

HAMPSTEAD CHURCH MUSIC TRUST

Charity number 269427

2015 ANNUAL REPORT

Trustees

The Trustees are the Vicar of St John-at-Hampstead (Hampstead Parish Church), three persons appointed by the Parochial Church Council of St John-at-Hampstead ("PCC") and three persons appointed by The Friends of the Music of Hampstead Parish Church ("FOM"). Each of the PCC and FOM nominates one Trustee each year to serve as a Trustee for three years.

The Trustees as at 31st December 2015, and in the case of the PCC and FOM nominees their terms of office at that date, were:

The Vicar of St. John-at-Hampstead	The Reverend Stephen Tucker
PCC nominees	Bryan Sanderson (until 31st May 2016) Frances Spalding (until 31st May 2017) Inigo Woolf (until 31st May 2018)
FOM nominees	Handley Stevens (until 31st December 2015) Patrick Mitchell (until 31st December 2016) Gillian Perrin (until 31st December 2017)

Robert Welsford resigned as a Trustee on 11 June 2015 and was replaced by Bryan Sanderson on 8 December 2015; all the other Trustees served throughout the year.

Inigo Woolf was re-appointed by the PCC as a PCC nominee with effect from 1 June 2015; Handley Stevens was re-appointed by the FOM as an FOM nominee with effect from 1st January 2016.

Public benefit

The public benefit role of the Trust is the promotion of both religion and the arts through church music, and in giving effect to this role the Trustees have had regard to the Charity Commission's guidance on public benefit.

Object

The object of the Trust, as set out in the Trust Deed by which it is constituted, is to maintain and promote the performance and appreciation of church music in Hampstead and in particular Hampstead Parish Church. The Trustees principally give effect to this object by helping towards the cost of the music at services at Hampstead Parish Church. Services are open to all and the music plays an important part in many of them. The grants made by the Trust help to ensure the continuity of the Parish's long-standing musical tradition (including the musical education and development of its Junior Choir) which makes a major contribution to the life and ministry of the Parish.

Income

Following the notification, in 2014, that the Trust would be the sole beneficiary of the estate of Miss Charmian England interim distributions were received during 2015. It is expected that the estate will be wound up in 2016.

As a result of the receipts of the major part of the legacy during the year, total income, excluding legacies, rose from £25,700 in 2014 to £45,255 in 2015. The receipt of the legacy meant that there was no longer an imperative to raise funds to cover the requests for grants and fundraising ceased at the end of 2014. The proportion of total income in 2015 which was derived from investment income was 91% versus 38% in 2014.

The interim distributions from Miss England's estate during the year totaled £1.9m leaving £0.3m of the £2.2m recorded in respect of the estate in the 2014 financial statements outstanding. Any additional sums received above £2.2m will be recorded in the financial statements for 2016.

Grants and Achievements

- The main activity of the Trust during 2015 was again to provide assistance to the PCC in connection with the music costs of Hampstead Parish Church. The total grant to the PCC in 2015 amounted to £38,620 (2014: £24,512). This included £2,370 for the purchase of a new organ stool.
- The Barney Rodgers Memorial Fund continued to fund the scholarship scheme established in 2012 to provide individual singing tuition for the members of the Junior Choir, and a grant of £2,206 (2014: £1,519) was made during 2015 for this purpose.
- The Friends of the Music were given a grant of £5,000 (of which £1,000 was from the Ian Macdonald-Hay Fund) to fund a performance of Bach's *St Matthew Passion* on Passion Sunday, directed by James Sherlock and sung by all the members of the choir, with Paul Robinson as the Evangelist, and the accompaniment of an orchestra of specialist Baroque players. A large and appreciative audience attended this event.
- The Friends of the Music were given a further grant of £5,790 to fund a performance of Handel's *Messiah* in November. This was organized jointly with the Hampstead Arts Festival and closed the Festival's 2015 programme. Again it drew a large and appreciative audience into Hampstead Parish Church, many being newcomers drawn in by the Festival to hear sacred music in this Church.
- The Trustees agreed to purchase an electronic organ for £6,795 which would belong to the Trust but would be made available to David Moore, Organist and Assistant Director of Music at Hampstead Parish Church, for practice.

Total expenditure for the year of £58,274 exceeded income by £13,019. Much, if not all, of this deficit might have been avoided if the Trust had invested all the funds from the executor of Miss England's estate on their receipt. However in view of volatility in the financial markets the Trustees preferred to maintain a high level of funds on deposit during 2015.

Investments

At the beginning of the year the Trust's investment portfolio was valued at £211,416 split between four different investment funds, M&G Charifund, the CBF Church of England Investment Fund, the CBF Church of England Global Equity Income Fund and the CBF Church of England Property Fund.

Prior to investing the receipts from the legacy, the Trustees conducted a review of their investment policy and it was agreed that investments should be made over a period of time and that holding units in a pooled investment fund managed by a third investment manager would help to diversify risks.

£1.1m was invested during the first quarter of 2015. This was split between Newton Growth and Income Fund for Charities (£0.7m) and the CBF Church of England Investment Fund (£0.4m). A further £0.15m was invested in the CBF Church of England Global Equity Income Fund in August. £0.65m was held in cash at the year end.

Investment Performance in 2015

	Change over 12 months	Change since purchase date
CBF Investment Fund	+1.36%	-2.80%
CBF Global Equity Income Fund	-1.09%	-3.91%
CBF Property Fund	8.40%	
M&G Charifund	-0.30%	
Newton Growth and Income Fund		-0.62%
Total portfolio	2.80%	-1.71%

Net assets

As at the end of 2015 the Trust's total net assets amounted to £2.41m (2014: £2.44m). Of this amount, £2.34m (2014: £2.38m) was held in the Unrestricted Fund with the balance being spread between the Martindale Sidwell Memorial Fund, the Ian Macdonald-Hay Fund and the Barney Rodgers Memorial Fund.

Priorities for 2016

- Implement changes to the trust deed to reflect change in size of the charity and best practice in governance of charities following the review undertaken in 2015.
- Review investment allocations.

This report was approved by the Trustees on 28 February 2016.

Frances Spalding
Trustee

Inigo Woolf
Trustee