

THE
TUNNELL
TRUST
FOR YOUNG MUSICIANS

ANNUAL REPORT

& ACCOUNTS

Year to 30 September 2021

Charity SCO21739

**THE TUNNELL TRUST
ANNUAL REPORT
YEAR ENDED 30 SEPTEMBER 2021**

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**THE TUNNELL TRUST
ANNUAL REPORT
YEAR ENDED 30 SEPTEMBER 2021**

LEGAL AND ADMINISTRATIVE INFORMATION

Registered charity number	SC021739
Registered office	The Tunnell Trust 64 Brunswick Street Edinburgh EH7 5HU
Independent Examiner	Andrew Scott, MA, FCA Swinton 76 New Road Little Kingshill Buckinghamshire HP16 0EU
Bankers	Bank of Scotland PO Box 1000 BX2 1LB
Brokers	Brewin Dolphin Sixth Floor Atria One 144 Morrison Street Edinburgh EH3 8EX

**THE TUNNELL TRUST
TRUSTEES' REPORT
YEAR ENDED 30 SEPTEMBER 2021**

The Trustees have pleasure in presenting their Annual Report and Accounts for the year ended 30 September 2020, which comply with the requirements of the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice "Accounting and Reporting by Charities 2005", and are in accordance with the Trust's governing document.

Constitution

The Tunnell Trust was formed by the merger on 2 June 1999 of the former John Tunnell Trust and the former Young Musicians Trust. It is governed by a trust deed.

The trust is intended to be a permanent tribute to the memory of the late John Tunnell, O.B.E. and his wife the late Mrs Wendy Tunnell.

Objectives and organisation

The main objectives of the Trust are to promote music, to advance the education of young musicians and to develop and improve the knowledge, understanding and practice of music through the recognition and development of music in the United Kingdom and elsewhere. As part of these objectives the Trustees intend to maintain a fund to apply the income in support of young professional chamber music groups at the outset of their careers. There have been no changes to the objectives since the last annual report. The Trustees meet at least three times a year and decisions are referred to the appropriate Trustee for action. The Trust is registered with the Office of the Scottish Charity Regulator as a charitable trust.

Policies adopted to further the objects

Each year the Trust holds auditions for young musicians and makes awards. Public performances are arranged for the successful groups. It also holds a Chamber Music Course on the Isle of Coll, Scotland, where musicians are coached by internationally acclaimed professors and perform at public concerts promoted by the Trust.

Trustees

The Trustees at the date of this report year are:

Christopher J Packard

Tom Chadwick (secretary)

David W S Todd (treasurer)

David McLellan

Philippa Tunnell

William Tunnell (chairman)

Jeremy Young

Reserves policy

The activities of the charity are funded by donations from individuals and companies, based on annual budgets established by the Trustees. The annual income of the Trust is normally utilised in the activities of the year. The charity has designated funds totaling £43,900 for Awards that could not be spent this year because of the Coronavirus pandemic.

Risk management

The Trustees have considered the major risks to which the charity is exposed and has established systems to manage those risks.

Review of activities 2020/2021

Only one of the 20 planned concerts in our Awards Scheme series was permitted to take place during the year due to the Coronavirus pandemic. It was given at Haddington by the Prodonova Ritivoiu Duo (*cello & piano*) in early July 2021. The other 19 concerts that should have taken place during the season were postponed and have all been rescheduled by our Awards Secretary so that no group loses any opportunities to perform.

**THE TUNNELL TRUST
TRUSTEES' REPORT
YEAR ENDED 30 SEPTEMBER 2021**

Review of activities 2020/2021 continued

These 19 concerts will be given by our 2019 winners: the Alkyona Quartet (5 concerts), the Bowker Myslek Duo (*flute & piano*) (6 concerts), the Broen Ensemble (*string ensemble*) (4 concerts) and the Prodonova Ritivoiu Duo (*cello & piano*) (4 remaining concerts) and will now take place commencing in November 2021.

As a result of 11 Awards Scheme Concerts being cancelled in 2019/2020 season by the Pandemic, we also rescheduled these concerts for the following 2018 Award Winners: the Fitzroy Quartet (6) and Maharaj/Degavino Duo (*flute & piano*) (5) which will now all take place commencing in February 2022.

Concerts to be given by our 2020 Award Winners who auditioned in October 2020 will also take place in the upcoming season from November 2021 to November 2022: Bone-fide (*trombone quartet*) (6), Kapoor Leung Duo (*violin & piano*) (6), Elmore String Quartet (6) and Kwon Lim Duo (*cello & piano*) (6).

Funds to cover the costs involved in rescheduling these concerts have all been designated. This will result in an extraordinary level of spending on the Awards Scheme in the next financial year to be funded by those designated funds and future income. This all means that Tunnell Trust groups will perform a unprecedented total of 54 concerts in the upcoming year with fees to be paid amounting to £43,900.

After a gap of nearly two years our eighth Chamber Music Course on the Isle of Coll finally took place from 26th June to 4th July 2021. Three groups attended: Ensemble Renard (wind quintet), the Larisa Piano Trio and the Salomé String Quartet. They enjoyed coaching sessions with our 5 tutors as well as performance in the 3 public recitals. Costs for the Course amounted to £17,007 (£17,824 in 2019).

In order to assist our young musicians during yet another difficult year, the Trust continued its series of online concerts - *Tuesday Teatime LIVE at 6*. Nine further concerts (9 in 2020) took place during the autumn of 2020 and spring of 2021 providing our groups with a vital paid online performance platform. Spending on *Tuesday Teatime LIVE* was £2,900 during the year (£2,600 in 2020).

Future plans and commitments

We were delighted to be able to host our annual London auditions after yet another very difficult year for musicians in early September 2021. Three groups were selected from a field of 36 groups as Award Winners for performances during the 2022/2023 season: Apollo's Cabinet (*baroque ensemble*) (6 concerts), Ensemble Renard (*wind quintet*) (6 concerts) and Perseus Duo (*violin & piano*) (6 concerts). Spending on the Awards Scheme concerts for 2022/2023 season was set at £19,800. The number of concerts for the 2022/23 season was agreed at 18.

The Trust also hopes to promote its ninth Annual Course on the Isle of Coll from 25th June – 3rd July 2022. It is expected that the cost of promoting this event will be in line with 2021 at approximately £17,000. In line with the Trustees' policy, any other events promoted by the Trust during 2021/22 will only be undertaken where no deficit will be incurred.

Fund Raising

The Trust seeks to support its core activities and other promotions by raising funds from three major sources: National Charities, Commercial Sponsorship and Donations from individuals. In 2020/21 generous donations were received from 10 Charities.

Numerous donations were also received from generous individuals during the year. It is the policy of the Trust to continue to raise funds from these and other sources and other grant making bodies in the future in support of its activities.

**THE TUNNELL TRUST
TRUSTEES' REPORT
YEAR ENDED 30 SEPTEMBER 2021**

Review of financial position

The Trust's direct spending on Young Musicians was down on the previous year as the Coronavirus pandemic meant the cancellation of concerts but Music Coll 2021 took place: £32,344 (2020 - £22,007). The Income of the Trust during the 12 month period was £43,293 (2020 - £55,421). The previous year's income included £5,000 donations to Music Coll 2021. The Trust's main investments consist of fixed interest British Government Stocks, with additional investment in UK Investment Trusts and General Equities managed on the advice of its Brokers, Brewin Dolphin.

Investment income remained steady for the 12 month period at £10,121 (2020 - £10,508). The valuation of investments at 30 September 2021 was £365,028 (2020 -- £320,868) Cash in the bank at 30 September 2021 was £37,988 (2020 - £25,386). The net assets at the end of the period amounted to £399,730 compared to the net assets at the beginning of the period of £344,596.

Designated funds

Total Charity Funds include amounts totalling £24,100 relating to awards made to groups in previous years for concerts that have been delayed because of the Coronavirus pandemic. The Trustees anticipate that these concerts will be held in 2021-22, or later, and have therefore designated the awarded amounts separately out of Total Charity Funds.

This report was approved by the Trustees on and signed on their behalf by



William Tunnell
Chairman

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are required by the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Trust Deed to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the results of the Trust for that period.

The Trustees confirm that suitable accounting policies have been used and applied consistently, in accordance with the methods and principles set out in the SORP, and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the period ended 30 September 2021. The Trustees also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Trustees are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
THE TUNNELL TRUST**

I report on the accounts of the charity for the twelve months ended 30 September 2021 which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1)(d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the 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 Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come 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 44(1)(a) of the Act and Regulation 4 of the 2006 Accounts Regulations (as amended), and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations (as amended)

have not been met, or

2. which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Signed

Date: 17th February 2022

Andrew Scott, MA, FCA
Swinton
76 New Road
Little Kingshill
Buckinghamshire HP16 0EU

THE TUNNELL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income & Expenditure Account)
YEAR ENDED 30 SEPTEMBER 2021

		Total Funds <u>Unrestricted</u> Year ended 30 September <u>2021</u> £	Total Funds <u>Unrestricted</u> Year ended 30 September <u>2020</u> £
	<u>Note</u>		
Incoming resources			
Incoming resources from generated funds			
Voluntary income	2	27,040	39,907
Investment income	3	10,121	10,508
Bank Interest		0	6
		<hr/>	<hr/>
Incoming resources from charitable activities	4	37,161 6,132	50,421 5,000
		<hr/>	<hr/>
Total incoming resources		43,293	55,421
Resources expended			
Costs of generating voluntary income	5	(3,745)	(279)
Charitable activities	6	(32,344)	(22,007)
Governance costs	7	(2,400)	(2,400)
		<hr/>	<hr/>
Total resources expended		(38,489)	(24,686)
Net outgoing resources before other recognised gains and losses		4,804	30,736
Other recognised gains / (losses)			
Gains / (losses) on investment assets	10	48,330	(26,838)
		<hr/>	<hr/>
Net movement in funds		53,134	3,898
Reconciliation of Funds			
Total funds brought forward		346,596	342,698
		<hr/>	<hr/>
Total funds carried forward		399,730	346,596

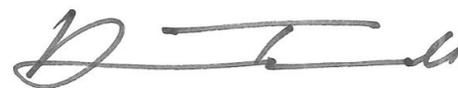
The Trust Fund reserves have accumulated through operating activities over the life of the fund and, in the opinion of the Trustees, these funds are unrestricted.

**THE TUNNELL TRUST
BALANCE SHEET
30 SEPTEMBER 2021**

	<u>Note</u>	<u>2021</u> £	<u>2020</u> £
Investments	10	365,028	320,868
		<hr/>	<hr/>
Total fixed assets		365,028	320,868
CURRENT ASSETS:			
Debtors	11	358	341
Cash at bank		37,988	25,387
		<hr/>	<hr/>
Total current assets		38,346	25,728
Creditors: amounts falling due within one year	12	3,643	0
		<hr/>	<hr/>
Net current assets		34,702	25,728
Net assets		<hr/> <hr/>	<hr/> <hr/>
The funds of the charity:			
Unrestricted income funds		375,630	333,096
Designated funds – Awards Scheme	13	24,100	8,500
Designated funds – Music Coll	13	0	5,000
		<hr/>	<hr/>
Total charity funds		399,730	346,596

Approved by the Trustees on 16th February 2022
and signed on their behalf by:

Trustee



William Tunnell

Trustee



David W. S. Todd

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2021

Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and in compliance with Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005).

Awards made to music groups are included in the accounts in the year in which they are paid, on the basis that even where awards for the following year have been decided before the accounting date, they will be made from future income.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, except for investments, which are included at market value.

Incoming Resources

All income is accounted for on an accruals basis.

Expenditure

Income of the Trust is applied towards the support of professional young chamber music ensembles, Music Clubs and Arts Guilds in Scotland in accordance with the objects and purposes of the Trust Deed.

Expenditure is accounted for on an accruals basis, and is classified under the principal categories of charitable and other expenditure in order to provide more useful information to users of the financial statements. Charitable expenditure, governance costs and publicity comprise direct expenditure attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Governance costs consists of those costs associated with the governance arrangements of the Trust which relate to the general running of the Trust.

Irrecoverable VAT is included with the relevant expenditure.

Investment Assets

Investments are made at the discretion of the Trustees in accordance with investment powers in the Trust Deed.

Investment assets are stated at their market value, and surpluses or deficits arising on revaluation are taken to general trust reserves. Brokers' commission and other costs of acquisition are written off in the year of purchase.

Fund Accounting

The Trust fund comprises the accumulated surplus on the statement of financial activities. It is available for use at the discretion of the Trustees in furtherance of the objects and purposes of the Trust as stated in the Trust Deed.

Cash Flow Statement

The Trust qualifies as a small entity under the terms of FRS 1 and as a consequence it is exempt from the requirements to publish a cash flow statement.

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2021

	<u>2021</u>	<u>2020</u>
	£	£
2		
VOLUNTARY INCOME		
Cruach Trust	1,100	0
Stevenston Trust	2,000	2,000
Radcliffe Trust	0	4,000
Garfield Weston Foundation	5,000	0
Samuel Gardner Memorial Trust	0	1,000
Albert & Eugenie Frost Music Trust	2,000	0
Cruden Foundation	0	750
Sheila and Denis Cohen Charitable Trust	0	1,000
The Leche Trust	2,000	0
D'Oyly Carte	4,000	0
Hope Scott Trust	2,500	0
William Syson Charitable Foundation	2,000	0
	<hr/>	<hr/>
	20,600	8,750
Sundry small donations	1,705	553
Gift aid donations including tax recovered	1,059	1,781
Thirtieth Anniversary Appeal	434	8,893
Legacy	3,241	19,930
	<hr/>	<hr/>
	27,039	39,907
	<hr/> <hr/>	<hr/> <hr/>
3		
INVESTMENT INCOME		
UK Equities	3,516	3,289
Asia Pacific Equities	651	648
Emerging Market Equities	370	370
Global Investments	520	183
Absolute Return	305	429
North American Equities	1,756	2,273
Japanese Equities	318	386
Property	473	511
UK Bonds	940	1,239
European Equities	566	456
Overseas Bonds	55	18
Other Investment Income	652	706
	<hr/>	<hr/>
	10,121	10,508
	<hr/> <hr/>	<hr/> <hr/>
4		
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
<u>Music Coll</u>		
Headley Trust	0	3,000
PF Charitable Trust	0	2,000
Pollock House Arts Society	2,000	0
Cruden Foundation	750	0
Albert & Eugenie Frost Music Trust	2,000	0
Other donations	1,382	0
	<hr/>	<hr/>
	6,132	5,000
	<hr/> <hr/>	<hr/> <hr/>

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2021

	<u>2021</u>	<u>2020</u>
	£	£
5 COST OF GENERATING VOLUNTARY INCOME		
Commission	3,466	0
Fundraising expenses	279	279
	<hr/>	<hr/>
	3,745	279
	<hr/>	<hr/>
6 CHARITABLE ACTIVITIES		
<u>Awards to music groups</u>		
Radford Kornas Duo	0	2,500
Pallisander	0	6,000
Prodanova Ritivoiu Duo	500	0
Tuesday Teatimes	2,900	2,600
	<hr/>	<hr/>
	3,400	11,100
Music Coll 2021 costs	17,007	0
Auditions	906	0
<u>Support costs</u>		
Administration fees & expenses	6,600	6,600
Bank & broker's charges	3,840	3,810
Advertising	300	0
Sundry expenses	289	497
	<hr/>	<hr/>
	32,344	22,007
	<hr/>	<hr/>
7 GOVERNANCE COSTS		
Consultants' fees and expenses	2,400	2,400
Sundry charges	0	0
	<hr/>	<hr/>
	2,400	2,400
	<hr/>	<hr/>

- 8 The Trust does not have any employees.
 No Trustees received any remuneration. Jonathan Tunnell, Artistic Director, and Charles Tunnell, Artistic Advisor are related parties to three of the Trustees and received remuneration for professional services rendered to the Trust.
 During the year no Trustees received reimbursement for expenses incurred.

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2021

9	COMMITMENTS – FUTURE AWARDS	<u>2021</u>	<u>2020</u>
		£	£
	The awards are to be made out of future income.		
	<u>Season 2019-20</u>		
	Palisander	0	0
	Fitzroy String Quartet	6,000	6,000
	Radford Kornas Duo	0	0
	Maharah Degovino Duo	2,500	2,500
	<u>Season 2020-21</u>		
	Broen Ensemble	5,600	5,600
	Bowker Myslek Duo	3,000	3,000
	Alkyona String Quartet	5,000	5,000
	Prodanova Ritivoiu Duo	2,000	2,500
	<u>Season 2021-22</u>		
	Bona Fide	6,600	6,600
	Freeman Quartet	6,600	6,600
	Kapoor/Leung Duo	3,300	3,300
	Kwon/Lim Duo	3,300	3,300
	<u>Season 2022-23</u>		
	Ensemble Renard	8,250	0
	Apollo's Cabinet	8,250	0
	Perseus Duo	3,300	0
	<i>See note 13</i>	63,700	44,400
		63,700	44,400
10	INVESTMENTS		
	Market value as at 1 October 2020	313,156	327,274
	Acquisitions	57,619	61,571
	Disposals	(47,586)	(59,503)
	Net gain/loss on revaluation at 30 September 2021	39,091	(16,186)
	Market value at 30 September 2021	362,280	313,156
	Un-invested funds with stockbroker	2,747	7,712
		365,028	320,868
	Historical cost at 30 September 2021	298,413	289,773
	<u>Net gain/loss on disposal of investments</u>		
	Proceeds	56,824	48,851
	Book value	(47,586)	(59,503)
	Net realized gain/loss in year	9,239	(10,652)
	Net gain/loss on revaluation at 30 September 2021	39,091	(16,186)
	Total gains / (losses) on Investment assets	48,330	(26,838)

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2021

Holdings which are greater than 5% of the portfolio

Investments which comprise more than 5% of the portfolio

JP Morgan Funds, US Equity Income	£25,815
SSGA SPDR ETFS E 1 SPDR S&P US	£25,150

11	DEBTORS AND PREPAYMENTS DUE IN LESS THAN ONE YEAR	<u>2021</u>	<u>2020</u>
		£	£
	VAT recoverable	358	341
		<u>358</u>	<u>341</u>
12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Sundry creditors & accruals	3,643	0
	VAT payable	0	0
		<u>3,643</u>	<u>0</u>
13	DESIGNATED FUNDS		
	Net Assets include amounts relating to awards made to groups for concerts that have been delayed because of Covid-19 and which will now occur in 2021-22 or later. The amounts relate to awards granted in the following periods:		
	Awards made for 2019-20	8,500	8,500
	Awards made for 2020-21	15,600	0
	Awards made for Music Coll 2020	0	5,000
	Total awards to be paid in 2021-22	<u>24,100</u>	<u>13,500</u>
14	TRUST FUND		

The Trust's investments are in fixed interest British Government stocks, investment trusts, unit trusts and equities, all of which are listed on the UK Stock Exchange. The investments are managed by Brewin Dolphin Limited.

The Trust Fund reserves have accumulated through operating activities over the life of the fund and, in the opinion of the Trustees, these funds are unrestricted.