commit to covering all of the charity's overheads with income from our investment portfolio. This means donors can be sure that every penny they give this year will go straight to the front-line.

Over the last two years we have seen a 70% increase in demand for our services. On average we have spent £4 million per year more than we currently earn. If we are to sustain our mission of creating a world where musicians thrive, we must grow our fundraising programme.

Our fundraising strategy is to engage with individuals, trusts and corporations. We will present to music lovers from all walks of life the needs of musicians and the impact of our work. By providing a variety of options to support us and a clear donor journey, we will gain new advocates and generate sustainable growth.



Key highlights of 2019

- Total fundraising income grew by 67% to £3.3m, thanks to:
 - o the receipt of significant legacies from long-standing supporters of the charity, and
 - o generous one-off donations from many individuals and trusts/foundations, including the Alchemy Foundation, the Sanford Charitable Trust and the Promenaders' Musical Charities.
- The annual Festival of Saint Cecilia built engagement with our supporters attracting over 1,800 guests to Westminster Abbey to hear the combined choirs of the Abbey, St Paul's and Westminster Cathedral along with many other beautiful musical performances.
- A variety of other activities included an opera masterclass led by Alison Pearce at Hoare Bank, a piano masterclass by Charles Owen in partnership with Steinway, an intimate evening with Emily Sande in partnership with Signa and Sofar Sounds, plus events in association with Viking Cruises, Shoreditch Treehouse and Finchcocks.
- Music lovers who regularly donate to us joined our refreshed Friends programme. They receive updates on our work, priority booking for events, discounts and opportunities to enjoy musical experiences with some of the talented artists we support. Friends can join us from £75 per annum upwards, visit our website for more details.
- We ran two successful fundraising campaigns focusing on the Musicians' Hearing Health Scheme and the difficulties musicians face at Christmas.

Business *services*

Our Business services team comprises of Finance, Human Resources, IT and Operations and they each play an important role in helping our Programme, Fundraising and Communications teams deliver the charity's work and engage with supporters.

As we strive to work in an efficient and effective manner to better support the needs of the charity, we continue to look for improvements within our processes and procedures, so time can be spent building relationships and adding value rather than on administrative tasks.

| During 2019 we have achieved the following:

• Sustainable financial growth

- o A review of our Investment strategy to protect the medium and long-term cash flow requirements of the charity.

• Staff

- o Our third year of Investors in People accreditation with a further increase in overall survey score.
- o Roll out of a new performance management tool (Cascade Go) for our management team to develop our staff and identify training requirements.

• Systems

- o A review of our IT systems and the creation of a Technology strategy in order to develop a number of important systems over the next few years including website, customer relationship management software and the financial management and reporting software.
- o Reviewed and selected a new Grant Management System (Smart Simple) which will improve efficiencies within both our Programme, IT and Finance teams. The new system will be implemented in 2020.

• Processes

- o Retendered and appointed a new auditor, Buzzacott LLP, for our 2019 audit.
- o Rolled out a new purchase order process to provide better controls around procurement and cost.

| Complaints

Sometimes things can go wrong. We treat every complaint raised seriously, ensuring a proper investigation is conducted and the appropriate response is given in a timely manner.

| Fundraising practice

Help Musicians takes very seriously the relationships we have with donors and volunteers and none of our activity should compromise their privacy, put anyone under undue pressure or be unreasonably persistent. HMUK's fundraising activity does not include street collecting and we do not send out any unsolicited communications. We have not received any complaints about our fundraising activities during the period covered by this report.

We are hugely grateful that many community-based supporters voluntarily raise money in aid of HMUK, and although we provide advice regarding this activity, we do not directly control or monitor these activities.

| Data Protection, GDPR and information governance

HMUK has taken the relevant steps to remain compliant with the new GDPR regulations, which is the privacy and data protection regulation in the European Union that came into effect from 25 May 2018. We remain committed to ensuring privacy is protected with strict adherence to all data protection laws.

The personal data that HMUK processes is to:

- Provide information and grants.
- Promote events.
- Send news and updates.
- Recruit volunteers and donors.
- Make fundraising appeals by email, direct mail, telephone and face-to-face meetings.
- Employ and train staff and contractors.

The legislation has helped us as an organisation to ensure we provide greater transparency in our communications about how we use data and to enhance controls compliant with new legislation.

We have appointed a Senior Database and Data Protection Analyst who works closely with our Data Protection Officer and IT Manager to ensure our systems and the services we provide are compliant. We have taken the opportunity of GDPR to take stock of all the data we hold in the organisation, review, update and in some cases create new policy to improve efficiency and compliance. Our updated Privacy Policy can be found on our website and is updated as required by changes in legislation and policy.

| Participation in fundraising regulation and compliance with codes

We aim to be transparent in everything we do, and throughout the year, the charity reviewed its fundraising practices to ensure they are in line with best practice whilst complying with the Information Commissioner's Office Direct Marketing guidelines. We are registered with the Fundraising Regulator and are actively working towards full compliance with the General Data Protection Regulations (GDPR) which will involve a proactive audit of all donors to gain consent for the charity to retain their contact details on its database where legitimate interest is not applicable. HMUK expects all third parties that it works with to meet the same high standards as its own staff. As such, we embedded a more stringent approach to our contractual agreements, one that clearly outlines our expectations about ethical behaviour and compliance with the requirements of the GDPR.

Governance

Help Musicians is a company limited by guarantee (registered company number 00252783) and a charity registered in England and Wales (228089) and Scotland (SC049625). It has, within its consolidated results, a Trust registered in Scotland (SC012597). The charity is governed by a Board of Trustees, chaired by Graham Sheffield CBE, under powers defined in the Memorandum and Articles of Association.

Structure, governance and management of the charity

The charity is comprised of:

- **Members** – There are approximately 50 'members' liable for £1 each.
- **Board of Trustees** – The Board defines the charity's strategic direction and policies. Trustees ensure that the activities of the charity are in accordance with its Memorandum and Articles of Association. They are also aware of the need to be responsive to the changing work trends and circumstances of working musicians.
- **Sub-committees** – These receive policy recommendations from the Executive Team. They often co-opt specialist advisors who support the charity's work. There are three sub-committees:
 - o Finance and Audit Committee – reviews budgeting, financial strategy, financial performance, audit, reporting and risk management.
 - o Nominations Committee – recruits and appoints Trustees and co-opted advisors in collaboration with the Chief Executive. The committee meets as and when necessary.
 - o Remuneration Committee – convenes once a year to discuss and decide levels of staff remuneration.
- **Advisory boards** – These boards oversee the strategic direction and monitoring of programmes. There are three advisory boards:
 - o Creative Advisory Board.
 - o Musicians Health Advisory Board.
 - o Communications and Development Board.

Trustee Emeriti

In 2019, the Board of Trustees approved the creation of the title of Trustee Emeritus or Emerita. This title may be bestowed on a former Trustee of the charity to signify exemplary service and an ongoing relationship with the charity beyond the conclusion of the official term as a Trustee. The Board of Trustees made two inaugural appointments of Trustee Emeriti:

- Ronald Corp OBE
- Thomas Sharpe QC

Annual General Meeting

The 90th Annual General Meeting will be held on Thursday 16th July 2020, at 7-11 Britannia Street, London WC1X 9JS. In accordance with the Memorandum and Articles of Association, the following members of the Board of Trustees retire by rotation or, being eligible, offer themselves for re-election:

- John Axon

Members

Under the rules, members are entitled to vote, attend the Annual General Meeting and elect Trustees.

Financial review

INCOME



£5.6M

EXPENDITURE



£8.9M

FUNDING GAP

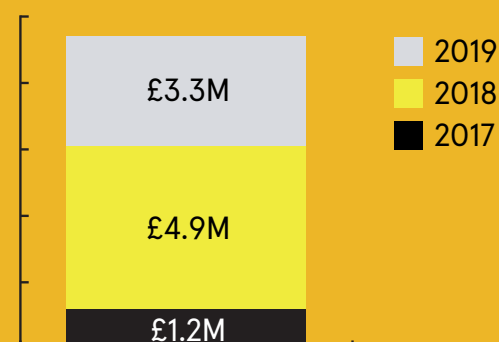
funded from reserves



£3.3M

CUMULATIVE FUNDING GAP

TOTAL £9.4M



Total income for the year was £5.6million (2018: £4.3million), a 32% increase on 2018. This was mainly due to a significant uplift in legacy income, which increased by £1.1m to £2.6m. Legacies made up 46% of our income for the year (2018: 36%) and continue to be a crucial income stream. Donation income also increased significantly on the previous year to £0.8m, 51% higher than 2018.

Expenditure on direct charitable activities rose by £0.3m to £5.6m (Health & Welfare £3.6m and Creative Programme £2.0m) and we reduced our spend on support services and administrative activities by £0.6m to £3.3m. Therefore, overall total expenditure of £8.9m was 3% lower than last year.

Following large increases in grant expenditure last year, the value of awards in 2019 was stable at £4.4m. Within this, the volume of individual Health & Welfare payments increased by 20%, although the total cost of £2.8m remained similar to 2018. Creative grants awarded to musicians increased by 10% mainly driven by a full year of the newly created Do it Differently fund where we awarded 69 grants totalling £0.2m compared to 22 grants totalling £0.1m in 2018.

The charity continues to expand across the regions to provide a nationwide service for musicians and during 2019 we spent a total of £0.5m in Scotland and Northern Ireland compared to £0.4m in 2018. We also carried out research on the current music ecosystem of Wales prior to launch there in 2020, with plans to investigate the music scene in the North and East of England in 2020.

We always look for savings and efficiencies to make sure we get the best value for money. During 2019 we were able to reduce our expenditure on publicity and advertising by £0.4m and find £0.2m savings on various other cost areas, including legal & professional fees and partnerships. Overall, other expenditure is £0.6m lower than 2018.

Net expenditure before the movement of investments was £3.3m (2018: £4.9m). This is the third year in a row that we have spent more than was generated, meaning that we have reduced our accumulated surpluses by £9.4m in total. We will continue to do so until our reserves are at an appropriate level which balances long-term stability with musicians' current needs. After accounting for investment gains of £8.1m (2018: losses of £6.1m), the net surplus for 2019 was £4.8m (2018: net deficit £11.0m). This brought total reserves to £69.7m (2019: £64.9m).

Designated funds – Agenda 2021

In 2018, the Trustees agreed to ringfence a total of £6.7m unrestricted funds towards achieving the goals of Agenda 2021 to increase activity levels and improve income generation. The charity has continued to allocate a proportion of its increased spend each year and during 2019 a further £2.4m was drawn down, meaning that the fund is now fully utilised. In addition to this, the charity has drawn down a further £0.7m from our general fund to cover the remaining shortfall in the year.

Key management personnel remuneration

The Trustees consider the key management personnel of the charity to be the Chief Executive and the Executive Team. The remuneration of the Chief Executive and the Executive Team is reviewed annually and set in accordance with average earnings to reflect any adjustment to the cost of living. The Remuneration Committee benchmarks against salary ranges in other charities using the midpoint of the salary offered for similar roles in similar charities. Trustees give their time freely. Details of Trustee expenses and related party transactions are disclosed in notes 6 and 14 of the accounts.

Social investment policy

We recognise that on very rare occasions it is in the interest of individual musicians who we support, to arrange concessionary loans for a major piece of work. These are secured on either their property or other tangible fixed assets such as land.

Loans are repayable either when the property is sold or when the individual dies and it is repaid from the estate. The loans were made on the premise that the charity would not intend to achieve a financial return and are made wholly to advance our charitable purposes for the benefit of the musicians we support.

We currently have two loans which total £66k (2018: two loans totalling £65k).

Investment policy and performance

During 2019, the charity undertook a review of its investment strategy and the investment portfolio has been arranged into two more distinct funds – a ‘core fund’ which will protect our long term income requirements and a ‘non-core’ fund which will meet the short and medium term cashflow requirements of the charity.

Rathbones manage the majority of the core fund portfolio as well as the non-core fund. During the year the charity appointed two new investment managers, Aviva Investors & The Partners Group who, along with Brewin Dolphin, manage the remainder of the core fund.

In 2019, the investment portfolio yielded £2.1m which exceeded the required income target of £2m in the budget; representing an average income yield of 3.3% (2018: 3.4%). The overall performance of the portfolio in terms of total return was comparable to the benchmark; the total annual charge (TAC) for the portfolio averaged from both investment managers was 0.50% in 2019 (2018: 0.43%). Capital gains on the portfolio this year was £8.1m (compared to £6.1m losses in the previous year). The performance of the investment portfolio is scrutinised by the Finance and Audit Committee.

Reserves

Since inception, nearly 100 years ago, the charity has built up a financial cushion to support our commitments to the musicians we help. Our obligations to musicians in need cannot be switched on or off depending on changes to the financial climate and may even expand in a volatile economy. The charity must maintain sufficient resources to maintain programme delivery whatever the circumstances.

Welcome as they are, we cannot prudently rely upon legacy income because annual gifts fluctuate and cannot be predicted accurately. Whilst the investment portfolio at £60 million of unrestricted funds may be considered significant, with low yields on investments at present a large fund remains necessary in order to provide the charity with the reliable income stream it needs to rely on in order to retain the long-term stability of its charitable work. We will continue to target a net income of £2 million in 2020 and hope to achieve this from a core fund of £40–50 million. The remainder of the charity’s funds are committed, over the medium term, to seed-funding a permanent expansion in the charity’s activity levels. The Trustees keep the charity’s Reserves under regular review and

are of the opinion that the core fund requirement for 2020 and beyond appropriately reflects the amount required to be confident of a secure long-term future helping musicians.

Investment income alone is insufficient to meet the ongoing needs of our beneficiaries. Therefore, we must generate additional income over the short-to-medium term, to supplement our current income streams, if we are not to cut back our charitable activity.

Total group reserves as at 31 December 2019 were £69.7m. This figure comprises:

- £55.9m of general reserves
- £2.4m of designated funds (made up of net book value of fixed assets)
- £11.4m of restricted funds that are held for awarding specific creative grants

Details of restricted funds are in note 11 to the accounts. Of the reserves available for use by Help Musicians, £63m are tied up in investments.

Post Balance Sheet Events

At the date of signing the financial statements there has been a significant fall in value of our investment fund of approx. £8.7m as a result of current stock market fluctuations. The charity has strategies in place to manage its short-term cash needs and take the long term view in our investment policy and so do not believe that there is any risk to the organisation from current stock market fluctuations.

Since the outbreak of COVID-19 in the UK the charity has seen a significant increase in the number of musicians requiring financial and emotional support. The charity has set up a Hardship fund with an initial £5m contribution from its own reserves to help 10,000 musicians overcome financial difficulties until the government provisions are made available. We have also seen a significant uplift in our fundraising income where corporates and individuals have donated to this worthy cause. Employees are currently working from home and this is enabling us to carry on with our day to day business effectively. The value of the charity’s investment portfolio has fallen in line with general market trends but is expected to recover over the long-term. The trustees have reviewed the risks that COVID-19 poses to the charity and concluded that the charity is in a strong financial and operational position and can continue to support the lives of musicians now and for the foreseeable future.





Looking forward *to 2020*

| Programme

The themes of the Programme for 2020 are built on the foundations of 2019 and will help us gather greater insights into the needs of musicians throughout their lives and careers. In 2020 we will develop a deeper understanding of how our support can help musicians with their overall wellbeing and what help they may need at key transition points in their lives. From our own insights, listening to our beneficiaries, we will continue to use our 99th year to improve our services, ensure that we place the musicians at the heart of all that we do and continue to look for innovation in grant giving to make our varied means of supporting musicians as accessible and inclusive as possible.

We aim, in the latter half of the year, to make a small but significant change to our Creative Programme – moving away from deadlines to open rolling project funds. This will ensure that when musicians need a project grant and business support that they will be able to apply at any time rather than wait for a round to be opened. We hope that this makes our support easier to access and will remove some of the barriers that funding deadlines may have for musicians. We will also look at the potential of developing the National Mentoring Bank into an easily accessible method of finding and being matched with a mentor wherever you are in the UK, whenever you need it in your career.

During the year, we will be reviewing the impact of our Music Minds Matter listening ear support line for the music industry. We hope that the review will create more strategic partnerships across the sector to provide a cohesive and joined up offer of support for musicians' mental health.

In the nations and regions, we will build on the insights gathered from the North of England and collaborate with partners across the region to raise awareness of our programme of support and increase the number of applicants from the area. Our Nations & Regions strategic development will expand to the Midlands, taking the same approach of understanding how well-known our national programmes of support are in that region and developing partnerships to increase awareness.

| Fundraising

We will be launching our new Major Donor Scheme in the summer of 2020. Founder members have already pledged their support and we will continue to welcome new members to the scheme.

We will commence a new multi-year fundraising campaign, focusing primarily on legacy-giving, to encourage current and new supporters to consider the true value of the legacy of music that musicians give to us.

We have plans to develop our income from corporate supporters, inside and outside of the music industry.

We aim to build stronger relationships with major donors and high-profile artists and will be announcing the appointment of a new President for the charity, in advance of our Centenary year in 2021.

We are very grateful to the hundreds of dedicated volunteers and organisations who are working with us, helping to support and transform the lives of musicians across the UK. Thank you also to the many hundreds of donations given by individuals and companies. This makes our work possible.

We are grateful for donations of all sizes. Every penny truly counts. Our supporters can rely on our "100% pledge", whereby we commit to covering all of the charity's overheads with income from our investment portfolio. This means donors can be sure that every penny they give this year will go straight to the front-line.

| Business Services

We will continue to invest in our people through a new leadership and management training programme to ensure that staff at all levels are well managed and supported.

Our planned strategy to draw down on the charity's reserves to fund the income and expenditure gap will continue, enabling us to meet the need of musicians who rely on the charity for support.

Principle risks *and uncertainties*

Management of the Strategic Risk Register is the responsibility of the Chief Executive and the Executive Team. The oversight of risk management lies with the Finance & Audit Committee which reports to the Board of Trustees. The Strategic Risk Register was last reviewed by the Finance & Audit Committee in November 2019, during which four broad categories of strategic risk were identified:

- 1. **Fundraising risk** – a shortfall in funds raised
- 2. **Reputational risk** – failure to make a positive impact on beneficiaries
- 3. **IT and technology risk** – a continued lack of investment in IT may impact the charity’s ability to deliver its objectives
- 4. **Failure to meet all relevant regulatory requirements**



All risks are analysed, and mitigation strategies are developed. The table below shows a high-level summary of how this process was used, for the charity’s top four risks.

Category of risk	Mitigation strategy	Effects of mitigation
Shortfall in available finance due to fundraising challenges	Quarterly monitoring, reporting and forecasting Regular review of the external environment, beneficiary needs and potential donors	Early identification of financial risks, enabling corrective strategies Early identification of strategic relationships for the donor pipeline
Reputational risk by failing to make a positive impact on beneficiaries	Continuous monitoring and reporting on impact Proactive research, evaluation and impact analysis to continuously identify and address unmet need	Early identification of performance issues, enabling early corrective strategies Continuous development of the charity’s knowledge base on the needs of people working in the UK music industry, and evidence that the charity is meeting those needs
IT and Technology risk	Implementation of our three-year IT strategy, updating and replacing a number of key systems Founding a temporary IT committee, reporting to the F&A committee, to regularly monitor IT projects in line with the strategy	A clear plan of what work needs to be done in order to bring systems up to date over the next three years Early identification of any IT risks, enabling corrective strategies
Failure to comply with regulatory requirements	Highly proactive approach to identifying all regulatory requirements, undertaking gap analyses and implementing the necessary changes	Clear insight into levels of compliance, improvement plans developed as early as possible, and organisation-wide awareness and involvement



Statement of Trustees' *responsibilities*

Trustees, who are also Directors of the Musicians Benevolent Fund (the legal name of Help Musicians) for the purposes of company law, are responsible for preparing the Trustees' report and 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, giving a true and fair view of the state of affairs of the charitable company and group. These statements also identify incoming resources and the application of these resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting 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 a going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and for ensuring that the financial statements comply with the Companies Act 2006. Trustees are also responsible for safeguarding the assets of the charitable company and group, taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- The charitable company's auditor is aware of all relevant audit information.
- The Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report, which includes the strategic report, has been approved by the Trustees on Wednesday 1st April 2020 and signed on their behalf by

Graham Sheffield CBE
Chairman

Independent *auditor's report* of the members of the Musicians Benevolent Fund

Opinion

We have audited the financial statements of the Musicians Benevolent Fund (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019, which comprise: the group statement of financial activities; group and charitable parent company balance sheets and statement of cash flows; the principal accounting policies; and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 December 2019 and of the group's income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK), ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' report, which is also the Directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- The Trustees' report, which is also the Directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Proper and adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The charitable parent company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent company, or intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:

Buzzacott LLP

Date: 03/04/2020

Buzzacott LLP, Statutory Auditor

For and on behalf of Buzzacott LLP, Statutory Auditor, 130 Wood Street, London EC2V 6DL
Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.





Summary

| Patron

HM The Queen

| Trustees

Graham Sheffield CBE	Chairman and Chairman of the Remuneration Committee
Alex Spofforth	Vice Chairman
Sandeep Dwesar	Honorary Treasurer and Chairman of the Finance & Audit Committee
John Axon	
Charisse Beaumont	(elected 25 April 2019)
Jason Carter	(elected 25 April 2019)
Stephen Daltrey	
Melanie Grundy	(elected 25 April 2019)
Edward Kershaw	(elected 25 April 2019)
Kathryn Langridge	Co-opted pursuant to Article 47 of the Articles of Association. Due for election at the 2020 AGM
Anne Mitchener	(elected 25 April 2019)
Felicity Osmond	
Richard Wigley	
David Williams	

| Sub-committees of the Board of Trustees

Finance & Audit Committee

Sandeep Dwesar (Chairman), John Axon, Kathryn Langridge, Alex Spofforth, Graham Sheffield CBE

Co-opted advisor: Stephen Swift

Nominations Committee

John Axon (Chairman), Felicity Osmond, Graham Sheffield CBE, Stephen Daltrey

Remunerations Committee

Graham Sheffield CBE (Chairman), John Axon, Sandeep Dwesar, Kathryn Langridge, Alex Spofforth

| Executive Team

(as at the date the accounts were signed)

James Ainscough	Chief Executive
Claire Gevaux	Director of Programme
Sarah Woods	Director of Communication and Business Services
Lesley Page	Director of Finance

| Investment Managers

Aviva Investors

St Helen's, 1 Undershaft, London EC3P 3DQ

Brewin Dolphin Ltd

12 Smithfield Street, London EC1A 9BD

Partners Group (UK) Limited

110 Bishopsgate, 14th Floor, London EC2N 4AY

Rathbone Brothers plc

8 Finsbury Circus, London EC2M 7AZ

| Auditors

Buzzacott LLP

130 Wood Street, London EC2V 6DL

| Chartered Accountants

Buzzacott LLP

130 Wood Street, London EC2V 6DL

| Solicitors

IBB Solicitors

Capital Court, 30 Windsor Street, Uxbridge UB8 1AB

| Bankers

HSBC Bank plc

117 Great Portland Street, London W1W 6QJ

Consolidated Statement of Financial Activities
(incorporating income & expenditure account)
Year ended 31 December 2019

	Note	Unrestricted £'000	Restricted £'000	Total 2019 £'000	Total 2018 £'000
Income from:					
Donations and legacies		3,322	52	3,374	2,038
Charitable activities		7	-	7	-
Other trading activities		100	-	100	117
Investments		1,794	339	2,133	2,114
Total income	2	5,223	391	5,614	4,269
Expenditure on:					
Raising funds		1,301	204	1,505	1,506
Charitable activities					
Health and Welfare		3,391	659	4,050	4,107
Creative programme		2,187	229	2,416	2,140
Raising awareness		831	102	933	1,409
Total expenditure	3	7,710	1,194	8,904	9,162
Net expenditure and net movement in funds before transfers and gains/(losses) on investments					
	5	(2,487)	(803)	(3,290)	(4,893)
Transfers between funds		(1,223)	1,223	-	-
Net gains/(losses) on investments		6,792	1,303	8,095	(6,086)
Net movement in funds		3,082	1,723	4,805	(10,979)
Reconciliation of funds					
Total funds brought forward		55,237	9,676	64,913	75,892
Total funds carried forward	12	58,319	11,399	69,718	64,913

All transactions are derived from continuing activities. There were no other recognised gains or losses.
Movements in funds are disclosed in note 11 and comparative figures are shown in notes 17-19

Balance sheets – as at 31 December 2019

Company number 00252783

		GROUP		CHARITY	
	NOTE	2019 £'000	2018 £'000	2019 £'000	2018 £'000
FIXED ASSETS					
Tangible assets	7	2,433	2,522	2,433	2,522
Investments	8a	63,631	61,157	58,490	56,239
Social investments	8b	66	65	66	65
		66,130	63,744	60,989	58,826
CURRENT ASSETS					
Stock		6	7	-	-
Debtors: due within one year	9	2,190	1,232	2,190	1,230
Cash at bank and in hand		2,501	1,041	2,484	995
		4,697	2,280	4,674	2,225
LIABILITIES					
Creditors: amounts falling due within one year	10	(1,109)	(1,097)	(2,728)	(2,024)
NET CURRENT ASSETS		3,588	1,183	1,946	201
TOTAL ASSETS LESS CURRENT LIABILITIES		69,718	64,927	62,935	59,027
Creditors: amounts falling due after more than one year	10	-	(14)	-	(14)
TOTAL NET ASSETS		69,718	64,913	62,935	59,013
FUNDS					
Restricted funds		11,399	9,676	4,616	3,776
Unrestricted funds:	11				
Designated funds	11	2,433	4,968	2,433	4,968
General funds		55,886	50,269	55,886	50,269
Total unrestricted funds		59,025	55,237	59,025	55,237
TOTAL CHARITY FUNDS	12	69,718	64,913	62,935	59,013

The charity's own Statement of Financial Activities has not been presented, as permitted by section 408 of the Companies Act 2006. The charity's net movement in funds for the year as an individual entity was £4.0 million (2018: £10.5 million).

The notes on pages 43-57 form part of these financial statements. The financial statements were approved and authorised for issue by the Board of Trustees on 1st April 2020 and were signed below on its behalf by:



Graham Sheffield CBE
Chairman

Consolidated statement of cash flows
Year ended 31 December 2019

	2019 £'000	2018 £'000
Net cash used in operating activities	(6,255)	(5,858)
Cash flows from investing activities		
Interest and dividends	2,133	2,216
Purchase of equipment	(39)	(57)
Proceeds from sale of investments	22,186	14,796
Purchases of investments	(16,564)	(10,626)
Movements on social investments	(1)	(1)
Net cash provided by investing activities	7,715	6,328
Change in cash and cash equivalents in the year	1,460	470
Cash and cash equivalents brought forward	1,041	571
Cash and cash equivalents at the end of the year	2,501	1,041
Reconciliation of net income to net cash flow from operating activities	2019 £'000	2018 £'000
Net movement in funds	4,805	(10,979)
Depreciation	128	166
Interest and dividends	(2,133)	(2,216)
Movement on investments	(8,095)	6,086
(Increase)/decrease in debtors	(959)	689
(Decrease)/increase in creditors	(2)	397
Decrease/(increase) in stock	1	(1)
Net cash used in operating activities	(6,255)	(5,858)
	2019 £'000	2018 £'000
Cash at bank	2,501	1,041

Analysis of changes in net debt:

	1 January 2019 £'000	Cash flows £'000	31 December 2019 £'000
Cash	1,041	1,460	2,501
Total	1,041	1,460	2,501
	1 January 2018 £'000	Cash flows £'000	31 December 2018 £'000
Cash	470	571	1,041
Total	470	571	1,041

1 Accounting policies

A) STATUTORY INFORMATION

The Musicians Benevolent Fund (operating as Help Musicians) is a charitable company limited by guarantee registered at 7-11 Britannia Street, London, WC1X 9JS.

B) BASIS OF PREPARATION

The financial statements are presented in sterling and rounded to the nearest thousand pounds.

The financial statements have been prepared 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 2015) – (Charities SORP FRS 102), and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements consolidate the results of five registered charities which are managed together: Musicians Benevolent Fund, the Miriam Licette Scholarship Fund, the Willis & Grace Grant Trust, the Sybil Tutton Charitable Trust, and Scottish Musicians Benevolent Fund. The financial statements also consolidate the results of the charity’s wholly-owned subsidiary, MBF Trading Limited. Together, they are referred to as the Group.

The Miriam Licette Scholarship Fund, the Willis & Grace Grant Trust, and the Sybil Tutton Charitable Trust are included in these consolidated financial statements because the charity is its sole trustee and it is therefore controlled by the Trustees of the charity. MBF Trading Limited is included because it is wholly owned by the charity. Activities have been consolidated on a line by line basis in the statement of financial activities.

C) PUBLIC BENEFIT ENTITY

The Charity meets the definition of a public benefit entity under FRS 102.

D) GOING CONCERN AND KEY JUDGEMENTS

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The most significant areas of judgement that affect the charity’s accounts are investment performance and accrued legacy income.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities as the balance sheet date are likely

to result in a material adjustment to their carrying amounts in the next financial year.

In addition to the above, the full impact following the recent emergence of the global Coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity’s activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 8) are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under “going concern”, the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Since the outbreak of COVID-19 in the UK the charity has seen a significant increase in the number of musicians requiring financial and emotional support. The charity has set up a Hardship fund with an initial £5m contribution from its own reserves to help 10,000 musicians overcome financial difficulties until the government provisions are made available. We have also seen a significant uplift in our fundraising income where corporates and individuals have donated to this worthy cause. Employees are currently working from home and this is enabling us to carry on with our day to day business effectively. The value of the charity’s investment portfolio has fallen in line with general market trends but is expected to recover over the long-term. The trustees have reviewed the risks that COVID-19 poses to the charity and concluded that the charity is in a strong financial and operational position and can continue to support the lives of musicians now and for the foreseeable future.

E) INCOME

Donation income is recognised once the charity has entitlement to the funds, it is probable that income will be received and the amount can be measured reliably.

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 charity 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.

Income from other trading activities is recognised as the related goods are provided.

Investment income is recognised when receivable and the amounts can be measured reliably. Dividends are recognised once the dividend has been declared and notification has been received the dividends are due.

F) DONATIONS OF GIFTS, SERVICES AND FACILITIES

Donated professional services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in the expenditure in the period of receipt.

G) EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Raising funds includes direct fundraising costs, their associated support costs and investment manager fees.

Charitable activities comprise grants given to individuals and organisations undertaken to further the purposes of the charity and their associated support costs.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT that cannot be recovered.

H) REDUNDANCY AND TERMINATION PAYMENTS

Redundancy and termination payments are accounted for when the termination has been communicated to the employee. The total amount for the reporting period and the nature of the payment are disclosed in the staff costs note.

I) GRANTS PAYABLE

Grants payable are payments made to third parties. Single or multi-year grants are accounted for when the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

J) ALLOCATION OF SUPPORT COSTS

Support costs have been allocated between governance costs and other support costs. Governance activities comprise organisational administration and compliance with constitutional and statutory requirements.

Governance and support costs have been apportioned between all activities based on staff head count.

K) FUND ACCOUNTING

Restricted funds (note 11) are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charity’s general purposes. They include funds designated by the trustees for particular purposes where their use remains at the discretion of trustees.

L) TANGIBLE FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation and impairment losses. Assets costing more than £1,500 are capitalised.

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis to allocate the charge to their residual values over the estimated useful lives as follows:

Freehold property	over 50 years following acquisition
Other building	this is a functional asset with a beneficiary as a life tenant and is therefore not depreciated
Fixtures and fittings	4 years for the full year from when asset is brought into use
Computer equipment	4 years for the full year from when asset is brought into use

M) INVESTMENTS

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Movements in the market values are shown as realised and unrealised investment gains and losses combined in the Statement of Financial Activities.

N) SOCIAL INVESTMENTS

These are concessionary loans made to beneficiaries secured on their property or other assets. Loans are repayable on the sale of the specified asset. The loans are recognised at the amount paid with the carrying amount adjusted in subsequent years to reflect repayments and accrued interest. The loans were made on the premise that we would not be aiming to achieve a financial return and were made wholly to advance our charitable purposes.

O) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

P) STOCKS

Stocks are valued at the lower of cost and net realisable value.

Q) VAT

The charity is not registered for VAT and irrecoverable VAT is included in expenditure. The charity’s subsidiary, MBF Trading Limited is VAT registered.

R) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

S) CASH AT HAND AND IN BANK

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

T) CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

U) PENSION SCHEME

Help Musicians contributes to a group personal pension scheme, the assets of which are administered by Aviva. It is a defined contribution scheme. All contributed costs are accounted for on the basis of charging the cost of providing pensions over the period when the charity benefits from the employees’ services. The charity has no further liability under the scheme.

2 Analysis of group income

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Donations and legacies			
Legacies	2,611	-	2,611
Donations	711	52	763
Donations of professional services	-	-	-
Charitable activities			
Gifts in kind	7	-	7
Other trading activities			
Trading income	37	-	37
Rental income	63	-	63
Investment income			
Dividends	1,785	339	2,124
Bank interest	9	-	9
Total income	5,223	391	5,614

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000
Donations and legacies			
Legacies	1,423	102	1,525
Donations	505	8	513
Donations of professional services	-	-	-
Charitable activities			
Fees	-	-	-
Other trading activities			
Trading income	56	-	56
Rental income	61	-	61
Investment income			
Dividends	1,794	319	2,113
Bank interest	1	-	1
Total income	3,840	429	4,269

3a Analysis of expenditure

CHARITABLE ACTIVITIES							
	Raising funds	Health and Welfare	Creative programme	Raising awareness	Support costs	Governance costs	2019 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	566	476	345	410	844	133	2,774
Training and recruitment	-	2	2	-	76	10	90
Events	48	2	7	41	89	-	187
Publicity and advertising	10	-	-	54	-	-	64
Operations	11	2	1	10	285	3	312
Travel and subsistence	8	85	45	2	20	8	168
Legal and professional fees	262	14	71	51	184	10	592
Depreciation	-	-	-	-	128	-	128
Other costs	26	-	-	-	10	-	36
Research	-	66	66	-	-	-	132
Crisis/continuing care	-	2,219	-	-	-	-	2,219
INDIVIDUALS							
Wellbeing services	-	533	1	-	-	-	534
Future professionals	-	-	802	-	-	-	802
Partnerships	-	200	-	-	-	-	200
ORGANISATIONS							
Creative grant programme	-	-	666	-	-	-	666
Associated trusts	-	-	-	-	-	-	-
	931	3,599	2,006	568	1,636	164	8,904
Support and governance costs	574	451	410	365	(1,636)	(164)	-
Total	1,505	4,050	2,416	933	-	-	8,904

The charity has given 8,409 grants totalling £3.6m in 2019 (2018: £3.6m to 7,443) and £866k in grants to 26 organisations (2018: £872k to 28).

CHARITABLE ACTIVITIES							
	Raising funds	Health and Welfare	Creative programme	Raising awareness	Support costs	Governance costs	2018 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	505	397	255	344	852	205	2,558
Training and recruitment	2	1	1	4	93	28	129
Events	79	-	26	182	59	10	356
Publicity and advertising	14	-	-	132	18	-	164
Operations	11	3	1	21	255	1	292
Travel and subsistence	14	76	34	12	27	20	183
Legal and professional fees	288	13	26	269	145	61	802
Depreciation	-	-	-	-	166	-	166
Other costs	42	-	3	-	(4)	-	41
Crisis/continuing care		2,205	-	-	-	-	2,205
INDIVIDUALS							
Wellbeing services	-	726	-	-	-	-	726
Future professionals		-	668	-	-	-	668
Partnerships	-	200	-	-	-	-	200
ORGANISATIONS							
Creative grant programme	-	-	672	-	-	-	672
Associated trusts	-	-	-	-	-	-	-
	955	3,621	1,686	964	1,611	325	9,162
Support and governance costs	551	486	454	445	(1,611)	(325)	-
Total	1,506	4,107	2,140	1,409	-	-	9,162

3b Grants payable to organisations

	2019 £'000	2018 £'000
British Association of Performing Arts Medicine (BAPAM)	200	200
National Opera Studio	40	40
Scottish Music Information Centre Limited	40	40
Serious Events Limited	40	40
Young Classical Artists Trust	40	40
Sound City (Liverpool) Limited	40	40
Aldeburgh Music (Snape Maltings)	40	40
Punch Records	37	38
Oh Yeah Music Centre	37	37
Spitalfields Festival Limited	40	37
Manchester Jazz Festival	36	35
Considered Thinking	-	33
Higher Rhythm Ltd	31	30
Urban Development	37	30
Philharmonia Limited	30	30
Brighter Sound	29	29
Drake Music	25	25
Bristol Music Trust	19	19
English Folk Dance and Song Society	12	16
National Youth Jazz Orchestra	15	15
Sound Festival	13	13
Gloucestershire Music Makers (The Music Works)	-	11
Lancaster Jazz Festival	5	8
Showcase Scotland	-	8
Northern Ireland internship programme (grants under £10k)	-	18
Sonic Bothy	13	
The Music Works	11	-
Dumfries Music Conference	15	-
The Yard Theatre	15	-
Association of British Orchestras	6	-
Total	866	872

4 Staff costs

	2019	2018
	£'000	£'000
Salaries and wages	2,143	1,844
Social security costs	225	186
Employer's contribution to defined contribution pension scheme	214	178
	2,582	2,208
Agency staff	84	225
Self-employed fees	97	85
	2,774	2,558

In addition, redundancy costs are analysed in the table below:

	2019	2018
	£'000	£'000
Redundancy payments	-	66
	-	66

The charity paid a total of £nil (2018: £65,975) in ex gratia termination payments as compensation for loss of employment. There were no related pension payments.

The number of employees whose emoluments (including salary, healthcare and ex gratia payments and excluding payments made to contractors) for the year fell within the following bands were:

	2019 No.	2018 No.
£60,001 – £70,000	1	1
£70,001 – £80,000	1	-
£80,001 – £90,000	2	1
£90,001 – £100,000	-	1
£110,001 – £120,000	1	-
£120,001 – £130,000	-	1

Five employees earning more than £60,000 (2018: four) participated in the defined contribution scheme. Contributions of £41,725 were made during the year for these employees (2018: £28,000).

The key management personnel of the charity are the Chief Executive and the Executive team; aggregate remuneration and benefits for the key management personnel is £511,556 (2018: £688,670).

The average number of employees (head count based on number of staff employed) was:

	2019 No.	2018 No.
Raising funds (fundraising)	12	10
Health & Welfare	11	9
Creative Programme	10	7
Raising awareness (communications)	9	9
Support (finance and operations)	11	9
Governance (secretariat)	3	4
Total	56	48

5 Net expenditure for the year

	2019	2018
	£'000	£'000
This is stated after charging:		
Auditor's remuneration (excluding VAT):		
Audit	20	18
Other services	1	1
Operating lease rentals	9	-
Depreciation	128	166

6 Trustees' remuneration and expenses

None of the Trustees received remuneration during the year (2018: none).

Expenses totalling £5,618 (2018: £2,676) were reimbursed to five members of the Board of Trustees (2018: five). These payments relate mainly to travel costs. £nil was paid directly to third parties (2018: £472)

7 Tangible fixed assets – group and charity

	Freehold property £'000	Leasehold Property £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
COST					
At the start of the year	2,280	100	868	269	3,517
Additions	-	-	36	3	39
Disposals	-	-	-	(2)	(2)
At the end of the year	2,280	100	904	270	3,554

ACCUMULATED DEPRECIATION					
At the start of the year	189	-	571	235	995
Charge for year	45	-	64	19	128
Depreciation on disposals	-	-	-	(2)	(2)
At the end of the year	234	-	635	252	1,221

NET BOOK VALUE					
At the end of the year	2,046	100	269	18	2,433
At the start of the year	2,091	100	297	34	2,522

8a Investments

	GROUP		CHARITY	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Fair value at the start of the year	60,953	70,764	56,046	64,989
Additions at cost	16,564	10,626	14,906	9,709
Disposal proceeds	(38,966)	(14,352)	(35,124)	(13,105)
Unrealised losses	8,434	(5,334)	7,618	(4,862)
Realised losses	(339)	(752)	(290)	(685)
	46,646	60,952	43,156	56,046
Cash held by investment managers	16,985	205	15,334	193
Fair value at the end of the year	63,631	61,157	58,490	56,239
Historical cost at the end of the year	52,878	53,269	48,934	49,792

INVESTMENTS COMPRISE:

	GROUP		CHARITY	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
UK investment funds	46,641	59,180	43,126	54,249
UK investment in trading subsidiaries	-	-	25	25
UK listed shares	-	1,767	-	1,767
UK unlisted shares	5	5	5	5
Cash	16,985	205	15,334	193
	63,631	61,157	58,490	56,239

At the date of signing the financial statements there has been a significant fall in value of our investment fund of approx. £8.7m as a result of current stock market fluctuations. The charity has strategies in place to manage its short-term cash needs and take the long term view in our investment policy and so do not believe that there is any risk to the organisation from current stock market fluctuations.

8b Social investments

	GROUP		CHARITY	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Concessionary loans	66	65	66	65

8c Investments in trading subsidiaries

Name of subsidiary	Holding	Proportion of voting rights	Registered in	Investment £'000
MBF Trading Ltd	Ordinary Shares	100%	England	25

9 Debtors due within one year

	GROUP		CHARITY	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Accrued legacy income	2,029	1,123	2,029	1,123
Prepayments	65	34	65	34
Current accounts with trading subsidiaries	-	-	-	6
Other debtors	96	75	96	67
	2,190	1,232	2,190	1,230

10 Creditors falling due within one year

	GROUP		CHARITY	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	80	80	78	72
Accruals	200	242	198	235
Other taxes & social security	89	95	84	95
Current accounts with associated trusts	-	-	1,639	1,023
Current accounts with trading subsidiaries	-	-	19	-
Grants payable	711	666	681	585
Rent Deposit	14	-	14	-
Deferred Income	15	14	15	14
	1,109	1,097	2,728	2,024

CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

Rent deposit	-	14	-	14
	1,109	1,111	2,728	2,038

	GROUP		CHARITY	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
ANALYSIS OF DEFERRED INCOME				
At 1 January	14	-	14	-
Released in the year	(14)	-	(14)	-
Deferred in the year	15	14	15	14
At 31 December	15	14	15	14

ANALYSIS OF GRANTS PAYABLE

	GRANTS TO INDIVIDUALS		GRANTS TO ORGANISATIONS	
	Crisis / continuing care £'000	Creative £'000	Creative £'000	BAPAM £'000
Commitments as at 1 January 2019	-	308	358	-
Grants awarded in year	2,219	802	665	200
Grants written back in the year	-	(6)	-	-
Payments made in year	(2,217)	(752)	(666)	(200)
Commitments as at 31 December 2019	2	352	357	-

- (a) The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- (b) Financial assets held at fair value include assets held as investments.
- (c) Financial liabilities measured at amortised cost include: trade creditors, other creditors, accruals and grants payable and amounts due to group undertakings.

11 Movement in funds

	At 1 Jan 2019 £'000	Income £'000	Expenditure £'000	Gains	Transfers £'000	At 31 Dec 2019 £'000
RESTRICTED FUNDS						
Alan Fluck Memorial Fund	342	10	(1)	43	-	394
Jacqueline du Pré Special Fund	1,745	67	(8)	268	-	2,072
Ian Fleming Music Awards Fund	1,885	69	(71)	227	-	2,110
Gwyneth Harrison Gift	40	-	-	-	-	40
Scotland	(36)	16	(212)	-	232	-
Northern Ireland	(200)	13	(260)	-	447	-
Northern England	-	-	(8)	-	8	-
Wales	-	-	(19)	-	19	-
Musicians' Hearing Health Scheme	-	15	(426)	-	411	-
Music Minds Matter	-	2	(108)	-	106	-
Charity restricted funds	3,776	192	(1,113)	538	1,223	4,616

ASSOCIATED TRUSTS

Miriam Licette Scholarship Fund	337	11	-	41	-	389
Willis Grace Grant Trust	1,503	49	(5)	194	-	1,741
Sybil Tutton Charitable Trust	4,066	133	(76)	530	-	4,653
Marie Louise von Motesiczky Trust	(6)	6	-	-	-	-
Group restricted funds	9,676	391	(1,194)	1,303	1,223	11,399

UNRESTRICTED FUNDS

Designated (fixed assets)	2,522	39	(128)	-	-	2,433
Designated (Agenda 2021)	2,446	-	(1,929)	-	(517)	-
General funds	50,269	5,184	(5,653)	6,792	(706)	55,886
Unrestricted funds	55,237	5,223	(7,710)	6,792	(1,223)	58,319
Group total funds	64,913	5,614	(8,904)	(8,095)	-	69,718

Notes to restricted funds

- The Alan Fluck Memorial Fund is used towards the costs of the creation of new musical works for young people to perform or listen to.
- The Jacqueline du Pre Fund was established to enable the Musicians Benevolent Fund to care for musicians suffering from degenerative diseases by providing special facilities in their homes or helping with the costs of nursing care, accommodation or other needs.
- Ian Fleming Music Awards Fund is a grant from the Ian Fleming Charitable Trust. Income from the fund is for the advancement of musical education among young musicians with a view to developing their talent and increasing their knowledge and expertise.
- The Gwyneth Harrison legacy is set aside to provide the accompanist's prize of the Kathleen Ferrier Award annually for 20 years.
- The Scotland fund is to be used for the benefit of Scottish musicians and to support the music industry and its needs in Scotland. This will involve the provision of a bespoke programme of support, advice and campaigns including health and welfare and career support grants.
- The Northern Ireland fund is to be used for the benefit of Northern Irish musicians and to support the music industry and its needs in Northern Ireland. This will involve the provision of a bespoke programme of support, advice and campaigns including health and welfare and career support grants.

- The Musicians' Hearing Health Scheme and Music Minds Matter funds are used towards both schemes:
- Music Minds Matter offers a dedicated helpline for mental health support and a wider general front-line health & welfare service.
- The Musicians' Hearing Health Scheme is a scheme to give all musicians affordable access to specialist hearing assessments and bespoke hearing protection.
- Income from the Miriam Licette Scholarship Fund is used to provide grants for female singers to further their study of, particularly, French repertoire.
- The Willis & Grace Grant Trust was established to make grants and provide educational facilities for students aged 30 years and over.
- The Sybil Tutton Charitable Trust provides financial assistance for young opera singers principally through awards.
- The Marie Louise von Motesiczky Charitable Trust funds the Karl Motesiczky scholarships which will be offered to exceptionally talented postgraduate student cellists.

Notes to designated funds

- Fixed assets – This relates to the net book value of the office building.
- Agenda 2021 – In 2018, a total of £6.7m was designated to Agenda 2021 (current strategy) to fund a revised fundraising strategy and modernise the charity in order to generate £21 million of voluntary income (between 2017 and 2021) and place the charity on a sustainable path.

12 Analysis of group net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Eliminate inter-fund £'000	Total funds £'000
FUND BALANCES AT 31 DECEMBER 2019 ARE REPRESENTED BY:				
Tangible fixed assets	2,433	-	-	2,433
Investments	54,400	9,231	-	63,631
Social investments	66	-	-	66
Current assets	2,529	2,168	-	4,697
Current liabilities	(403)	(706)	-	(1,109)
	59,025	10,693	-	69,718
Creditors due after one year	-	-	-	-
Total net assets	59,025	10,693	-	69,718

ANALYSIS BY FUND

	Tangible fixed assets £'000	Investments £'000	Social investments £'000	Current assets £'000	Total liabilities £'000	Net assets £'000
UNRESTRICTED FUNDS						
Help Musicians	-	54,400	66	2,486	(395)	56,557
MBF Trading	-	-	-	42	(8)	34
DESIGNATED FUNDS						
Fixed asset fund	2,433	-	-	-	-	2,433
	2,433	54,400	66	2,528	(403)	59,024

RESTRICTED FUNDS

Alan Fluck Memorial Fund	-	287	-	107	-	394
Jacqueline Du Pré Special Fund	-	1,803	-	270	-	2,073
Gwyneth Harrison Gift	-	-	-	40	-	40
Ian Fleming Music Awards Fund	-	1,975	-	135	-	2,110
Miriam Licette Scholarship Fund	-	284	-	105	-	389
Willis & Grace Grant Trust	-	1,309	-	432	-	1,741
Sybil Tutton Charitable Trust	-	3,573	-	1,080	-	4,653
	-	9,231	-	2,169	(706)	10,694
Inter-fund accounts	-	-	-	-	-	-
Total	2,433	63,631	66	4,697	(1,109)	69,718

13 Results of trading subsidiary

The charity owns 100% of the share capital amounting to 25,000 of ordinary shares of £1 each. MBF Trading Limited (company registered no: 3053538) is located at 7 –11 Britannia Street, London, WC1X 9JS and is engaged in activities to support the charity. The subsidiary donates its taxable profits to the charity each year and its trading results for the year as extracted from its audited financial statements are summarised below:

	2019 £'000	2018 £'000
Turnover	37	55
Operating costs	(28)	(41)
	9	14

THE ASSETS AND LIABILITIES OF THE SUBSIDIARY WERE:

	2019 £'000	2018 £'000
Current assets	42	60
Current liabilities	(8)	(22)
Share capital	34	38

14 Related party transactions

The charity is a Trustee, with others, of two charities having independent advisory committees:

- The Delius Trust, registered charity 207324. Chairman, Paul Guinery
- RVW Trust, registered charity 1066977. Chairman, Hugh Cobbe

In addition, the Musicians Benevolent Fund is the sole Trustee of the following charities which make awards of various kinds and are managed by the charity’s own committees:

- Miriam Licette Scholarship Fund (228089-14)
- Willis & Grace Grant Trust (228089-15)
- Sybil Tutton Charitable Trust (228089-16)
- Scottish Musicians Benevolent Fund (SCO12597)

Aggregate donations received from Trustees during the year were £1,340 (2018: £914).

Reimbursements and emoluments are disclosed in note 6.

15 Pension scheme

Help Musicians operates a defined contribution scheme for all qualifying employees. The assets of the funds are held separate in funds administered by independent pension providers. The total cost of pensions incurred by the charity was £214,385 (2018: £177,528). Included in other creditors is £18,993 (2018: £NIL) in respect of the pension scheme.

16 Operating lease commitments – group and charity

The charity’s total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	EQUIPMENT	
	2019 £'000	2018 £'000
Less than one year	4	4
One to five years	–	4
	4	8

The charity will receive £63,800 rent in the next year (2018: £62,000) and £NIL in one to five years (2018: £74,000).

17 Consolidated Statement of Financial Activities (prior year)

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from:			
Donations and legacies	1,928	110	2,038
Charitable activities	–	–	–
Other trading activities	117	–	117
Investments	1,795	319	2,114
Total income	3,840	429	4,269
Expenditure on:			
Raising funds	1,309	197	1,506
Charitable activities:			
Health & Welfare	3,286	821	4,107
Creative Programme	1,871	269	2,140
Raising Awareness	1,345	64	1,409
Total expenditure	7,811	1,351	9,162
Net movement in funds before gains on investments	(3,971)	(922)	(4,893)
Transfers between funds	(721)	721	–
Net gains on investments	(5,203)	(883)	(6,086)
Net movement in funds	(9,895)	(1,084)	(10,979)
Reconciliation of funds			
Total funds brought forward	65,132	10,760	75,892
Total funds carried forward	55,237	9,676	64,913

18 Movement in funds (prior year)

	At 1 Jan 2018 £'000	Income £'000	Expenditure £'000	Losses £'000	Transfers £'000	At 31 Dec 2018 £'000
RESTRICTED FUNDS						
Alan Fluck Memorial Fund	367	10	(5)	(30)	-	342
Jacqueline du Pré Special Fund	1,877	62	(5)	(189)	-	1,745
Ian Fleming Music Awards Fund	2,022	67	(78)	(126)	-	1,885
Gwyneth Harrison Gift	45	-	(5)	-	-	40
Scotland	34	106	(176)	-	-	(36)
Northern Ireland	-	1	(201)	-	-	(200)
Musicians' Hearing Health Scheme	-	-	(607)	-	607	-
Music Minds Matter	-	4	(119)	-	115	-
Charity restricted funds	4,345	250	(1,196)	(345)	722	3,776
ASSOCIATED TRUSTS						
Miriam Licette Scholarship Fund	359	10	(2)	(30)	-	337
Willis Grace Grant Trust	1,657	45	(62)	(137)	-	1,503
Sybil Tutton Charitable Trust	4,385	124	(70)	(373)	-	4,066
Marie Louise von Motesiczky Trust	14	-	(20)	-	-	(6)
Group restricted funds	10,760	429	(1,350)	(885)	722	9,676
		-	-			
UNRESTRICTED FUNDS						
Designated (fixed assets)	2,631	57	(166)	-	-	2,522
Designated (Agenda 2021)	5,010	-	(1,842)	-	(722)	2,446
General funds	57,491	3,783	(5,804)	(5,201)	-	50,269
Unrestricted funds	65,132	3,840	(7,182)	(5,201)	(722)	55,237
						-
GROUP TOTAL FUNDS	75,892	4,269	(9,162)	(6,086)	-	64,913

19 Analysis of group net assets between funds (prior year)

	Unrestricted funds £'000	Restricted funds £'000	Eliminate inter-fund £'000	Total funds £'000
FUNDS AT 31 DECEMBER 2018 WERE REPRESENTED BY:				
Tangible fixed assets	2,522	-	-	2,522
Investments	52,447	8,710	-	61,157
Social investments	65	-	-	65
Current assets	2,323	1,187	(1,230)	2,280
Current liabilities	(2,106)	(221)	1,230	(1,097)
	55,251	9,676	-	64,927
Creditors due after one year	(14)	-	-	(14)
Total net assets	55,237	9,676	-	64,913

ANALYSIS BY FUND


	Tangible fixed assets £'000	Investments £'000	Social investments £'000	Current assets £'000	Total liabilities £'000	Net assets £'000
UNRESTRICTED FUNDS						
Help Musicians	-	50,001	65	2,241	(2,076)	50,231
MBF Trading	-	-	-	60	(22)	38
DESIGNATED FUNDS						
Fixed Asset Fund	2,522	-	-	-	-	2,522
Agenda 2021	-	2,446	-	-	-	2,446
	2,522	52,447	65	2,301	(2,098)	55,237


RESTRICTED FUNDS


Alan Fluck Memorial Fund	-	275	-	67	-	342
Jacqueline Du Pré Special Fund	-	1,725	-	20	-	1,745
Gwyneth Harrison Gift	-	-	-	40	-	40
Ian Fleming Music Awards Fund	-	1,766	-	119	-	1,885
Marie-Louise von Motesiczky	-	-	-	-	(6)	(6)
Miriam Licette Scholarship Fund	-	273	-	63	-	336
Willis & Grace Grant Trust	-	1,252	-	252	-	1,504
Sybil Tutton Charitable Trust	-	3,419	-	648	-	4,067
Scotland	-	-	-	-	(36)	(36)
Northern Ireland	-	-	-	-	(201)	(201)
	-	8,710	-	1,209	(243)	9,676
Inter-fund accounts	-	-	-	(1,230)	1,230	-
Totals	2,522	61,157	65	2,280	(1,111)	64,913



 @HelpMusiciansUK

 @HelpMusicians

 @HelpMusiciansUK
@HelpMusiciansNI
@HM_Scot

 helpmusicians.org.uk

