

The Guild of Church Musicians

(a company limited by guarantee)

Annual Report & Financial Statements

For the year to 31 December 2020

Registered Charity - England & Wales No: 230931

Company No: 83329

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Trustees' Annual Report

For the year ended 31 December 2020

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 31 December 2020. The previous accounting period was for the 15 month period to 31 December 2019. Comparative figures have been adjusted to show activity only in the 12 months January to 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 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 publishes its journal *Laudate* on three occasions during the year.

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

The year started well with a very successful visit to Arundel Cathedral on 1 February, when Archbishops' Chorister Medals were presented to several young members of the cathedral choir. Members attending enjoyed refreshments at the pub opposite the cathedral and after lunch were treated to an organ recital by Daniel Moulton.

Unfortunately, the Coronavirus Pandemic meant that other activities planned for the year had to be cancelled. The Annual General Meeting was conducted via Zoom on 3 November. Conducting the AGM via Zoom enabled a wider selection of members to take part, and we were pleased to

Trustees' Annual Report

For the year ended 31 December 2020

welcome members from South Africa and from the Scottish islands. The Guild also ran a hymn writing competition that was judged by Malcolm Archer and attracted 33 entrants. The Guild has also started collecting a small portfolio of musical works and guidance booklets for publication.

Membership

On 31 December 2020 the Guild had a membership of 450. This included 124 Hon. Fellows, 20 Hon. Members, 19 Life Members and 9 corporate members. 27 new members were admitted during the year, whilst 17 resigned and 4 members sadly died. 39 members are domiciled overseas.

Financial Review

The accounts for the year show a deficit on unrestricted funds of £9,220, after incurring one-off consultancy costs of £7,560. In 2019 Council made a decision to employ a professional public relations consultant to review the Guild's operations and to increase its public profile. The main outcome was passing management of the Guild's website to a professional web designer. The new website went live in early 2020 with a new web address www.gcm.org.uk and is being visited by about 1,000 individuals each month. A positive result of this has been to halt the decline in membership numbers and see a modest increase. Unfortunately, whilst income from membership has increased during the year, it still fails to meet the cost of printing and distributing *Laudate* to members. Council considered increasing the annual subscription from 2021, but as the Guild had to curtail most of its activities during 2020 because of the Coronavirus pandemic, it was decided to defer that decision until 2022.

The use of Zoom conferencing has enabled the administration of the Guild to continue without incurring costs for room hire and travelling.

The Guild still has adequate unrestricted resources (£47,654) 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.

Risk Management

The trustees regularly review the risks to which the Guild is exposed. The Ecclesiastical Insurance Office provides an annual policy covering public liability, reputational risk and trustees' liability. The trustees 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 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 consider that approximately two years expenditure should be regarded as the minimum.

Future Plans

Following the resignation in 2019 of Bishop Graeme Knowles as Warden, Fr Peter Allan CR has been acting as Warden during 2020 and has indicated his willingness to be appointed as Warden.

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For the year ended 31 December 2020

The trustees are now actively seeking a suitable candidate to take over the role of Sub Warden. Hopefully the Coronavirus restrictions will be eased or lifted during 2021 enabling some of the Guild's regular activities to be resumed.

Plans are being made to sell the Guild's music publications online via the website.

Following the successful introduction of the new Archbishops' Chorister Medal, the Guild plans to introduce a new Junior membership category, with its own publication and activities.

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.

At the 2020 AGM a small change in the structure of the Guild's Council was agreed. The posts of General Secretary and Registrar were put into abeyance and a new post of Administrator was created.

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.

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, Administrator, Treasurer, Chairman of the Academic Board and Secretary of the Academic Board.

Trustees' Annual Report

For the year ended 31 December 2020

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.gcm.org.uk	
President	Dame Mary Archer DBE	
Current trustees		
Warden	Revd Fr Peter Allan CR	
Sub-warden	Currently vacant	
General Secretary & Publications Editor	Dr Michael Walsh	(until 3 November 2020)
Registrar	Mrs June Williams	(until 3 November 2020)
Treasurer, Membership Secretary & Company Secretary	Robert Andrews	
Chairman of Academic Board & Publications Editor	Dr Hugh Benham	
Fellowship Secretary	Edward Scott	
Administrator & Representative the RC Church	Elizabeth Stratford	
Academic Board Secretary	Roger Wilkes	
Events Secretary	Rowland Hughes	
Other directors	Carl Jackson MVO	
	Revd Gordon Giles	(until 31 August 2020)
	John Sharples	(appointed 3 November 2020)
	Robert Sholl	(appointed 3 November 2020)
Bankers	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB	
	CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4V 4ET	

Trustees' Annual Report

For the year ended 31 December 2020

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 23 March 2021 and signed on their behalf by:

Peter Allan

Revd Fr Peter Allan CR

Date: *25 March 2021*

Independent Examiner's Report

For the 12 months ended 31 December 2020

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 31 December 2020, which are set out on pages 7 to 14.

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: *29 March 2021*

Statement of Financial Activities (including Income & Expenditure account)

For the year ended 31 December 2020

		1 January to 31 December 2020			Total Funds 12 Months to 31 December 2019
	Note	Unrestricted funds	Prize fund	Total	
Income from:					
Donations	4	8,384	-	8,384	7,381
Charitable activities	5	2,106	-	2,106	4,670
Investments & bank interest	6	194	255	449	743
Total incoming resources		10,684	255	10,939	12,794
Expenditure on:					
Charitable activities	7				
Direct costs		16,958	-	16,958	18,761
Support costs		2,551	-	2,551	1,361
Governance costs	8	395	-	395	1,723
		19,904	-	19,904	21,845
Net income (expenditure)		(9,220)	255	(8,965)	(9,051)
Gains on investment assets					
On revaluation		-	118	118	169
Reconciliation of funds					
Total funds as at 1 January 2020		56,874	23,235	80,109	88,991
Total funds as at 31 December 2020		47,654	23,608	71,262	80,109

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

All activities are regarded as continuing.

Balance Sheet

As at 31 December 2020

	Note	Unrestricted funds	Restricted funds	Total Funds December 2020	Total Funds December 2019
		£	£	£	£
Investment Assets					
CCLA fixed interest securities fund	9		5,470	5,470	5,351
Current assets					
Stock	10	6,339	-	6,339	6,061
Debtors and prepayments	11	142	-	142	-
Bank and cash	12	42,113	18,138	60,251	70,525
		<u>48,594</u>	<u>23,608</u>	<u>72,202</u>	<u>81,937</u>
Creditors:					
Amounts falling due within one year	13	<u>(940)</u>	<u>-</u>	<u>(940)</u>	<u>(1,828)</u>
Net assets		<u>47,654</u>	<u>23,608</u>	<u>71,262</u>	<u>80,109</u>
Funds of the charity					
Restricted funds		-	23,608	23,608	23,235
Unrestricted funds		<u>47,654</u>	<u>-</u>	<u>47,654</u>	<u>56,874</u>
		<u>47,654</u>	<u>23,608</u>	<u>71,262</u>	<u>80,109</u>

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the 12 month period ended 31 December 2020:

- 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 14 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 23 March 2021 and signed on their behalf by:

Peter Allan

Revd Fr Peter Allan CR

Date: *25 March 2021*

Statement of Cash Flows

For the year ended 31 December 2020

	Unrestricted funds	Restricted funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Cash flows from operating activities				
Net income (expenditure) per SOFA	(9,220)	255	(8,965)	(10,005)
(Increase) decrease in debtors	(142)	-	(142)	480
Increase (decrease) in creditors	(888)	-	(888)	129
(increase) decrease in stock	(278)	-	(278)	(1,287)
Net increase (decrease) in cash	(10,528)	255	(10,273)	(10,683)
Total cash at 1 January 2020	52,641	17,883	70,524	81,208
Total cash at 31 December 2020	42,113	18,138	60,251	70,525

Notes to the financial statements

For the year ended 31 December 2020

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 £1,215 for typesetting copies of *Laudate* plus £210 for typesetting music publications (total £1,200 last year)
 - b. Roger Wilkes received nil for conducting examinations (£50 last year)
 - c. Dr Hugh Benham received £100 for proof reading *Laudate* (£141 last year for examination marking)
 - d. Dr Michael Walsh received nil for examination marking (£64 last year)
 - e. The Revd Gordon Giles received £25 for examination marking (£250 last year)
 - f. The Revd Fr Peter Allan received nil for examination marking (£50 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 £295 were reimbursed to 8 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

	1 January to 31 December 2020			Total Funds 12 Months to 31 December 2019
	General	Prize fund	Total	
Income from donations				
Subscriptions	6,805	-	6,805	6,355
Donations	600	-	600	232
Legacies	300	-	300	-
Income tax recovered on Gift Aid	679	-	679	794
	<u>8,384</u>	<u>-</u>	<u>8,384</u>	<u>7,381</u>

5. Income from charitable activities

	1 January to 31 December 2020			Total Funds 12 Months to 31 December 2019
	General	Prize fund	Total	
Income from Charitable activities				
Examination fees received	195	-	195	1,825
Courses & conferences	1,145	-	1,145	1,865
Income from hymn writing competition	330	-	330	-
Sale of robes, regalia & publications	426	-	426	980
Sale of music publications	10	-	10	-
	<u>2,106</u>	<u>-</u>	<u>2,106</u>	<u>4,670</u>

6. Income from investments & bank interest

	1 January to 31 December 2020			Total Funds 12 Months to 31 December 2019
	General	Prize fund	Total	
Income from investments				
Interest & dividends	<u>194</u>	<u>255</u>	<u>449</u>	<u>743</u>

7. Expenditure on charitable activities

	1 January to 31 December 2020			Total Funds 12 Months to 31 December 2019
	General	Prize fund	Total	
Expenditure on charitable activities				
Direct costs				
Examination costs	87	-	87	780
Academic board expenses	-	-	-	62
Annual award ceremony	-	-	-	285
Courses & conferences	610	-	610	2,443
Cost of hymn writing competition	280	-	280	-
Publishing Laudate	7,298	-	7,298	7,120
Publicity	-	-	-	1,160
Public liability insurance	187	-	187	176
Consultancy & professional fees	7,560	-	7,560	5,203
Cost of robes & regalia	492	-	492	1,532
Cost of music publications	444	-	444	-
	16,958	-	16,958	18,761
Support costs				
Postage	119	-	119	89
Stationery	79	-	79	109
Sundries	1,100	-	1,100	963
Website maintenance	1,030	-	1,030	30
Bank charges	100	-	100	77
Travelling & subsistence costs	123	-	123	-
Gifts & prizes	-	-	-	93
	2,551	-	2,551	1,361

8. Governance costs

	1 January to 31 December 2020			Total Funds 12 Months to 31 December 2019
	General	Prize fund	Total	
Governance costs				
Independent Examination	100	-	100	100
Council Meeting expenses	295	-	295	1,623
	395	-	395	1,723

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 2020 was 169.90 pence per share, giving a value of £5,470.

10. Stock

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

	Stock £
Value at 1 January 2020	6,061
Revaluation of stock	-
Additions during the year	767
less cost of sales during the year	(406)
less gifts during the year	(83)
less included in examination fee	-
Value at 31 December 2019	<u>6,339</u>

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 £935, but the realistic sale value is minimal.

11. Debtors & prepayments

	2020 £	2019 £
Trade debtors	<u>142</u>	<u>-</u>
	<u>142</u>	<u>-</u>

12. Cash at bank and in hand

	Unrestricted funds £	Restricted funds £	Total Funds December 2020 £	Total Funds December 2019 £
CBF deposit account	10,887		10,887	20,826
CBF deposit account - Prize fund	-	18,138	18,138	17,884
Virgin Money deposit account	27,165		27,165	27,032
Unity Trust Bank current account	4,061	-	4,061	4,783
Undeposited funds	-	-	-	-
	<u>42,113</u>	<u>18,138</u>	<u>60,251</u>	<u>70,525</u>

13. Creditors (falling due within one year)

	2020 £	2019 £
Independent examiner's fee	100	100
Trade creditors	-	1,099
Examination fees in advance	<u>840</u>	<u>-</u>
	<u>940</u>	<u>1,199</u>

14. Movement in funds

	at 1 January 2020 £	Incoming resources £	Resources Expended £	Unrealised gains (losses)	at 31 December 2020 £
Unrestricted funds					
General fund	56,874	10,684	(19,904)	-	47,654
Restricted funds					
Prize fund	23,235	255	-	118	23,608
	<u>80,109</u>	<u>10,939</u>	<u>(19,904)</u>	<u>118</u>	<u>71,262</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.