

The Guild of Church Musicians

(a company limited by guarantee)

Annual Report & Financial Statements

For the fifteen month period

1 October 2018 to 31 December 2019

Registered Charity - England & Wales No: 230931

Company No: 83329

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Trustees' Annual Report

For the period 1 October 2018 to 31 December 2019

Companies House has given permission to change the company's year end from 30 September to 31 December. This will bring the financial reporting into line with the membership year and will give the Guild more flexibility regarding the timing of its Annual General Meeting.

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 15 month period ended 31 December 2019.

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 trustees were disappointed when the Rt Revd Graeme Knowles tendered his resignation as Warden in September 2019 because of the weight of his other commitments. Fr Peter Allan CR agreed to accept the role of Acting Warden until a replacement for Bishop Graeme can be found.

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

- Archbishops' Chorister Medal
- 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 mentoring and various workshops/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

During the year the Guild has introduced its new Archbishops' Chorister Medal aimed particularly at young choristers in the Roman Catholic Church. The first candidates, all from Arundel Cathedral, passed their examinations during the year and will be presented with their medals and certificates at

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For the period 1 October 2018 to 31 December 2019

a Guild event in February 2020. Interest in the Guild's other examinations has revived with several candidates pursuing the ACertCM, Licentiate and Fellowship.

The Guild is actively pursuing strong links with other organisations in the Church Music field. In February the Guild held a service at the RSCM's Sarum College in Salisbury to present Bishop Timothy Dudley-Smith with his Honorary Fellowship Diploma, with members of the RSCM staff forming a small choir.

The Guild's AGM took place at All Hallows-by-the-Tower church in London and was addressed by the Revd Lucy Winkett, Rector of St James's Church Piccadilly who was a professional singer before her ordination. In June the Guild held its annual conference at St Philip's Anglican Cathedral in Birmingham.

Membership

On 31 December 2019 the Guild had a membership of 433. This included 125 Hon. Fellows, 20 Hon. Members, 20 Life Members and 268 Ordinary Members. Of these 39 are domiciled overseas. In addition there are 9 corporate members.

Financial Review

The Guild shows a deficit of £4,256 on General Funds in the twelve months October 2018 to September 2019, which compares to a deficit of £3,644 in the same period last year. During the additional three months from October to December 2019 the Guild incurred a further deficit of £6,171 bringing the total deficit for the 15 month period covered by these accounts to £10,427. The major expenditure incurred since September 2019 was for publicity, including the appointment of a professional public relations consultant on a short term contract.

During the period membership numbers continued to decline, meaning that the total income received from subscriptions (£6,565) was less than the cost of producing *Laudate* (£7,120). Whilst *Laudate* in its present form is well received, the trustees need to address this imbalance as a matter of urgency, either by increasing subscription rates or finding a new way to distribution *Laudate*.

The costs of courses and conferences (£2,443) exceeded the income raised from them (£1,865) therefore the trustees need to undertake careful budgeting to ensure that future events at least cover the costs incurred.

The Guild still has adequate unrestricted resources (£56,874) to continue its operations, but the trustees need to be aware that historic reserves are not inexhaustible therefore urgent action is needed to bring expenditure under control.

Contingent liabilities

The trustees have already committed expenditure of approximately £6,000 for public relations consultancy during 2020. It also has an indeterminate liability anticipated to be in the region of £2,000 in respect of safeguarding advice.

Risk Management

The trustees regularly review the risks to which the Guild is exposed. A new insurance policy has been purchased from Ecclesiastical Insurance Office covering public liability, reputational risk and trustees' liability. The trustees do not consider that there are any substantial risks beyond the

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For the period 1 October 2018 to 31 December 2019

liabilities disclosed in the financial statements. Given the possibility of contact with young people and vulnerable adults, the trustees have published a formal Safeguarding policy.

Reserves policy

The Guild has built up substantial free reserves 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 normal expenditure i.e. approximately £50,000 as free reserves.

Future Plans

The trustees urgently need to find a suitably qualified replacement for Bishop Graeme as Warden to take the Guild forward.

The trustees have engaged the services of Tim Stanley Public Relations Ltd to conduct a major review of the Guild's activities with a view to improving its profile and encouraging more members to join. As part of this initiative a new website is being designed.

Following the successful introduction of the new Archbishops' Chorister Medal, the Guild plans to introduce a new Junior membership category during the year, with its own publication and activities. The Public Relations consultant is also exploring expanding the Guild's corporate membership scheme.

Structure, Governance & 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 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 eighteen 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.

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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 Standing Committee consisting of the Warden, Sub-warden, General Secretary, Treasurer, Chairman and Secretary of the Academic Board and the Representative of the RC Church.

Reference & Administrative details

Charity name	The Guild of Church Musicians	
Charity number	230931	
Company number	83329	
Registered office	3 Swards End Wickford Essex SS12 9PB	
Website address	www.churchmusicians.org	
President	Dame Mary Archer DBE	
Current trustees		
Warden	Rt Revd Graeme Knowles CVO	(until September 2019)
Sub-warden	Revd Fr Peter Allan CR	
General Secretary & Publications Editor	Dr Michael Walsh	
Registrar	Mrs June Williams	
Treasurer, Membership Secretary & Company Secretary	Robert Andrews	
Chairman of Academic Board	Dr Hugh Benham	
Fellowship Secretary	Edward Scott	
Representative the RC Church	Sister Avril Foster OP Elizabeth Stratford	(until AGM 2019) (from AGM 2019)
Academic Board Secretary	Roger Wilkes	
Events Secretary	Rowland Hughes	
Other directors	Carl Jackson MVO Revd Gordon Giles	(from AGM 2019)
Bankers	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB	

Trustees' Annual Report

For the period 1 October 2018 to 31 December 2019

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 6 March 2020 and signed on their behalf by:

Michael Walsh

Dr Michael Walsh
General Secretary

Date: *6 March 2020*

Independent Examiner's Report

For the 15 month period ended 31 December 2019

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

I report on the accounts of the charity for the 15 month period ended 31 December 2019, which are set out on pages 7 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

Revd Alan Clements MA ACIB FCIE

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

Relevant professional qualification: Fellow of the Association of Charity Independent Examiners

Date: *12 May 2020*

Balance Sheet

As at 31 December 2019

	Note	Unrestricted funds	Restricted funds	Total Funds December 2019	Total Funds September 2018
		£	£	£	£
Investment Assets					
CCLA fixed interest securities fund	9	-	5,351	5,351	5,183
Current assets					
Stock	10	6,061	-	6,061	4,773
Debtors and prepayments	11	-	-	-	480
Bank and cash	12	52,641	17,884	70,525	81,208
		<u>58,702</u>	<u>23,235</u>	<u>81,937</u>	<u>91,644</u>
Creditors:					
Amounts falling due within one year	13	<u>(1,828)</u>	<u>-</u>	<u>(1,828)</u>	<u>(1,699)</u>
Net assets		<u><u>56,874</u></u>	<u><u>23,235</u></u>	<u><u>80,109</u></u>	<u><u>89,945</u></u>
Funds of the charity					
Restricted funds			23,235	23,235	22,644
Unrestricted funds		<u>56,874</u>		<u>56,874</u>	<u>67,301</u>
		<u><u>56,874</u></u>	<u><u>23,235</u></u>	<u><u>80,109</u></u>	<u><u>89,945</u></u>

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the 15 month period ended 31 December 2019:

- 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 9 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 6 March 2020 and signed on their behalf by:

Michael Walsh

Dr Michael Walsh
General Secretary

Date: *6 March 2020*

Statement of Cash Flows

For the 15 month period ended 31 December 2019

	Unrestricted funds	Restricted funds	Total Funds 2018-19	Total Funds 2017-18
	£	£	£	£
Cash flows from operating activities				
Net income (expenditure) per SOFA	(10,427)	422	(10,005)	(3,502)
(Increase) decrease in debtors	480	-	480	(120)
Increase (decrease) in creditors	129	-	129	(1,487)
(increase) decrease in stock	(1,287)	-	(1,287)	329
Net increase (decrease) in cash	(11,105)	422	(10,683)	(4,780)
Total cash at 1 October 2018	63,747	17,461	81,208	85,988
Total cash at 31 December 2019	52,642	17,883	70,525	81,208

Notes to the financial statements

For the 15 month period ended 31 December 2019

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*. (£1,200 last year)
 - b. Roger Wilkes received £50 for conducting examinations (nil last year)
 - c. Dr Hugh Benham received £141 for examination marking (£7 last year)
 - d. Edward Scott received nil (£80 for examination marking last year)
 - e. Dr Michael Walsh received £64 for examination marking (nil last year)
 - f. The Revd Gordon Giles received £250 for examination marking (nil last year)
 - g. The Revd Fr Peter Allan received £50 for examination marking (nil 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 £2,205 were reimbursed to 10 trustees.
- iii. Claims for out of pocket expenses such as stationery and postage are reimbursed as incurred.
- iv. There were no transactions with related parties (last year nil).

4. Income from donations

	October 2018 to September 2019			October 2019 to December 2019			Total funds for 15 month period October 2018 to December	Total Funds for 12 Months October 2017 to September 2018
	General	Prize fund	Total	General	Prize fund	Total		
Income from donations								
Subscriptions	6,395	-	6,395	170	-	170	6,565	6,635
Donations	232	-	232	-	-	-	232	920
Income tax recovered on Gift Aid	794	-	794	-	-	-	794	787
	<u>7,421</u>	<u>-</u>	<u>7,421</u>	<u>170</u>	<u>-</u>	<u>170</u>	<u>7,591</u>	<u>8,342</u>

5. Income from charitable activities

	October 2018 to September 2019			October 2019 to December 2019			Total funds for 15 month period October 2018 to December	Total Funds for 12 Months October 2017 to September 2018
	General	Prize fund	Total	General	Prize fund	Total		
Income from Charitable activities								
Examination fees received	2,125	-	2,125	200	-	200	2,325	800
Courses & conferences	1,865	-	1,865	-	-	-	1,865	2,120
Sale of robes, regalia & publications	1,026	-	1,026	150	-	150	1,176	314
	<u>5,016</u>	<u>-</u>	<u>5,016</u>	<u>350</u>	<u>-</u>	<u>350</u>	<u>5,366</u>	<u>3,234</u>

6. Income from investments & bank interest

	October 2018 to September 2019			October 2019 to December 2019			Total funds for 15 month period October 2018 to December	Total Funds for 12 Months October 2017 to September 2018
	General	Prize fund	Total	General	Prize fund	Total		
Income from investments								
Interest & dividends	392	335	727	146	87	233	960	536

7. Expenditure on charitable activities

	October 2018 to September 2019			October 2019 to December 2019			Total funds for 15 month period October 2018 to December	Total Funds for 12 Months October 2017 to September 2018
	General	Prize fund	Total	General	Prize fund	Total		
Direct costs								
Examination costs	859	-	859	135	-	135	994	413
Academic board expenses	88	-	88	30	-	30	118	
Annual award ceremony	285	-	285	-	-	-	285	1,639
Courses & conferences	2,443	-	2,443	-	-	-	2,443	1,705
Publishing Laudate	7,120	-	7,120	-	-	-	7,120	7,394
Publicity	865	-	865	620	-	620	1,485	168
Public liability insurance	176	-	176	-	-	-	176	928
Consultancy & professional fees	-	-	-	5,203	-	5,203	5,203	
Cost of robes & regalia	1,532	-	1,532	-	-	-	1,532	400
	<u>13,368</u>	<u>-</u>	<u>13,368</u>	<u>5,988</u>	<u>-</u>	<u>5,988</u>	<u>19,356</u>	<u>12,647</u>
Support costs								
Postage	7	-	7	97	-	97	104	162
Stationery	66	-	66	100	-	100	166	166
Sundries	963	-	963	-	-	-	963	412
Website maintenance	17	-	17	12	-	12	29	36
Bank charges	77	-	77	18	-	18	95	72
Gifts & prizes	93	-	93	-	-	-	93	745
	<u>1,223</u>	<u>-</u>	<u>1,223</u>	<u>227</u>	<u>-</u>	<u>227</u>	<u>1,450</u>	<u>1,593</u>

8. Governance costs

	October 2018 to September 2019			October 2019 to December 2019			Total funds for 15 month period October 2018 to December	Total Funds for 12 Months October 2017 to September 2018
	General	Prize fund	Total	General	Prize fund	Total		
Governance costs								
Independent Examination	-	-	-	100	-	100	100	100
Council Meeting expenses	2,494	-	2,494	522	-	522	3,016	1,274
	<u>2,494</u>	<u>-</u>	<u>2,494</u>	<u>622</u>	<u>-</u>	<u>622</u>	<u>3,116</u>	<u>1,374</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 31 December 2019 was 166.24 pence per share, giving a value of £5,351.

10. Stock

	£
Value at 1 October 2018	4,773
Revaluation of stock	(173)
Additions during the year	2,775
less cost of sales during the year	(1,067)
less gifts during the year	(93)
less included in examination fee	(154)
Value at 31 December 2019	<u>6,061</u>

Stock value recorded relates to new style hoods, badges and ties. Their value has been adjusted to record them at the lower of cost or market value. All are considered to be of saleable quality.

In addition there are various other items held, the value of which have previously been written off in the accounts. They have a notional value of £1,016, but the realistic sale value is minimal.

11. Debtors & prepayments

	2018-19	2017-18
	£	£
Trade debtors	-	-
Prepayments	-	480
	<u>-</u>	<u>480</u>

12. Cash at bank and in hand

	Unrestricted funds	Restricted funds	Total Funds December 2019	Total Funds September 2018
	£	£	£	£
CBF deposit account	20,826	-	20,826	40,424
CBF deposit account - Prize fund	-	17,884	17,884	7,609
Virgin Money deposit account	27,032	-	27,032	26,747
Unity Trust Bank current account	4,783	-	4,783	6,343
Undeposited funds	-	-	-	85
	<u>52,641</u>	<u>17,884</u>	<u>70,525</u>	<u>81,208</u>

13. Creditors (falling due within one year)

	2018-19	2017-18
	£	£
Independent examiner's fee	100	100
Fees for future examinations	-	500
Trade creditors	1,728	1,099
	<u>1,828</u>	<u>1,699</u>

14. Movement in funds

	at 1 October 2018 £	Incoming resources £	Resources Expended £	Unrealised gains (losses)	at 31 December 2019 £
Unrestricted funds					
General fund	67,301	13,495	23,922	-	56,874
Restricted funds					
Prize fund	22,644	422	-	169	23,235
	<u>89,945</u>	<u>13,917</u>	<u>23,922</u>	<u>169</u>	<u>80,109</u>

15. Purpose of funds

The **General Fund** is the balance of accumulated surpluses and is available for the day to day running costs of the charity.

The **Prize Fund** is the balance of various donations that have been given to support and encourage candidates entering for the Guild's examination. This fund cannot be used for the day to day running costs of the charity.

