

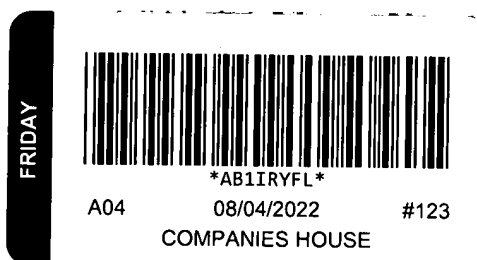


MUSIC THERAPY WORKS

**COMPANY LIMITED BY GUARANTEE NO. 6663759
REGISTERED CHARITY NO. 1126584**

REPORT AND FINANCIAL STATEMENTS

- FOR THE YEAR TO 31st AUGUST 2021



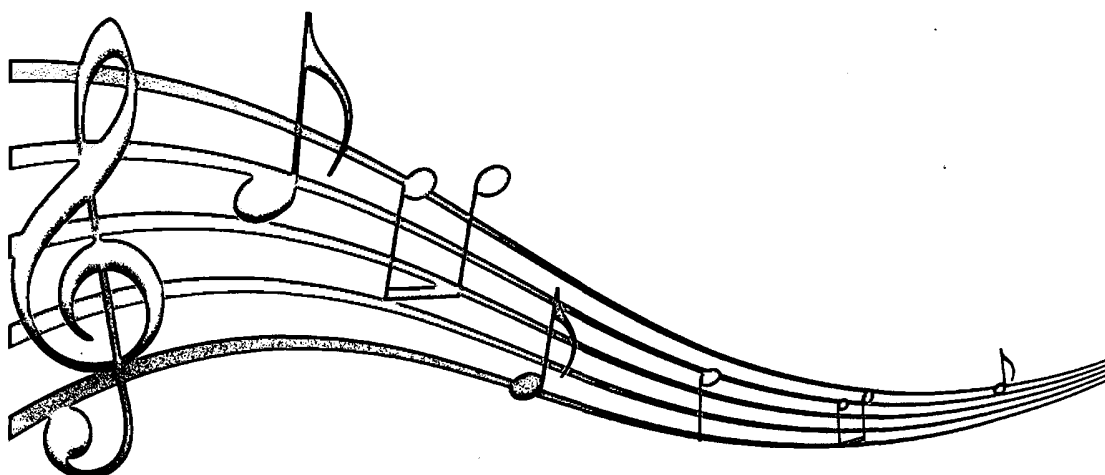
The Music Therapy Works Model of Music Therapy

Music therapy is a state registered profession governed by the Health and Care Professions Council. The MTW Model of Music Therapy is an evidence based and outcomes led intervention delivered by specialist music therapists who practise within a clear psychotherapeutic framework.

This enables the work to go beyond a simple musical intervention, providing clarity and support in processing trauma, attachment, bereavement, developmental issues, life limiting illness and/or mental health concerns.

The Music Therapy Works model is often used as a lead onsite health provision linking to both internal and external agencies.

Structured music provides familiarity, a sense of safety, connection and routine. MTW music therapy is accessible to every individual: no musical ability is necessary.



How Does Music Therapy Work?

Music therapy engages and connects people. It encourages social and communication skills, emotional expression and cognition. It has a profound neurological impact which assists physical and psychological change.

Sound is a physical vibration resonating with every individual regardless of circumstances. Music therapy creates a space in which feelings can be processed and new ideas formed, using both verbal and non-verbal clinical techniques.

MTW work with vulnerable clients, whose ages range from 2-3 years old to the very elderly, providing clinical interventions which assist with mental health and well-being; attachment difficulties; bereavement issues; social and emotional issues; acquired brain injury; dementia; and children and adults at the end of life.

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REFERENCE AND ADMINISTRATIVE DETAILS

DIRECTORS:	John Clemson MBE (Chair) Allan Middleton Craig Prof John Whenham Andrea Howl Sandra Bristoll Sue Ayres Carrie Churnside (Appointed 13 December 2021)
COMPANY SECRETARY:	Sophia Parker
REGISTERED OFFICE:	5 Deansway Worcester WR1 2JG
CHIEF EXECUTIVE:	Simon Murphy
REGISTERED NUMBERS:	Company: 6663759 Charity: 1126584
INDEPENDENT EXAMINER:	Mr L E Parkes, FCA Parkes & Co 5 Crondal Place Edgbaston Birmingham B15 2LB
BANKERS:	Unity Trust Bank PO Box 7193 Planetary Road Willenhall WV1 9DG United Trust Bank One Ropemaker Street London EC2Y 9AW Redwood Bank The Nexus Building Broadway Letchworth Garden City SG6 3TA

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REPORT OF THE DIRECTORS

The directors present their report with the financial statements of the company for the year ended 31st August 2021.

The financial statements have been prepared in accordance with the Charity's accounting policies set out in Note 1 and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the provisions of "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 the Republic of Ireland (FRS 102) (effective for accounting periods commencing from 1 January 2019)."

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is a charitable Company limited by guarantee incorporated on 4 August 2008. The Charity was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association as amended by special resolutions dated 13 May 2019 and 15 June 2020. The Charity registered with the Charity Commission for England and Wales on 6 November 2008.

The directors, who are also trustees, during the period under review, were:

John Clemson MBE (Chair)
Allan Middleton Craig
Prof John Whenham
Andrea Howl
Sandra Bristol
Sue Ayres

The company is limited by guarantee and therefore no director has any interest in the share capital of the company. The directors are usually appointed at the Annual General Meeting to ensure that the Board represents a cross section of the community.

The directors are responsible for financial controls and accounts; for developing and overseeing a reserves policy; for ensuring that all procedures and policies adhere to their legal requirements as employers; for reviewing risk management of the organisation; to ensure all aspects of charity and company law are fully and properly adhered to and generally protect the charity's property.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare accounts that give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of the charitable company's surplus or deficit for the year. In doing so, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the accounts comply with

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the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MISSION STATEMENT

The overall mission of Music Therapy Works is:

- To deliver an excellent and comprehensive music therapy service in a cohesive and locally appropriate manner, accessible to all who need it.
- To develop and support the widest possible application of music therapy.
- To maintain the high quality of the therapy provided through regular monitoring and review.
- To be recognised as a leading provider of music therapy.
- To contribute to music therapy provision, training, and research.

OBJECTIVES AND ACTIVITIES

The principal objective of Music Therapy Works is to provide music therapy for children and adults of all ages within local communities in the Heart of England area. The charity achieves its objective through the provision of a community-based music therapy service for both children and adults.

The main objects, as shown in the Memorandum and Articles of Association, are:

- The therapeutic use of music for the relief of physical and mental illness and disability, the alleviation of developmental, emotional, social, and behavioural difficulties and the protection and promotion of good health.
- The promotion of the use of music therapy by other organisations including but not limited to hospitals, prisons, hospices, and schools.
- The promotion and publication of research into the therapeutic use of music.
- The education of members of the public concerning music as a means of therapy.
- The establishment, development and use of health professions council approved training courses to train individuals as music therapists.

For the future, the directors will continue to seek to expand the provision of music therapy and associated activities throughout the Heart of England region.

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Music Therapy Works promotes the advancement of music therapy and is open to the majority of the public in need of music therapy.

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FINANCIAL REVIEW

The charity had a surplus of income above expenditure on the unrestricted funds of £12,992 during the year. The balance on the unrestricted funds at 31st August 2021 was £178,770. The balance on the restricted funds was £5,627.

RESTRICTED FUNDS

The restricted funds have been donated to the Charity for specific purposes and are listed in note 11 to the accounts.

RESERVES POLICY

The Board has agreed as policy that the free reserves of the organisation, defined as net current assets that are neither restricted nor designated for specific purposes, should be sufficient to provide a reasonable working balance to meet commitments when they become due whilst recognising the possible delays in receipt of fee income due. It is considered that, given that 85% of annual turnover is used to fund staff costs, the reserves target is best expressed in terms of payroll months. The Board has assessed that, under current circumstances, the free reserves should be the equivalent of 6 months' payroll costs.

Using the average payroll costs from the 2021/2022 budget, free reserves should be in the region of £124,257. At 31 August 2021, non-designated free reserves (excluding functional tangible fixed assets) stood at £177,702. The stated strategy has therefore been achieved this year.

The Board's reserves policy also requires the Trustees to reassess any designated funds annually when reviewing its reserves, so that no funds are needlessly designated and excluded from the calculation of free reserves.

FINANCIAL RISK MANAGEMENT

The Charity finances its operations through the generation of cash from operating activities and has no interest rate exposure on financial liabilities. Liquidity risk is managed through forecasting the future cash flow requirements of the Charity and maintaining sufficient cash at bank.

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REPORT FROM THE CHAIR

I am pleased to present our annual report for the year ended 31 August 2021.

Our Achievements in 2021

Music Therapy

Our talented team of therapists delivered 5,277 hours of music therapy from 1st September 2020 to 31st August 2021. There was a strong focus on schools and colleges that support children and young adults with Special Education Needs and Disabilities, although the charity worked in several other schools too. Music therapy was also provided to individuals with Profound and Multiple Learning Disabilities, as well older people in one care home.

In May a Purchaser Satisfaction Survey was conducted. There were no negative or critical responses, with the majority reflected by the following quotes;

“X is extremely flexible and adaptable to the needs of our school and pupils. She is able to build positive relationships quickly with complex and often difficult to reach children”.

“Y has really gone above and beyond in this role, and she is an extremely valuable member of our team”.

“Z also introduced online music therapy during lockdown to some of the students that was brilliant and well received by the families”.

The Covid Pandemic

The charity continued the process of reintroducing face-to-face services following the restrictions imposed during the first lockdown. This was a gradual phased process with risk assessments being undertaken, therapists regularly taking lateral flow tests (LFTs), being vaccinated, and personal protective equipment (PPE) being used as and when required by purchasers and clients. As the year progressed there were occasional interruptions to the delivery of music therapy caused by outbreaks of the virus that were well managed by the team of therapists.

One consequence of the pandemic was the introduction of virtual, online music therapy. Virtual song-making sessions were delivered in association with St Martin's in the Bullring, Birmingham. Virtual community drumming was made possible with financial support from the Baron Davenport Charity, and the Edward Gostling Foundation. This is an area of our activities that has the potential to grow as enquiries for these services continue to be received.

Human Resources

This year saw the departure of our long standing and widely respected Chief Executive Officer (CEO), Eleanor Tingle on 31 December 2020. Eleanor was the charity's first CEO in 2008 having been a hugely influential figure in the establishment of Music Therapy Works (MTW). She is now the Chair of the British Association of Music Therapists (BAMT). Laurie Clarke took over the reins as CEO on 1 January 2021 but unfortunately this proved to be a short-lived appointment and he resigned on 30 April 2021. A recruitment process was initiated, and one of our long-standing therapists, Abby Stain, stepped up as interim CEO from

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1 May to 31st August. From a strong field of candidates, we were delighted to appoint Dr Simon Murphy who took up post as CEO with effect from 1st September 2021.

Citrus HR was appointed in May 2021 to provide advice and support to the charity. One of their earliest actions was to draft new contracts of employment for all our staff.

A recurring challenge has been the availability of qualified music therapists. This is a problem that continues to be experienced across the whole music therapy profession. The charity maintains good relations with the institutions that provide the Master's degree in music therapy and as a result regularly employs those recently qualified in their first professional roles. A key feature of MTW is that all therapists are on contracts of employment which means that they receive a range of benefits. For all new staff this also means that they benefit from our strong peer support network that includes therapists with many years of experience and expertise.

Governance

There were no resignations or new appointments of Trustees during the year.

Trustees continue to actively seek to increase the diversity of the Board in 2021/22 to better reflect the varied individuals and communities that the charity supports.

Finance

Income for the year was almost exactly as forecast notwithstanding the challenges of the pandemic, at £277,378 against an expected £277,457. Expenditure was lower than forecast with the charity recording a £10,833 surplus by year end.

The Future

The charity has a robust and realistic 2021/22 Business Plan in place. The Plan's targets include further developing staff and their health and wellbeing, along with creating more capacity to meet the continuing new demand for our services; increase diversity and the delivery of services to underrepresented groups; create an objective and empirical tool to assess the impact and value of music therapy; maintain financial stability and sustainability; securing grant funding to upgrade and standardise IT hardware and software; diversifying service delivery beyond education, along with the increase in the ability of the charity to provide Neurologic Music Therapy; and continuing to consult with purchasers, service users, and stakeholders. The CEO will continue to participate in the online Provider Forum meetings being run by the British Association of Music Therapists (BAMT).

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Signed on behalf of the Board



John Clemson - Chair
16th March 2022

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MUSIC THERAPY WORKS

I report on the accounts of the company for the year ended 31st August 2021, which are set out on pages 11 to 18.

Respective responsibilities of trustee and examiner

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



L E Parkes FCA
Chartered Accountant
Parkes & Co
5 Crondal Place, Birmingham B15 2LB

Date: 6 April 2022

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**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 2021**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>2021 Total Funds</u>	<u>2020 Total Funds</u>
		£	£	£	£
INCOME FROM:					
Donations		5,817	2,400	8,217	1,571
Charitable Activities	2	241,370	0	241,370	187,305
Investments	3	1,327	0	1,327	1,837
CJRS Grant	4	26,464	0	26,464	61,475
TOTAL		<u>274,978</u>	<u>2,400</u>	<u>277,378</u>	<u>252,188</u>
EXPENDITURE ON:					
Charitable Activities	5	261,986	4,559	266,545	263,873
TOTAL		<u>261,986</u>	<u>4,559</u>	<u>266,545</u>	<u>263,873</u>
NET INCOME/(EXPENSE)		12,992	(2,159)	10,833	(11,685)
RECONCILIATION OF FUNDS					
Total Funds Brought Forward		165,778	7,786	173,564	185,249
TOTAL FUNDS CARRIED FORWARD		<u>178,770</u>	<u>5,627</u>	<u>184,397</u>	<u>173,564</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Statement of Financial Activities also complies with the requirements for an Income and Expenditure Account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31ST AUGUST 2021

	Notes	<u>2021</u> <u>Total</u> <u>Funds</u> £	<u>2020</u> <u>Total</u> <u>Funds</u> £
FIXED ASSETS			
Tangible Assets	7	1,068	643
Total Fixed Assets		1,068	643
CURRENT ASSETS			
Debtors	8	12,742	2,788
Cash at bank and in hand		174,962	173,616
Total Current Assets		187,704	176,404
CREDITORS			
Amounts falling due within one year	9	4,375	3,483
Net Current Assets		183,329	172,921
TOTAL NET ASSETS		184,397	173,564
THE FUNDS OF THE CHARITY			
Unrestricted funds	10	178,770	165,778
Restricted funds	11	5,627	7,786
Total Charity Funds		184,397	173,564

The Company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

- a) complying with the requirements of the Act with respect to accounting records and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

Approved by the trustees on 16th March 2022 and signed on their behalf by:



John Clemson – Trustee
Company Registration No. 6663759



Andrea Howl – Trustee

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1. Accounting Policies

Charity Information

Music Therapy Works is a private company limited by guarantee incorporated in England and Wales. The registered office is 5 Deansway, Worcester, WR1 2JG.

Basis of Accounting

The financial statements have been prepared in accordance with the charity's accounting policies and comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the provisions of "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 the Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future and that there are no material risks or uncertainties which would necessitate departure from preparing accounts under the going concern principle. Thus, the Trustees continue to adopt the going concern basis in preparing its financial statements.

Incoming Resources

Income is included in the Statement of Financial Activities when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the monetary value of the income can be measured with sufficient reliability.

Activities

Income from therapy fees, teaching and workshops are included in incoming resources in the period in which the relevant event takes place.

Donations and Grants

Income from donations and grants is included in incoming resources when receivable, except as follows:

- where donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those accounting periods;
- when donors impose conditions that have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met,

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- when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax that cannot be recovered.

Charitable activities include expenditure associated with the provision of music therapy and both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Tangible Fixed Assets

Tangible Fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets with an individual value of £500 or more are capitalised on the balance sheet. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Musical instruments	4 years
Office equipment	3 years

Depreciation is not provided on assets which have not yet been brought into use.

Pension Costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities in the period to which they relate.

Fund Accounting

Funds held by the charity are either:

- *unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees;
- *designated funds* – these are unrestricted funds designated by the trustees for a particular purpose;
- *restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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Financial Instruments

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

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

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

Basic financial assets

Basic Financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

Significant Judgement Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2021</u>	<u>Total Funds 2020</u>
	£	£	£	£
2. Income from Charitable Activities				
Music Therapy Fees	<u>241,370</u>	<u>0</u>	<u>241,370</u>	<u>187,305</u>

3. Investment Income

Deposit Account Interest	<u>1,327</u>	<u>0</u>	<u>1,327</u>	<u>1,837</u>
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4. Government Grants

Coronavirus Job Retention Scheme Grant	<u>26,464</u>	<u>0</u>	<u>26,464</u>	<u>61,475</u>
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5. Charitable Activities Costs

	<u>Direct Costs Therapists</u>	<u>Support Costs Administration</u>	<u>Total 2021</u>	<u>Total 2020</u>
	£	£	£	£
Salaries & NI (Note 6)	200,120	49,964	250,084	247,241
Other Staff and Equipment Costs	7,751	0	7,751	9,445
Administration Costs	<u>0</u>	<u>8,710</u>	<u>8,710</u>	<u>7,187</u>
	<u>207,871</u>	<u>58,674</u>	<u>266,545</u>	<u>263,873</u>

The Independent Examiner received £550 (including VAT) in respect of examination fees (2020: £500).

6. Staff Costs

	<u>2021</u>	<u>2020</u>
	£	£
Wages & Salaries	234,950	230,219
Social Security Costs	10,546	12,461
Pension Costs	<u>4,588</u>	<u>4,561</u>
	<u>250,084</u>	<u>247,241</u>

Total remuneration paid to key management personnel during the year was £28,750 (2020: £27,162).

During the year, the Charity employed 7 full time equivalent staff (2020: 7) of which there was 1 (2020: 1) administrative staff and 6 (2020: 6) therapy staff.

None of the directors received any emolument or reimbursement of expenses in respect of their services as Trustees of the charity. No individual received emoluments equal to, or in excess of, £60,000.

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7. Fixed Assets

	<u>Musical Instruments</u>	<u>Computers & Equipment</u>	<u>Total</u>
	£	£	£
Cost at 1 September 2020	1,409	2,673	4,082
Additions	0	890	890
Cost at 31 August 2021	<u>1,409</u>	<u>3,563</u>	<u>4,972</u>
Depreciation at 1 September 2020	1,365	2,074	3,439
Charge for the Year	44	421	465
Depreciation at 31 August 2021	<u>1,409</u>	<u>2,495</u>	<u>3,904</u>
Net Book Value at 31 August 2021	<u>0</u>	<u>1,068</u>	<u>1,068</u>
Net Book Value at 31 August 2020	<u>44</u>	<u>599</u>	<u>643</u>

8. Debtors: amounts falling due within one year

	<u>2021</u>	<u>2020</u>
	£	£
Debtors for Therapy Fees	11,937	1,530
Accrued Income	805	1,258
	<u>12,742</u>	<u>2,788</u>

9. Creditors: amount falling due within one year

	<u>2021</u>	<u>2020</u>
	£	£
Taxation and Social Security	3,351	2,871
Other Creditors	109	52
Accruals	621	560
Deferred Sales Income	294	0
	<u>4,375</u>	<u>3,483</u>

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10. Unrestricted Funds

	<u>2021</u>	<u>2020</u>
	£	£
General Fund	<u>178,770</u>	<u>165,778</u>

11. Restricted Funds

	<u>Instruments</u>	<u>Subsidised Therapy</u>	<u>Advertising</u>	<u>Total</u>	<u>2020</u>
	£	£		£	£
Incoming Resources	1,000	600	800	2,400	0
Resources Expended	<u>1,000</u>	<u>2,759</u>	<u>800</u>	<u>4,559</u>	<u>2,361</u>
Net Inflow/(Outflow) of Funds	0	(2,159)	0	(2,159)	(2,361)
Funds at 1 September 2020	0	7,786	0	7,786	10,147
Funds at 31 August 2021	<u>0</u>	<u>5,627</u>	<u>0</u>	<u>5,627</u>	<u>7,786</u>

12. Analysis of Net Assets between Funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>	<u>2020</u>
	£	£	£	£
Fund Balances at August 31, 2021 are represented by:				
Tangible Assets	1,068	0	1,068	643
Current Assets	<u>177,702</u>	<u>5,627</u>	<u>183,329</u>	<u>172,921</u>
	<u>178,770</u>	<u>5,627</u>	<u>184,397</u>	<u>173,564</u>

13. Related Party Transactions

There were no disclosable related party transactions during the year (2020 – None).

14. Capital Commitments

Amounts contracted for but not provided in the financial statements amounted to £0 (2020: £0).

15. Taxation

Music Therapy Works is a registered charity and, therefore, is not liable to income tax or corporation tax on income and gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.