

**The Council For MUSIC IN HOSPITALS
(Registered Charity No: 1051659)
(Office of Scottish Charities No: SCO38864)
(Company No: 3138683)**

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2009**

Officers and Committees: The Council for MUSIC IN HOSPITALS

A company limited by guarantee, Registered in England No.3138683

Registered Charity No. in England and Wales 1051659 and in Scotland SCO38864

Registered Office: Case House, 85-89 High Street, Walton on Thames, Surrey KT12 1DZ

President: Sir Thomas Allen CBE
Presidents Emeriti: Nella Kerr MBE LRAM ALCM
Sylvia Lindsay MBE LRAM ARCM
Ian Wallace OBE DMus(Hon)(St Andrews)
Vice Presidents: Dame Evelyn Glennie DBE, Julian Lloyd Webber,
Dame Felicity Lott DBE, Richard Stilgoe OBE
Chairman: Michael Cooper-Mitchell
Vice Chairman: Gillian Dinsmore
Hon Treasurer: Christopher Robinson (to 12/6/2008)
Arthur Davey (appointed 12/6/2008)
Trustees (Directors): Michael Cooper, Michael Cooper-Mitchell, Arthur Davey (appointed 12/6/2008), George
Davies, Gillian Dinsmore, G Ronald G Graham CBE, Adrian Platt, John Riley, Andrew
Robertson OBE, Christopher Robinson, Dr Sashidharan Sivasankaran, Michael Taylor,
John Trew
Company Secretary: Diana Greenman

The Council for MUSIC IN HOSPITALS in England, Wales, Northern Ireland & Channel Islands

Patron: HRH the Duchess of Gloucester GCVO
Scottish Patron: Sally Magnusson
Welsh Patron: Aled Jones

Committee

Chairman: Michael Cooper-Mitchell
Vice Chairman: Michael Taylor

Members: Dr John Blunden, Tineke Bosma, Michael Cooper, Michael Cooper-Mitchell, Arthur Davey,
George Davies, James Davis CBE, Brian Heaton, Dr Andrew Hoy FRCP FRCR DMRT
LRAM,
Graeme Humphrey ARAM, Watcyn Lewis, Margaret Lion BA(Hons) FTCL LRSM Dip Tchg,
Adrian Platt, John Riley, Christopher Robinson,
Prof Ray Rowden SRN RMN MHSM Hon D Univ (Kingston), Emma Ryder Richardson,
Dr Michael Swallow OBE FRCP, Michael Taylor, John Trew, Peter Worlidge

Chief Executive: Diana Greenman
Office: Case House, 85-89 High Street, Walton on Thames, Surrey KT12 1DZ

The Council for MUSIC IN HOSPITALS in Scotland

Committee

Convenor: Gillian Dinsmore
Vice Convenor: G Ronald G Graham CBE
Members: Robin Barr MA BMus ATCL, Dr William Boyd FRCP FRCPsych, William Cowling,
Gillian Dinsmore, G Ronald G Graham CBE, Dr Alan Jacques FRCPsych,
Helen Lawson ARCM (Hons), Jennifer Logan ALCM LGSM, Penny Loudon,
Lorimer MacKenzie, Olive McCrone (resigned 16 October 2008),
Dr Sashidharan Sivasankaran, Andrew Robertson OBE, Dr Fiona Robertson MRCGP

Chief Executive: Alison Frazer
Office: 10 Forth Street, Edinburgh EH1 3LD

Solicitors: Bates, Wells & Braithwaite, London EC4 (*England*)
Balfour & Manson, Edinburgh (*Scotland*)

Auditors: Kingston Smith LLP, Redhill, Surrey

Bankers: National Westminster Bank plc, Walton-on-Thames, Surrey (*England*)
Clydesdale Bank plc, Edinburgh (*Scotland*)

Investment Advisers: Close Wealth Management, London EC2
Smith & Williamson Investment Management, Glasgow

The Council for MUSIC IN HOSPITALS

Trustees' Report for the financial period 1 April 2008 to 31 March 2009

The trustees are pleased to present their Report, together with the Financial Statements of the Company. The Financial Statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice 2005 – Accounting and Reporting by Charities.

Our Aims and Objectives for the Public Benefit

Our aims

Our charity's aims are to benefit the public by improving the quality of life for adults and children with all kinds of illness and disability through the joy and therapeutic benefits of professionally performed live music in hospitals, hospices, day care centres, special needs schools and care homes.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This report identifies what we have achieved and the outcomes of our work in the previous 12 months. The report looks at the success of our activities and the benefits they have brought to those groups of people we are set up to help. The report also helps us to ensure our aims, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to benefit the public by promoting the relief of physical or mental sickness and the preservation and protection of health by the provision of high quality live music as a therapeutic agent. The strategies we used to meet these objectives included continuing to:

- forge close links with healthcare centres in order to meet the needs of adults and children in their care
- work closely with the NHS, Government Departments and healthcare services to reinforce the benefits of live music within healthcare
- maintain the high standard of our artists' musical and presentation skills
- develop the cultural diversity of our musicians to meet the ever growing requirements of our increasingly diverse audiences being cared for across the healthcare spectrum
- provide free and fully subsidised concerts through fundraising, ensuring those healthcare centres with limited funds were still able to benefit from our service
- strengthen the charity's wider geographical presence and depth in areas of need

Our vision is to reach out to every healthcare establishment across the UK with Music in Hospitals' concerts and to raise awareness of the therapeutic benefits of live music within healthcare.

How our Activities Deliver Public Benefit

All our charitable activities focus on the delivery of high quality live music for sick and disabled adults, children and older people. The concerts are given by small groups of professional musicians who have been carefully chosen following audition. They are selected for their high standard of musicianship, communication skills, breadth of repertoire and their ability to relate to each member of the audience whatever their age, illness, ethnic background or disability. These charitable activities are undertaken to further our charitable purposes for public benefit.

Who uses and benefits from our services

Our objects and funding provide a service for adults and children with all kinds of illness and disability, and older people in England, Wales, Northern Ireland, the Channel Islands and Scotland. The chart below demonstrates our activities across England, Wales, Northern Ireland and the Channel Islands, and Scotland over the past 12 months:

The Council for MUSIC IN HOSPITALS
Trustees' Report for the financial period 1 April 2008 to 31 March 2009

	England, Wales, Northern Ireland & Channel Islands	Scotland	UK Total
Number of concerts in healthcare centres	3,306 (Projection 3,200)	1,661 (Projection 1,700)	4,967 (Projection 4,900)
Approximate number of adults and children who benefitted from our concerts	82,650	41,525	124,175
Different healthcare centres we visited	1,390	532	1,922
Healthcare centres visited for the first time	284	36	320
Number of free concerts provided	1,594	310	1,904

Our activities

Music in Hospitals brings the joy and therapeutic benefits of live music to people being cared for across the healthcare spectrum. Research has shown that the introduction of live music into healthcare enhances the quality of life of patients, improves communication, empathy and understanding of patients' needs, reduces stress and the perception of pain, sometimes leading to the reduction of medication required. In addition, there is strong evidence that live music induces positive physiological and psychological changes in clinical outcomes, resulting in shortening the length of stay in hospital.

The concerts offer a shared experience where those in healthcare can socialise and interact amongst themselves, with staff, volunteers, relatives and the musicians, breaking down social and cultural barriers and the routine of long term care.

Music in Hospitals' concerts provide the opportunity for our audiences to participate in a warm, informal, social and cultural activity that helps tackle the feelings of isolation, vulnerability, anxiety and depression often experienced during an unfamiliar and difficult time. Participation is encouraged which provides a natural physiotherapy as members of the audience sing, tap their feet, clap and dance or just sit back, relax and reminisce.

Support of the medical profession

Since its foundation in 1948, the charity has been "patient-driven" and provided a public benefit for people with a disability or who are sick or elderly. Care is taken at all times to consult and involve doctors, nurses and care staff with a view to ensuring that the concerts provided are truly enjoyable and have a therapeutic value. The concerts are monitored by the care establishments, the charity's staff and from time to time members of the charity's committees.

Health Boards and NHS Trusts recognise the therapeutic value of concerts and many healthcare centres have regular concerts. The charity will continue to forge closer links with healthcare centres in order to meet the needs of adults and children in their care and to meet the challenge of providing its service where it is most needed.

Structure, Governance and Management

Governing Document

The Council for Music in Hospitals is a company limited by guarantee governed by its Memorandum and Articles of Association dated 11 October 1995 and amended to allow for current governance arrangements on 20 April 2004 and on 4 July 2007. The Council for Music in Hospitals is registered as a charity with the Charity Commission and the Office of the Scottish Charity Regulator. The company is referred to as the charity in this report.

Recruitment and Appointment of Trustees (Board of Directors)

The charity's directors, for the purpose of charity law, are referred to as trustees in this report. The trustees of the charity are listed on page 1. Under the requirements of the Articles of Association the trustees serve for a period of one year after which they are required to retire at each annual general meeting. Subject to the trustees not having attained the age of 75, they shall be eligible to stand for re-election at the annual general meeting. New trustees are appointed in the light of their specialist expertise.

All trustees give of their time voluntarily and received no benefits from the charity. No trustee remuneration was paid in the year. Details of trustees' expenses are disclosed in note 6 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Company Secretary and abstain from voting where a conflict of interest arises.

The Council for MUSIC IN HOSPITALS

Trustees' Report for the financial period 1 April 2008 to 31 March 2009

Trustees Induction and Training

The trustees have all received the Charity Commission Guidelines on Trustees Responsibilities.

All trustees have a sufficient understanding of the charity's activities and resources to enable them properly to fulfil their responsibilities. Job descriptions are in place for the Chairman and Hon Treasurer.

New trustees undergo a briefing with the Chairman or Scottish Convenor and the Company Secretary or Chief Executive Scotland, and cover:

- the obligations of trustees
- the main documents which set out the operational framework of the charity including the Memorandum and Articles of Association
- the committee and decision making processes
- the business plan
- resourcing and the current financial position as set out in the latest published accounts
- future plans and objectives

All trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational Structure

The Board of Trustees, which can have up to 15 members, administers the charity. The board meets not less than twice a year and there are sub-committees covering development and fundraising, finance, remuneration and audit.

Subject, in each case, to the overall responsibilities of the trustees, the business of the charity in England, Wales, Northern Ireland and the Channel Islands is managed under the direction of Diana Greenman in Walton on Thames, Surrey and supported by satellite offices located in Wales and the North West of England, whilst the charity's business in Scotland is managed under the direction of Alison Frazer from an office in Edinburgh.

The management of the charity's operations is supported by an English Committee in respect of England, Wales, Northern Ireland and the Channel Islands and by a Scottish Committee in respect of Scotland. The members of the English and Scottish Committees are appointed by the board and each of the trustees serves on one of these Committees. All persons serving on these two committees are members of the charity, of which there are 33. The trustees are very grateful to all those who actively assist the charity by their membership.

Details of the charity's solicitors, auditors, bankers and investment advisers are listed on page 1.

Volunteers The charity occasionally accepts offers of help from volunteers.

Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

The trustees have examined the major risks to which the charity is exposed and confirm that systems are in place to mitigate those risks.

Financial Review

The results for the 12 month period are set out in the Statement of Financial Activities (SOFA) and the Income and Expenditure Account.

The charity's activities are supported by net assets totalling £969,620 (2007/8 - £918,898) including tangible assets with a net book value at 31 March 2009 of £48,714 (2007/8 - £52,502). Funds which are required at short notice are deposited with the CCLA Investment Management Ltd (COIF Charity Funds) and CAF Bank (Charities Aid Foundation). The changes in fixed assets during the period are set out in notes 7 and 8 to the accounts. The Memorandum of Association of the charity precludes the payment of a dividend. A proportion of the £153,064 operating surplus achieved in respect of the 12 month accounting period ended 31 March 2009 will be utilised to fund concerts in 2009/10.

The Council for MUSIC IN HOSPITALS

Trustees' Report for the financial period 1 April 2008 to 31 March 2009

In addition, the charity received two separate donations of £50,000 which are to be treated as expendable endowments, the income from which is to support the provision of concerts in specific regions of Scotland in the medium and long term.

The charity sold its freehold premises in England during the financial year 2007/8 for the sum of £149,900 (profit on sale of property £85,137). The net proceeds of sale have been ring-fenced and put into a designated fund to meet future costs and liabilities in relation to its new leasehold premises such as the obligation to pay dilapidations (but not rent). The designated fund will also be available to fund the charity's development and expansion programme.

The charity strives to keep a tight control of its costs and in the period ended 31 March 2009 83% (2007/2008 84%) was directly attributable to charitable expenditure, namely improving the quality of life of people in care throughout the UK through the provision of live concerts. The charity owes much to its dedicated professional musicians who receive a modest fee.

During the 12 month accounting period Music in Hospitals:

- received a total income of £1,201,458, including the £100,000 expendable endowment funds (see note 15), against a budget of £1,101,523
- received from healthcare centres £299,138 towards the cost of concerts against a budget of £300,059
- raised the sum of £864,903 against a target of £772,919 through fundraising
- attributed 83% of costs to charitable expenditure
- benefited from the financial support offered to hospitals, hospices and homes by county, local and community councils, Leagues of Friends, schools, service clubs and other funding organisations

Principal Funding Sources

To achieve the projected number of concerts each year, the charity operates a strong fundraising programme to attract grants and donations from a variety of sources to bridge the gap between the sum paid by the care establishment and the actual cost of providing the concert.

In 2008/9 the care centres, where possible, contributed approximately one half of the cost of a concert and Music in Hospitals made up the shortfall through fundraising and from its own resources. Some healthcare centres, due to budget constraints, are unable to afford to contribute towards the cost and we raise funds to enable the charity to offer concerts at a greatly reduced fee or free of charge ensuring that, where possible, no one is excluded, through lack of funds, from receiving the public benefit we provide.

The charity is not dependent on any one donor or group of donors and receives support from a substantial number of separate sources including individuals, companies, local authorities and charitable trusts in support of its work, together with a three-year grant from each of the Department of Health and the Scottish Government.

Restricted and Unrestricted Funds

The Restricted Funds available are to be used for purposes specified by the donors. The Unrestricted Funds underpin the core work of the charity and support the shortfall between the contribution made towards the cost of concerts by the healthcare centres and the actual cost to the charity. During the year sums were received which have formed an expendable endowment, the income from which is to support the provision of concerts in specific regions of Scotland in the medium and long term.

Investments

The charity's investment policy is to produce a reasonable long term overall return by means of a balanced portfolio. The trustees expect income returns and capital values to rise at least in line with inflation over the 12 month accounting period, although this may not be achievable at times of economic downturn and falling market values. The policy is regularly reviewed by the trustees in conjunction with the charity's independent investment fund managers, who currently recommend that the charity's investments should be split between equities and fixed income in the approximate proportions 75% : 25% (with discretionary flexibility to meet changing market situations). The benchmarks currently used by the charity to measure performance, as recommended by its investment advisers, are FTSE Actuary Govt Securities UK Gilt 25%, FTSE UK Series FTSE 100 TR 50%, and FTSE All World ex UK 25%.

During the accounting period from 1 April 2008 to 31 March 2009, the value of the charity's investment portfolio increased from £572,246 (as at 31 March 2008) to £578,917 (cash balances held by the stockbrokers are included in cash at bank figure). However, it should be noted that £100,000, being expendable endowment donations, was added to the charity's investment portfolio towards the end of the accounting period. Excluding this addition, the value of the portfolio fell by 17% during the year, broadly reflecting stock market trends.

The Council for MUSIC IN HOSPITALS

Trustees' Report for the financial period 1 April 2008 to 31 March 2009

Reserves Policy

The charity's reserves comprise a) expendable endowment, the income from which is to support the provision of concerts in specific regions of Scotland in the medium and long term; b) restricted funds, arising from donations for the provision of concerts in specified areas of the United Kingdom or specified categories of care units, usually in the short term; and c) unrestricted funds. The charity's operations are conducted through two separately administered offices, one covering England, Wales, Northern Ireland & Channel Islands, and one covering Scotland. Restricted and unrestricted funds raised in these two areas are held in separate bank accounts and unrestricted funds, whilst available for the charity as the trustees determine, are effectively designated for use in the areas in which the funds are raised. Where unrestricted funds are held in the charity's investment portfolio, the value is designated between the two areas reflecting where the funds were raised. See notes 13 and 14.

The trustees have adopted the following Reserves Policy:

- **The reasons why the Charity needs reserves:** The charity holds reserves to ensure that it can meet its foreseeable commitments, bearing in mind the current level of activity and any further expansion plans. Where the trustees resolve to expand the charity's activities by opening one or more regional offices, they may utilise a proportion of the charity's reserves to fund such specific projects.
- **What level (or range) of reserves the trustees believe the charity needs:** The trustees consider that the charity should (subject as mentioned below) aim to maintain free* reserves at the equivalent of between 80% and 110% of yearly expenditure net of fees from healthcare establishments. (* *not including restricted funds, endowment funds and the charity's tangible fixed assets*)
- **What steps the charity will take to establish or maintain reserves at the agreed level (or range):** Annual budgets are prepared on a break-even basis. However, the trustees are prepared both for a small surplus to maintain reserves in line with inflation or for a small deficit should reserves be required to support charitable activities. Should reserves fall below the level set by the Reserves policy the trustees would take steps to increase fundraising or to reduce costs. If reserves move the other way the trustees would spend funds on additional concerts.
- **Arrangements for monitoring and reviewing the policy:** The policy is reviewed annually by the trustees.

At 31 March 2009 the charity's free reserves were £558,696 (2007/8 - £737,444) which represented 75% (2007/8 - 105%) of yearly expenditure net of fees from healthcare establishments – see Note 13. The figure of 75% is below the target level of reserves but the trustees are optimistic that investment values will recover over the medium term.

Plans For The Future

A significant move towards our vision of reaching out to every healthcare centre in the UK was the opening of a North West Regional Office in July 2006. This has led to a sizeable growth in the number of concerts presented in the North West of England from 138 in 2005 to 401 during the 12 month accounting period ended 31 March 2009.

It is our intention to increase our fundraising efforts which will enable us to reach a greater number of adults and children each year across the healthcare spectrum. However, due to the present economic downturn, we anticipate that fundraising will be considerably more difficult in the foreseeable future and we have budgeted accordingly for the next 12 months.

We also wish to increase the cultural diversity of our musicians to meet the needs of young people, black, minority and ethnic groups being cared for across the healthcare spectrum.

Strategic Objectives for 12 month period 1 April 2009 to 31 March 2010

- to provide 4,796 concerts in healthcare centres across the UK
- to raise a total income of some £1,067,000
- to continue to provide free or subsidised concerts through fundraising
- to maintain the high standard of artists' musical and presentation skills
- to continue to seek new musicians to increase the diversity of music and the geographical spread of concerts
- to raise the profile of the charity through increased coverage in press, radio, television and other media
- to forge closer links with healthcare centres in order to meet the needs of adults and children in their care
- to maintain a close control over costs

The Council for MUSIC IN HOSPITALS

Trustees' Report for the financial period 1 April 2008 to 31 March 2009

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity as at the balance sheet date for that period. In preparing those accounts, the trustees are required to follow best practice and:

- select suitable accounting policies and then apply them consistently
- make sound judgements and estimates that are reasonable and prudent
- prepare the financial statements on a 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 charity and enable them to ensure that the accounts comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

By Order of the Board



Michael Cooper-Mitchell
Chairman
9 June 2009

THE COUNCIL FOR MUSIC IN HOSPITALS INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNCIL FOR MUSIC IN HOSPITALS

We have audited the financial statements of The Council for Music in Hospitals for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of The Council for Music in Hospitals for the purposes of company law) for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources, including the income and expenditure of the charitable company for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

Kingston Smith LLP
Kingston Smith LLP
Chartered Accountants
and Registered Auditors

Surrey House
36-44 High Street
Redhill
Surrey
RH1 1RH

Dated: 1 July 2009

**THE COUNCIL FOR MUSIC IN HOSPITALS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	Unrestricted Funds £	Restricted Funds £	Expendable Endowment Funds £	2009 Total £	2008 Total £
Incoming Resources						
Incoming resources from generated funds:						
Voluntary income:						
		6,741	-	-	6,741	3,500
		51,498	-	-	51,498	88,626
Activities for generating funds:						
		59,547	-	-	59,547	38,839
	3	37,348	69	-	37,417	33,882
Incoming resources from charitable activities:						
		299,138	-	-	299,138	293,253
		90,007	557,110	100,000	747,117	567,349
Other incoming resources						
		493	-	-	493	85,137
Total Incoming Resources		<u>544,772</u>	<u>557,179</u>	<u>100,000</u>	<u>1,201,951</u>	<u>1,110,586</u>
Resources Expended						
Costs of generating funds:						
		150,708	-	-	150,708	128,070
		3,940	-	126	4,066	3,553
Charitable activities						
		251,733	230,222	-	481,955	505,776
		194,824	193,573	-	388,397	333,757
Governance costs		<u>23,268</u>	<u>-</u>	<u>-</u>	<u>23,268</u>	<u>22,846</u>
Total Resources Expended	4	<u>624,473</u>	<u>423,795</u>	<u>126</u>	<u>1,048,394</u>	<u>994,002</u>
Net (Outgoing)/Incoming Resources Before Other Recognised Gains	5	(79,701)	133,384	99,874	153,557	116,584
Other Recognised Gains and Losses						
		(102,835)	-	-	(102,835)	(36,212)
Net Movement in Funds		(182,536)	133,384	99,874	50,722	80,372
Reconciliation Of Funds						
Total Funds Brought Forward		<u>789,946</u>	<u>128,952</u>	<u>-</u>	<u>918,898</u>	<u>838,526</u>
Total Funds Carried Forward		<u>607,410</u>	<u>262,336</u>	<u>99,874</u>	<u>969,620</u>	<u>918,898</u>

**THE COUNCIL FOR MUSIC IN HOSPITALS
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2009 £	2008 £
INCOME			
Fees from hospitals and homes		299,138	293,253
Grants and donations		698,615	655,975
Legacies		6,741	3,500
Fund raising projects		59,547	38,839
Investment income	3	37,417	33,882
		<u>1,101,458</u>	<u>1,025,449</u>
EXPENDITURE			
Fund raising and publicity		154,774	131,623
Artists fees and expenses		481,955	505,776
Other costs in respect of charitable activities		388,397	333,757
Governance costs		23,268	22,846
	4	<u>1,048,394</u>	<u>994,002</u>
OPERATING SURPLUS FOR THE PERIOD	5	53,064	31,447
PROFIT ON SALE OF FIXED ASSETS		493	85,137
REALISED LOSSES ON INVESTMENTS		<u>(16,492)</u>	<u>(19,677)</u>
SURPLUS FOR THE YEAR		<u>37,065</u>	<u>96,907</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2009 £	2008 £
SURPLUS FOR THE YEAR	37,065	96,907
EXPENDABLE ENDOWMENT FUNDS RECEIVED	100,000	-
UNREALISED LOSSES ON INVESTMENTS	<u>(86,343)</u>	<u>(16,535)</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE 31 MARCH 2008	<u>50,722</u>	<u>80,372</u>

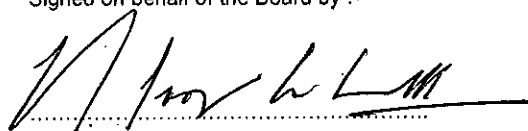
None of the company's activities were acquired or discontinued during the year ended 31 March 2009.

THE COUNCIL FOR MUSIC IN HOSPITALS

BALANCE SHEET AS AT 31 MARCH 2009

	Notes	2009		2008	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		48,714		52,502
Investments	8		<u>578,917</u>		<u>572,246</u>
			<u>627,631</u>		<u>624,748</u>
CURRENT ASSETS					
Debtors	9	36,892		39,421	
Cash at bank		405,831		334,063	
Cash in hand		<u>86</u>		<u>129</u>	
		442,809		373,613	
LIABILITIES					
Creditors: Amounts falling due within one year	10		<u>100,820</u>		<u>79,463</u>
NET CURRENT ASSETS			<u>341,989</u>		<u>294,150</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
	12		<u>969,620</u>		<u>918,898</u>
THE FUNDS OF THE CHARITY					
UNRESTRICTED FUNDS	13		607,410		789,946
RESTRICTED FUNDS	14		262,336		128,952
EXPENDABLE ENDOWMENT FUNDS	15		99,874		-
			<u>969,620</u>		<u>918,898</u>

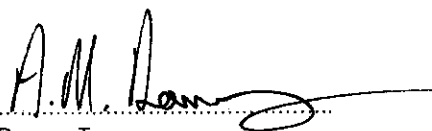
Signed on behalf of the Board by :-



Michael Cooper-Mitchell - Chairman

}
}
}
}
}
}

Directors



Arthur Davey - Treasurer

Approved by the Directors on

09 JUNE 2009

THE COUNCIL FOR MUSIC IN HOSPITALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

31 MARCH 2009

1. Status

The company is limited by guarantee and does not have share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up during the time that he is a member or within one year after he ceases to be a member, for the payment of the debts and liabilities of the company contracted before he ceased to be a member, such amount as may be required not exceeding £10.

The company is a registered charity.

2. Accounting Policies

(a) The accounts have been prepared under the historical cost convention, subject to the revaluation of investments (refer (c) below), in accordance with the Companies Act 1985 and applicable accounting standards and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice, issued in 2005. The principal accounting policies have remained unchanged from the previous year.

(b) Depreciation has been provided on fixed assets at rates calculated to write off the cost less estimated net residual value of each asset over its effective life, as follows:

Freehold Property	2% straight line on cost
Office Equipment	20% straight line on cost
Computer Equipment	20% straight line on cost
Musical Equipment	17.5% on reducing balance

(c) Investments are included at current market value.

(d) Donations, grants and legacies are accounted for when the charity is notified of their entitlement to the income and it is both certain and measurable. In most instances this will be when the monies are received. When such income is received for use in subsequent accounting periods, it will be carried forward as deferred income. Grants and donations received specifically to perform concerts or to contribute to the shortfall in concert income are treated as Incoming Resources From Charitable Activities while other grants and donations are treated as Voluntary Income. Costs attributable to concerts specifically funded by a grant or a donation may fall in a subsequent accounting period to that in which the grant or donation was received.

(e) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity, comprising the salaries and office costs, is apportioned as set out in note 4.

(f) Pension costs - the Company operates pension schemes for certain of its employees. The schemes are defined contribution schemes and the contributions are charged against income as they are paid. The opportunity to join the schemes is available to all employees.

(g) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund.

(h) Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

3. Investment Income

	2009	2008
	£	£
Deposit interest	14,422	17,080
Investment income from quoted investments	22,995	16,802
	<u>37,417</u>	<u>33,882</u>

**THE COUNCIL FOR MUSIC IN HOSPITALS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**

4. Total Resources Expended	Charitable activities	Fund- raising	Governance	2009	2008
	£	£	£	£	£
Costs directly allocated to activities					
Artists' fees and expenses	481,955	-	-	481,955	505,776
Staff costs	-	84,573	-	84,573	58,141
Advertising	-	897	-	897	6,342
DVD costs	-	1,180	-	1,180	4,900
Travelling	-	6,651	785	7,436	7,153
Cost of fund-raising events	-	18,455	-	18,455	10,709
General office costs	-	8,006	3,010	11,016	12,200
Audit fees	-	-	14,080	14,080	13,500
Annual report	-	-	5,393	5,393	4,932
Investment management costs	-	4,066	-	4,066	3,553
Support costs allocated to activities					
Staff costs	320,378	20,402	-	340,780	286,369
Depreciation	8,268	-	-	8,268	11,383
General office costs	23,321	4,115	-	27,436	41,516
Premises and equipment expenses	36,430	6,429	-	42,859	27,528
	<u>870,352</u>	<u>154,774</u>	<u>23,268</u>	<u>1,048,394</u>	<u>994,002</u>

Support costs have been allocated on the following basis:

Staff costs - time spent

Depreciation - usage

Other expenses - floor area

5. Net Incoming Resources	2009	2008
	£	£
This is stated after charging:		
Auditors' remuneration	14,080	13,500
Depreciation of tangible fixed assets	<u>8,268</u>	<u>11,383</u>

**THE COUNCIL FOR MUSIC IN HOSPITALS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**

6. Employees

	2009	2008
	No.	No.
Chief Executives (England, Wales, Northern Ireland and Scotland)	2	2
Fund raising and publicity	3	3
Support and administration	11	9
	<u>16</u>	<u>14</u>

Staff costs amounted to:

	2009	2008
	£	£
Wages and salaries	379,236	303,481
Social Security costs	37,493	30,306
Pension contributions	8,624	10,723
	<u>425,353</u>	<u>344,510</u>

No employee was paid £60,000 or more during the year.

The directors received no remuneration during the year.

Five directors received reimbursed travel expenses during the year totalling £785 (2008: six received £1,321).

7. Fixed Assets

Movements during the period are summarised as follows:

	Freehold Premises £	Office Equipment £	Musical Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 01.04.08	42,253	15,985	13,486	56,267	8,995	136,986
Additions	-	374	-	4,613	-	4,987
Disposals	-	-	-	-	(8,995)	(8,995)
	<u>42,253</u>	<u>16,359</u>	<u>13,486</u>	<u>60,880</u>	<u>-</u>	<u>132,978</u>
At 31.03.09						
Depreciation						
At 01.04.08	10,986	8,685	8,973	47,352	8,488	84,484
Charge for year	845	2,020	790	4,613	-	8,268
Disposals	-	-	-	-	(8,488)	(8,488)
	<u>11,831</u>	<u>10,705</u>	<u>9,763</u>	<u>51,965</u>	<u>-</u>	<u>84,264</u>
At 31.03.09						
Net Book Value						
At 31.03.09	<u>30,422</u>	<u>5,654</u>	<u>3,723</u>	<u>8,915</u>	<u>-</u>	<u>48,714</u>
At 31.03.08	<u>31,267</u>	<u>7,300</u>	<u>4,513</u>	<u>8,915</u>	<u>507</u>	<u>52,502</u>

The freehold premises are occupied by the Council for Music in Hospitals for charitable activities.

**THE COUNCIL FOR MUSIC IN HOSPITALS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**

8. Investments	2009 £	2008 £
Quoted Shares and Securities		
Market value 31 March 2008	572,246	471,499
Additions	240,947	288,681
Disposals	(147,933)	(171,399)
Net losses on revaluation at 31 March 2009	<u>(86,343)</u>	<u>(16,535)</u>
Market Value 31 March 2009	<u>578,917</u>	<u>572,246</u>
Historical Cost as at 31 March 2009	<u>717,086</u>	<u>587,410</u>

The percentage of investments held outside of the UK at the year end is 17% (2008: 22%).

9. Debtors	2009 £	2008 £
Other debtors	31,907	36,128
Prepayments	4,985	3,293
	<u>36,892</u>	<u>39,421</u>

10. Creditors : Amounts Falling Due within One Year	2009 £	2008 £
Artists' fees and expenses	18,496	31,176
Taxes and social security	12,258	13,004
Other creditors	70,066	35,283
	<u>100,820</u>	<u>79,463</u>

11. Financial Commitments

At 31 March 2009 the company was committed to making the following payments under non-cancellable operating leases:

Operating leases which expire:	Land & Buildings		Other	
	2009 £	2008 £	2009 £	2008 £
Within one year	-	-	335	-
Between two and five years	-	-	1,145	-
In more than five years	<u>14,720</u>	<u>14,720</u>	<u>-</u>	<u>-</u>

12. Analysis of Net Assets between Funds

	General Funds £	Restricted Funds £	Expendable Endowment Funds £	Total Funds £
Fixed assets	48,714	-	-	48,714
Investments	578,917	-	-	578,917
Current assets	30,599	312,336	99,874	442,809
Current liabilities	(50,820)	(50,000)	-	(100,820)
Net assets	<u>607,410</u>	<u>262,336</u>	<u>99,874</u>	<u>969,620</u>

**THE COUNCIL FOR MUSIC IN HOSPITALS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**

13. Unrestricted Funds

	At 1 April 2008 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2009 £
Fixed assets fund:					
England, Wales, NI and CI	16,444	-	1,088	-	15,356
Scotland	36,058		3,699	999	33,358
Property fund - England	138,699	-	-	-	138,699*
England, Wales, NI and CI	436,999	333,939	426,002	-	344,936*
Scotland	161,746	210,833	296,519	(999)	75,061*
	<u>789,946</u>	<u>544,772</u>	<u>727,308</u>	<u>-</u>	<u>607,410</u>

The designated fixed assets funds represent the net book value of tangible fixed assets and the net proceeds of sale of a property in 2007/08, formerly the office premises of the charity in England. This latter fund is to be used to meet future costs and liabilities in relation to current leasehold premises in England, such as the obligation to pay dilapidations. It is also to fund the charity's development and expansion programme.

The remaining unrestricted funds, which are represented by investments, cash and other net current assets, are designated between the charity's two main areas of operation, being England, Wales, Northern Ireland & Channel Islands, and Scotland, on the expectation by the Trustees that funds raised and held in bank accounts in the name of the areas will be expended in those areas.

* The funds marked with an asterisk represent the free reserves of the charity.

14. Restricted Funds

	At 1 April 2008 £	Incoming Resources £	Outgoing Resources £	At 31 March 2009 £
Department of Health - Section 64 General Grant	501	35,000	33,672	1,829
Lloyds TSB Foundation for England & Wales	1,175	-	1,175	-
Lloyds TSB Foundation for Northern Ireland	1,957	-	1,957	-
Lloyds TSB Foundation for the Channel Islands	-	10,000	10,000	-
Lloyds TSB Foundation for Scotland	4,080	-	4,080	-
Funding for DVD	-	1,180	1,180	-
The Gannochy Trust	-	15,000	5,623	9,377
Restricted funds for performing concerts in specific areas of the United Kingdom				
England, Wales, Northern Ireland and Channel Islands	39,720	255,353	168,307	126,766
Scotland	14,493	103,817	48,354	69,956
Restricted funds for performing concerts at specific categories of care units				
England, Wales, Northern Ireland and Channel Islands	63,918	117,271	131,243	49,946
Scotland	3,108	19,558	18,204	4,462
	<u>128,952</u>	<u>557,179</u>	<u>423,795</u>	<u>262,336</u>

Department of Health - Section 64 General Grant - Grant for providing music for people with mental health problems

Lloyds TSB Foundation for England and Wales - To support live concerts in England and Wales for adults and children with physical disabilities and mental health problems in hospitals, care homes, day care centres and special schools

Lloyds TSB Foundation for Northern Ireland - To support live concerts for people in healthcare in Northern Ireland.

Lloyds TSB Foundation for Scotland - To provide music for long-stay care units across Scotland.

Funding for DVD - Funds received from The McGlashan Charitable Trust towards the cost of a promotional DVD for Scotland.

The Gannochy Trust - Funds received to support concerts in Perth & Kinross

All other restricted funds are for performing concerts in specific geographical locations or at specific categories of care units.

**THE COUNCIL FOR MUSIC IN HOSPITALS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2009**

15. Expendable Endowment Funds

	At 1 April 2008 £	Incoming Resources £	Outgoing Resources £	At 31 March 2009 £
Concerts in Scotland Fund A	-	50,000	63	49,937
Concerts in Scotland Fund B	-	50,000	63	49,937
	<u>-</u>	<u>100,000</u>	<u>126</u>	<u>99,874</u>

Concerts in Scotland Fund A: The income generated from this fund, donated from the Margaret J Stephen's Charitable Trust, is for the provision of concerts in hospitals and care homes in the Dundee and Angus area.

Concerts in Scotland Fund B: The income generated from this fund, donated from the Gibson Graham Charitable Trust, is for the provision of concerts in hospitals and care homes in Strathclyde, with a special preference for Kintyre (Cambeltown and Minard).

16. Commitments

There were no capital commitments at 31 March 2009.

17. Pension Costs

The company operates contributory pension schemes. They are defined contribution schemes and contributions are charged against income as they accrue. The charge for the year was £8,624 (2008: £10,723)

18. Control

For the whole of the year the company was under the control of its directors.

THE COUNCIL FOR MUSIC IN HOSPITALS
(Registered Charity No: 1051659)
(Office of Scottish Charities No: SCO38864)
(Company No: 3138683)

MANAGEMENT ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2009

**THE COUNCIL FOR MUSIC IN HOSPITALS
OPERATING ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

	2009		2008	
	£	£	£	£
Operating Income				
Fees from hospitals and homes		299,138		293,253
Grants and donations		651,615		605,875
Legacies		6,741		3,500
Department of Health - Section 64 General Grant		35,000		37,100
Scottish Executive - Section 16B Core Grant		12,000		13,000
Fund raising projects		59,547		38,839
		<u>1,064,041</u>		<u>991,567</u>
Investment and deposit income		37,417		33,882
		<u>1,101,458</u>		<u>1,025,449</u>
Less : Operating Expenditure				
Fund raising projects	18,455		10,709	
Artists' fees and expenses	481,955		505,776	
Salaries	425,353		344,510	
Rates	2,159		1,293	
Rent	22,901		6,900	
Printing and stationery	14,678		13,504	
Postage	10,883		9,659	
Telephone	5,040		5,639	
Office light and heat	1,603		1,442	
Repairs and maintenance of equipment	9,312		11,772	
Insurance	5,724		4,801	
Travelling and motor expenses	6,651		5,832	
Advertising and publicity	2,077		11,242	
Subscriptions	1,956		1,715	
Bookkeeping and secretarial fees	3,010		5,015	
Legal & professional fees	-		11,225	
Bank charges	1,486		1,485	
Audit	14,080		13,500	
Investment management costs	4,066		3,553	
Cleaning and waste disposal	830		432	
Trustees and committee members expenses	785		1,321	
Storage	-		888	
Hire of equipment	330		-	
Sundry expenses	6,792		10,406	
Depreciation	8,268		11,383	
		<u>1,048,394</u>		<u>994,002</u>
Operating Surplus		53,064		31,447
Profit on disposal of fixed assets		493		-
Profit on sale of freehold premises		-		85,137
		<u>53,557</u>		<u>116,584</u>
Surplus for the year		<u><u>53,557</u></u>		<u><u>116,584</u></u>

**THE COUNCIL FOR MUSIC IN HOSPITALS
OPERATING ACCOUNT FOR ENGLAND, WALES AND
NORTHERN IRELAND
FOR THE YEAR ENDED 31 MARCH 2009**

	2009		2008	
	£	£	£	£
Operating Income				
Fees from hospitals and homes		174,482		176,736
Grants and donations		459,359		403,223
Legacies		6,741		3,500
Department of Health - Section 64 General Grant		35,000		37,100
Fund raising projects		47,608		28,992
		<u>723,190</u>		<u>649,551</u>
Investment and deposit income		28,373		26,998
		<u>751,563</u>		<u>676,549</u>
Less : Operating Expenditure				
Fund raising projects	15,435		4,996	
Artists' fees and expenses	316,180		350,063	
Salaries	275,438		218,349	
Rates	1,190		932	
Rent	22,901		6,900	
Printing and stationery	9,375		9,975	
Postage	7,569		6,449	
Telephone	2,339		3,424	
Office light and heat	-		463	
Repairs and maintenance of equipment	5,191		6,387	
Insurance	2,434		2,018	
Travelling and motor expenses	6,633		5,803	
Advertising and publicity	-		4,342	
Subscriptions	1,296		1,067	
Bookkeeping and secretarial fees	1,621		3,042	
Legal & professional fees	-		7,469	
Bank charges	1,051		947	
Audit	10,904		7,872	
Investment management costs	3,057		2,722	
Cleaning and waste disposal	650		292	
Trustees and committee members expenses	392		669	
Storage	-		888	
Sundry expenses	3,829		3,867	
Depreciation	6,076		8,921	
		<u>693,561</u>		<u>657,857</u>
Operating Surplus		58,002		18,692
Profit on sale of freehold premises		-		85,137
Surplus for the year		<u>58,002</u>		<u>103,829</u>

**THE COUNCIL FOR MUSIC IN HOSPITALS
OPERATING ACCOUNT FOR SCOTLAND
FOR THE YEAR ENDED 31 MARCH 2009**

	2009		2008	
	£	£	£	£
Operating Income				
Fees from hospitals and homes		124,656		116,517
Grants and donations		192,256		202,652
Scottish Executive - Section 16B Core Grant		12,000		13,000
Fund raising projects		11,939		9,847
		<u>340,851</u>		<u>342,016</u>
Investment and deposit income		9,044		6,884
		<u>349,895</u>		<u>348,900</u>
Less : Operating Expenditure				
Fund raising projects	3,020		5,713	
Artists' fees and expenses	165,775		155,713	
Salaries	149,915		126,161	
Rates	969		361	
Printing and stationery	5,303		3,529	
Postage	3,314		3,210	
Telephone	2,701		2,215	
Office light and heat	1,603		979	
Repairs and maintenance of equipment	4,121		5,385	
Insurance	3,290		2,783	
Travelling and motor expenses	18		29	
Advertising and publicity	2,077		6,900	
Subscriptions	660		648	
Bookkeeping and secretarial fees	1,389		1,973	
Legal & professional fees	-		3,756	
Bank charges	435		538	
Audit	3,176		5,628	
Investment management costs	1,009		831	
Cleaning and waste disposal	180		140	
Trustees and committee members expenses	393		652	
Hire of equipment	330		-	
Sundry expenses	2,963		6,539	
Depreciation	2,192		2,462	
		<u>354,833</u>		<u>336,145</u>
Operating (Deficit)/Surplus		(4,938)		12,755
Profit on disposal of fixed assets		493		-
(Deficit)/Surplus for the year		<u>(4,445)</u>		<u>12,755</u>