

# **The Guild of Church Musicians**

(a company limited by guarantee)

**Annual Report & Financial Statements**

**For the year ended 30 September 2017**

**Registered Charity - England & Wales No: 230931**

**Company No: 83329**

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# TRUSTEES' ANNUAL REPORT

For the year ended 30 September 2017

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The trustees, who are the directors of the company for the purposes of company law, are pleased to present their report and financial statements together with the Independent Examiner's report for the year ended 30 September 2017.

## OBJECTS & ACTIVITIES

### Objects

The Guild of Church Musicians is a fellowship of those who desire to offer the best in church music to the service of the Church, both amateur and professional musicians being united in a common ideal.

### Activities during the year

The Guild administers the following examinations on behalf of the Archbishops of Canterbury and Westminster

- Archbishops' Preliminary Certificate
- Archbishops' Award in Church Music
- Archbishops' Certificate in Church Music
- Archbishops' Certificate in Public Worship

The Guild also offers the higher level qualifications of Licentiate and Fellow of the Guild of Church Musicians.

To assist potential candidates the Guild offers a correspondence course and various short courses as the need arises.

The Guild published its journal *Laudate* on three occasions during the year.

The Guild collaborated with other bodies in the furtherance of excellence in church music.

### Public Benefit

The trustees have considered the Guild's activities and achievements against the Public Benefit Guidance issued by the Charity Commission. They agree that the public who benefit from the Guild's work are those who enjoy church music and those who aim to provide it to a high standard.

## ACHIEVEMENTS & PERFORMANCE

### Overview

### Membership

On 30 September 2017 the Guild had a membership of 467. This included 15 new members who were admitted during the year. Membership last year was 569 and the reduction reflects those who failed to renew their membership for 2017 following the Guild's change of banking arrangements.

### FINANCIAL REVIEW

The accounts show a deficit of £10,892 (£10,839 in 2015-16). The enforced closure of

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the Guild's bank account with HSBC during 2016 meant that over 100 members who had previously paid their subscription by standing order failed to renew their subscription for 2017. This was in spite of two personal letters sent to each member and various appeals in the Guild's magazine *Laudate*. This resulted in a reduction of approximately £2,000 in subscription income. The last two years have seen more members seeking the Guild's qualifications. This was reflected in an increase in examination income during 2015-16 and has been offset by an increase in examiners' fees incurred this year. Unfortunately the annual conference had to be cancelled at the last minute due to lack of bookings. A smaller gathering in London was provided free of charge to those members attending. The annual award ceremony held at St Michael's Cornhill in November 2016 was a tribute to the late John Ewington, but cost about £1,000 more than normal. The Guild's magazine *Laudate* is published three times per year, but a change of timing meant that printing and postage costs for four editions were incurred during the year, increasing expenditure by £2,300.

The Guild still has adequate resources to continue its operations, but a review of activities will be undertaken during 2017-18 in order to reduce future deficits.

## Risk Management

The trustees regularly review the risks to which the Guild is exposed. They do not consider that there are any substantial risks beyond the liabilities disclosed in the financial statements. Given the possibility of contact with young people and vulnerable adults, the trustees are currently in the process of setting up a formal safeguarding policy.

## Reserves policy

The Guild has built up substantial free reserves in excess of £70,000 since its formation in 1881. To maintain the integrity of its examination programme it is important that the Guild has sufficient resources to ensure that it can continue as a going concern. The trustees commit to expenditure on conferences and courses up to two years in advance therefore they consider it prudent to maintain a minimum of two years expenditure i.e. approximately £50,000 as free reserves.

## FUTURE PLANS

The trustees plan to continue to support the Guild's education programme in order to improve church music. The Guild will work with other organisations as appropriate to achieve its aims.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The Guild was established in 1888 and incorporated as a limited company on 23 January 1905. The original name of the company was The Incorporated Guild of Church Musicians. The name of the company was changed to The Guild of Church Musicians on 15 December 1987. The company is governed by its Memorandum and Articles of Association that were last updated on 2 May 2009. All members of the Guild are members of the company. Each

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member of the company is required to contribute an amount not exceeding £1 should the company be wound up while he/she is a member, or within one year after he/she ceases to be a member.

## Appointment of trustees

The Council consists of:

- up to fourteen trustees elected at the AGM by the charity's members to serve for a period of three years.
- additional trustees may be co-opted by the elected trustees to serve until the next AGM.

Eligibility

- Elected trustees must be members of the Guild
- Retiring trustees are eligible for re-election.

## Organisational structure

The trustees normally meet three times per year to consider the business of the Guild. If appropriate additional meetings may be held. Day to day management of the Guild rests with the Warden, Sub-warden, General Secretary and Treasurer.

## REFERENCE & ADMINISTRATIVE DETAILS

<b>Charity name</b>	The Guild of Church Musicians
<b>Charity number</b>	230931
<b>Company number</b>	83329

<b>Registered office</b>	3 Swards End Wickford Essex SS12 9PB
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<b>Website address</b>	<a href="http://www.churchmusicians.org">www.churchmusicians.org</a>
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<b>President</b>	Dame Mary Archer DBE
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### Current trustees

Warden	Revd Canon Jeremy Haselock (until AGM - May 2017) Rt Revd Graeme Knowles (from AGM - May 2017)
Sub-warden	Revd Fr Peter Allan CR
General Secretary & Registrar	Mrs June Williams

# TRUSTEES' ANNUAL REPORT

For the year ended 30 September 2017

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Treasurer, Membership Secretary & Company Secretary	Robert Andrews
Chairman of Academic Board & Fellowship Director	Dr Hugh Benham
Fellowship Secretary	Edward Scott
Examinations Secretary	Dr Helen Burrows (until AGM - May 2017)
Publications Editor & Examinations Secretary	Dr Michael Walsh (from AGM - May 2017)
Webmaster	Robert Leach (resigned January 2017)
Representative of Religious Orders and the RC Church	Sister Avril Foster OP
Academic Board Secretary	Roger Wilkes
Events Secretary	Rowland Hughes (from AGM - May 2017)
Other directors	Carl Jackson MVO Dr Alan Thurlow

## Bankers

Unity Trust Bank plc  
Nine Brindleyplace  
Birmingham B1 2HB

CCLA Investment Management Ltd  
Senator House  
85 Queen Victoria Street  
London EC4V 4ET

## Independent Examiner

Revd Alan Clements  
15 Carleton Road  
Great Knowley  
Chorley  
Lancs PR6 8TQ

## APPROVAL

This report, which has been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, was approved by the trustees on 27 October 2017 and signed on their behalf by:

*+ Graeme*

Rt Revd Graeme Knowles  
Warden  
Date: 11 December 2017

# INDEPENDENT EXAMINER'S REPORT

For the year ended 30 September 2017

## Independent examiner's report to the trustees of the Guild of Church Musicians

I report on the accounts of the charity for the year ended 30 September 2017, which are set out on pages 6 to 13.

### Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes 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 statement

My examination is 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 seeks 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 came 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 and comply with the accounting requirements of the Companies Act 2006; and
  - which are consistent with 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.

*Alan A Clements Fellow Association of Charity Independent Examiners*

Revd Alan Clements MA ACIB FCIE

15 Carleton Road, Great Knowley, Chorley, Lancs PR6 8TQ

4 January 2018

# STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

For the year ended 30 September 2017

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
<b>Income from:</b>					
Donations	4	7,907	-	7,907	10,426
Charitable Activities	5	737	-	737	3,787
Investments & bank interest	6	317	236	553	792
<b>Total incoming resources</b>		<b>8,961</b>	<b>236</b>	<b>9,197</b>	<b>15,005</b>
<b>Expenditure on:</b>					
Charitable Activities	7 & 8	19,732	357	20,089	25,844
<b>Net income (expenditure)</b>		<b>(10,771)</b>	<b>(121)</b>	<b>(10,892)</b>	<b>(10,839)</b>
<b>Gains (losses) on investment assets</b>					
On revaluation			(336)	(336)	386
<b>Reconciliation of funds</b>					
Total funds as at 1 October 2016		81,716	23,119	104,835	105,699
Funds introduced during year			-	-	9,589
<b>Total funds as at 30 September 2017</b>		<b>70,945</b>	<b>22,662</b>	<b>93,607</b>	<b>104,835</b>

The above statement includes all gains and losses recognised during the year.

All activities are regarded as continuing.

# BALANCE SHEET

As at 30 September 2017

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
<b>Investment Assets</b>					
CCLA fixed interest securities fund	9	-	5,343	5,343	5,679
<b>Current assets</b>					
Stock	10	5,102	-	5,102	4,200
Debtors and prepayments	11	360	-	360	-
Bank and cash	12	68,669	17,319	85,988	96,018
		<u>74,131</u>	<u>22,662</u>	<u>96,793</u>	<u>105,897</u>
<b>Creditors:</b>					
Amounts falling due within one year	13	<u>(3,186)</u>	<u>-</u>	<u>(3,186)</u>	<u>(1,062)</u>
<b>Net assets</b>		<u>70,945</u>	<u>22,662</u>	<u>93,607</u>	<u>104,835</u>
<b>Funds of the charity</b>					
Restricted funds		-	22,662	22,662	23,119
Unrestricted funds		<u>70,945</u>	<u>-</u>	<u>70,945</u>	<u>81,716</u>
		<u>70,945</u>	<u>22,662</u>	<u>93,607</u>	<u>104,835</u>

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 30 September 2017:

- the company was entitled to exemption from audit under section 477 of the Companies Act 2006 and
- members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the accounts.

The Notes on pages 8 to 13 form an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees on 27 October 2017 and signed on their behalf by:

*+Graeme*

Rt Revd Graeme Knowles  
Warden

# STATEMENT OF CASH FLOWS

For the year ended 30 September 2017

	Unrestricted funds	Restricted funds	Total Funds 2016-17	Total Funds 2015-16
	£	£	£	£
<b>Cash flows from operating activities</b>				
Net income (expenditure) per SOFA	(10,771)	(121)	(10,892)	(10,839)
(Increase) decrease in debtors	(360)	-	(360)	
Increase (decrease) in creditors	2,124	-	2,124	(622)
(increase) decrease in stock	(902)	-	(902)	(3,444)
Cash introduced - Prize fund			-	4,296
<b>Net increase (decrease) in cash</b>	<b>(9,909)</b>	<b>(121)</b>	<b>(10,030)</b>	<b>(10,609)</b>
Total cash at 1 October 2016	78,578	17,440	96,018	106,627
<b>Total cash at 30 September 2017</b>	<b>68,669</b>	<b>17,319</b>	<b>85,988</b>	<b>96,018</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2017

### 1. Basis of preparation

- i. These accounts (financial statements) have been prepared under the historic cost convention, with items recognised at cost or transaction value, unless otherwise stated in the relevant note(s), in accordance with:
  - a. The Charities Act 2011
  - b. The Companies Act 2006
  - c. The Financial Reporting Standard applicable in the UK: FRS102
  - d. Accounting & Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS102) (effective January 2015)
- ii. The charity meets the definition of a public benefit entity as defined by FRS102
- iii. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

### 2. Accounting policies

- i. Fund accounting
  - a. Unrestricted funds are those that can be expended at the discretion of the trustees in furtherance of the objects of the charity.
  - b. Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes.
  - c. The purposes of the funds are shown in Note 15
- ii. Income
  - a. Income is recognised and included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the income, receipt is probable, and the monetary value can be measured with sufficient reliability.
  - b. Where income has related expenditure (e.g. conferences and courses) the income and related expenditure are reported gross in the SOFA.

- c. Bank interest is recognised when credited to the account.
  - d. Gift Aid is recognised when credited to the account.
- iii. Expenditure and liabilities
- a. Expenditure is recognised on the accruals basis
  - b. The charity is not registered for VAT, thus all costs are shown inclusive of VAT charged.
  - c. Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
  - d. Governance costs include the cost of preparation and examination of the statutory accounts, the cost of trustee meetings, the cost of the Annual General Meeting of the company and the costs of any legal advice to trustees on governance or constitutional matters.
- iv. Investment assets
- a. are valued at the mid-market price on the last day of the accounting year.
- v. Tangible assets
- a. Tangible assets are capitalised if they can be used for more than one year, and cost at least £1,000.
  - b. The charity does not currently have any capitalised tangible assets.
- vi. Debtors
- a. Debtors are recognised at the settlement amount due.
  - b. Prepayments are valued at the amount prepaid.
- vii. Cash
- a. Cash comprises bank deposits repayable on demand and any short-term highly liquid investments with a maturity date of three months or less from the date of acquisition or opening of the deposit or similar account.
- viii. Creditors
- a. Creditors 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 are normally recognised at the settlement amount, usually the invoice amount.
  - b. Accrued charges are normally valued at their settlement amount.
- ix. Taxation
- a. The charity is not liable to income tax or capital gains on its charitable activities.

### **3. Transactions with trustees and related parties**

- i. Transactions with trustees
- a. The Better Book Company, a trading name of Dr Michael Walsh, received remuneration of £1,200 for typesetting copies of *Laudate*. (£1,280 last year)
  - b. Roger Wilkes received £315 for conducting examinations (£35 last year)
  - c. Revd Fr Peter Allan received £125 for examination marking (£115 last year)
  - d. Carl Jackson received £25 for examination marking (nil last year)
  - e. Dr Hugh Benham received £100 for examination marking (£97 last year)
  - f. Edward Scott received nil (£31 for examination marking last year)
  - g. Sister Avril Foster received nil (£25 for examination marking last year)

This is permitted by the Articles of the Company and was approved by the remaining trustees. No other trustee received any remuneration during this year or in the previous year.

ii. Travelling expenses totalling £1,139 were reimbursed to 9 trustees.

iii. There were no transactions with related parties (last year nil)

#### 4. Income from donations

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
Subscriptions	6,705	-	6,705	8,740
Donations	387	-	387	900
Income tax recovered on Gift Aid	815	-	815	786
	<u>7,907</u>	<u>-</u>	<u>7,907</u>	<u>10,426</u>

#### 5. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
Examination fees	260	-	260	1,660
Annual conference	162	-	162	2,104
Sale of ties and badges	315	-	315	23
	<u>737</u>	<u>-</u>	<u>737</u>	<u>3,787</u>

#### 6. Income from investments & bank interest

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
Interest & dividends	<u>317</u>	<u>236</u>	<u>553</u>	<u>792</u>

## 7. Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
Direct costs				
Examinations	1,456	-	1,456	933
Academic Board expenses	-	-	-	158
Annual award ceremony	2,013	157	2,170	1,105
Annual conference	1,014	-	1,014	3,068
Publishing Laudate	10,111	-	10,111	7,801
Publicity	533	-	533	435
	<u>15,127</u>	<u>157</u>	<u>15,284</u>	<u>13,500</u>

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
Support costs				
Postage	445	-	445	422
Stationery, printing and office expenses	166	-	166	156
Sundries	846	-	846	280
Website maintenance	216	-	216	-
Representative trip to Australia	-	-	-	8,764
Bank charges	72	-	72	42
Gifts	682	200	882	890
	<u>2,427</u>	<u>200</u>	<u>2,627</u>	<u>10,554</u>

## 8. Governance costs

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
AGM expenses	500	-	500	500
Independent Examination	100	-	100	100
Trustee meeting expenses	1,578	-	1,578	1,190
	<u>2,178</u>	<u>-</u>	<u>2,178</u>	<u>1,790</u>

## 9. Investment assets

3,219.35 shares in the CBF Church of England Fixed Interest Securities Fund - Income Shares. The mid market value on 30 September 2017 was 166.25 pence per share, giving a value of £5,352.

## 10. Stock

	Stock £
Value at 1 October 2016	4,200
Additions during the year	1,642
less Sales during the year	(58)
less gifts during the year	(682)
Value at 30 September 2017	<u>5,102</u>

Stock is mainly new style hoods that have been valued at cost. There are a few other items, mainly Guild ties and badges that have a historic valuation, but it is considered that the value is equal or greater than that recorded.

## 11. Debtors & prepayments

	2016-17 £	2015-16 £
Trade debtors	360	-

## 12. Cash at bank and in hand

	Unrestricted funds £	Restricted funds £	Total Funds 2016-17 £	Total Funds 2015-16 £
CBF deposit account	30,314	9,951	40,265	49,899
CBF deposit account - Bursary	-	4,382	4,382	4,368
CBF deposit account - John Clayton	-	804	804	801
CBF deposit account - Anthony Harvey	-	2,182	2,182	2,175
Virgin Money deposit account	26,613	-	26,613	26,449
Unity Trust Bank current account	11,743	-	11,743	12,326
	<u>68,670</u>	<u>17,319</u>	<u>85,989</u>	<u>96,018</u>

## 13. Creditors (falling due within one year)

	2016-17 £	2015-16 £
Independent examiner's fee	100	100
Trade creditors	<u>3,087</u>	<u>962</u>
	<u>3,187</u>	<u>1,062</u>

## 14. Movement in funds

	at 1 October 2016 £	Incoming resources £	Resources Expended £	Unrealised gains (losses)	at 30 September 2017 £
<b>Unrestricted funds</b>					
General fund	81,716	8,960	19,731	-	70,945
<b>Restricted funds</b>					
Prize fund	10,153	212	200	(336)	9,829
Diploma fund	5,466	-	-	-	5,466
John Ewington Memorial fund	157	-	157	-	-
John Clayton Memorial fund	801	3	-	-	804
Centenary Bursary fund	4,368	14	-	-	4,382
Anthony Harvey Memorial fund	2,174	7	-	-	2,181
	<u>104,835</u>	<u>9,196</u>	<u>20,088</u>	<u>(336)</u>	<u>93,607</u>

## 15. Purpose of funds

- i. Diploma fund - Funds to finance the cost of the Fellowship programme.
- ii. John Ewington Memorial fund - Donations received in memory of John Ewington. The balance was used during the year for a memorial service in his name.
- iii. John Clayton Memorial fund - To provide prizes for the highest marks awarded to a singer in the ACertCM examination.
- iv. Centenary Bursary fund - To provide financial support to candidates preparing for the Guild's examinations. It may be used towards the costs of courses and tuition fees, but not for books or examination fees.
- v. Anthony Harvey Memorial fund - To provide prizes to the candidate with the highest marks in the Fellowship examinations.
- vi. Prize fund - The fund was set up in 1983 by Mr Ronald Maynard, a former Vice-President of the Guild as a memorial to his late first wife Gladys, his late second wife Hilda and his late daughter Margaret Brown. It is to fund prizes associated with the ACertCM. The Gladys Maynard prize to be awarded to organists/choirmasters, the Hilda Maynard prize to be awarded for paperwork and the Margaret Brown prize for singers.



