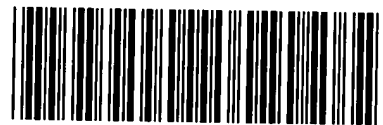


**Company Registration No. 02689836 (England and Wales)**

**MUSIC INDUSTRY TRUSTS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2020**

**SATURDAY**



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# MUSIC INDUSTRY TRUSTS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M M A Crowe OBE M D Miller D P Munns OBE G M W Taylor
<b>Secretary</b>	K J Whitehead
<b>Company number</b>	02689836
<b>Registered office</b>	C/O BPI Riverside Building County Hall Westminster Bridge Road London SE1 7JA
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom

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# MUSIC INDUSTRY TRUSTS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their annual report and financial statements for the year ended 31 December 2020.

#### Principal activities

The principal activity of the company continued to be that of the promotion of The Music Industry Trusts' Award and other ventures for charitable purposes. The Music Industry Trusts' Award ceremony was postponed in 2020 to November 2021 due to the COVID-19 pandemic.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M M A Crowe OBE  
M D Miller  
D P Munns OBE  
G M W Taylor

#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board

*Maggie Crowe*

Maggie Crowe (Jul 8, 2021 13:20 GMT+1)

M M A Crowe OBE  
Director

Jul 8, 2021

Date: .....

# **MUSIC INDUSTRY TRUSTS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSIC INDUSTRY TRUSTS LIMITED**

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## **Opinion**

We have audited the financial statements of Music Industry Trusts Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSIC INDUSTRY TRUSTS LIMITED (CONTINUED)**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSIC INDUSTRY TRUSTS LIMITED (CONTINUED)**

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting relevant correspondence with local tax authorities and evaluating any advice received from internal/external tax advisors.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RSM UK Audit LLP**

David Clark FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB  
United Kingdom

9 July 2021

# MUSIC INDUSTRY TRUSTS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

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	2020 £	2019 £
Turnover	60,204	638,328
Cost of sales	(22,665)	(356,126)
	<hr/>	<hr/>
Gross profit	37,539	282,202
Administrative expenses	(10,013)	(19,946)
	<hr/>	<hr/>
Operating profit	27,526	262,256
Interest receivable and similar income	170	638
	<hr/>	<hr/>
Profit before taxation	27,696	262,894
Tax on profit	-	-
	<hr/>	<hr/>
Profit for the financial year	<u>27,696</u>	<u>262,894</u>

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**MUSIC INDUSTRY TRUSTS LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	4	46,772		52,940	
Cash at bank and in hand		5,714		234,611	
		<u>52,486</u>		<u>287,551</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(24,788)</u>		<u>(24,655)</u>	
<b>Net current assets</b>			27,698		262,896
<b>Capital and reserves</b>					
Called up share capital	6		2		2
Profit and loss reserves	7		27,696		262,894
<b>Total equity</b>			<u>27,698</u>		<u>262,896</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Jul 8, 2021

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:



Maggie Crowe (Jul 8, 2021 13:20 GMT+1)

M M A Crowe OBE

Director

# MUSIC INDUSTRY TRUSTS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2019</b>		2	282,889	282,891
<b>Year ended 31 December 2019:</b>				
Profit and total comprehensive income for the year		-	262,894	262,894
Distributions	3	-	(282,889)	(282,889)
<b>Balance at 31 December 2019</b>		2	262,894	262,896
<b>Year ended 31 December 2020:</b>				
Profit and total comprehensive income for the year		-	27,696	27,696
Distributions	3	-	(262,894)	(262,894)
<b>Balance at 31 December 2020</b>		2	27,696	27,698

# MUSIC INDUSTRY TRUSTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Company information

Music Industry Trusts Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is C/O BPI Riverside Building, County Hall, Westminster Bridge Road, London, SE1 7JA.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006, as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

#### Going concern

On 23 March 2020 the UK government ordered a nationwide lockdown, with prescriptive social distancing measures. This mirrored similar restrictions on population movement in countries globally.

We took the decision to postpone the 2020 Music Industry Trusts Award dinner until November 2021. At this stage it is unclear what social distancing measures will be in place for the revised November 2021 date and therefore the associated financial impact cannot be accurately estimated. Having considered the financial impact of not proceeding with the 2021 MITS awards dinner, as there are minimal fixed costs associated with maintaining the day to day operations of the company, the directors believe the effects of COVID-19 will not have any impact on the presumption of the going concern position. We are continuing to monitor the situation closely and will make any appropriate decision in relation to the 2021 event in July 2021 on review of the government guidelines in place at that time and their impact is assessed and considered.

#### Turnover

Turnover represents receipts from the annual Music Industry Trusts' Award ceremony and related income. Turnover is recognised as it is earned. All turnover originates in the United Kingdom.

#### Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

#### Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

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

# MUSIC INDUSTRY TRUSTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies (Continued)

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	4	4

# MUSIC INDUSTRY TRUSTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Distributions

The company made a profit for the year of £27,696 (2019: £262,894) which it intends to distribute as a gift aid donation during the following year. A gift aid payment of £262,894 was made in the year (2019 payment: £282,889).

### 4 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	36,000	22,430
Other debtors	10,772	30,510
	<u>46,772</u>	<u>52,940</u>

### 5 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	2,879
Other creditors	24,788	21,776
	<u>24,788</u>	<u>24,655</u>

### 6 Called up share capital

	2020 £	2019 £
<b>Ordinary share capital Issued and fully paid</b>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

### 7 Reserves

#### Profit and loss reserves

Profit and loss reserves represent the cumulative profit and loss of the company, net of distributions to shareholders.

# MUSIC INDUSTRY TRUSTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 8 Related party transactions

#### Transactions with related parties

During the year, the company made donations to the following related parties:

Donations	2020 £	2019 £
The British Record Industry Trust	187,989	213,048
Nordoff Robbins Music Therapy	74,905	69,841
	<u>262,894</u>	<u>282,889</u>

### 9 Control

The company is jointly owned by The British Record Industry Trust and Nordoff Robbins Music Therapy.