

THE
TUNNELL
TRUST
FOR YOUNG MUSICIANS

ANNUAL REPORT

& ACCOUNTS

Year to 30 September 2023

Charity SCO21739

**THE TUNNELL TRUST
ANNUAL REPORT
YEAR ENDED 30 SEPTEMBER 2023**

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**THE TUNNELL TRUST
ANNUAL REPORT
YEAR ENDED 30 SEPTEMBER 2023**

LEGAL AND ADMINISTRATIVE INFORMATION

Registered charity number	SC021739
Registered office	The Tunnell Trust 64 Brunswick Street Edinburgh EH7 5HU
Independent Examiner	Anson Clark, MA, FCA 11 Dean Bank Lane Edinburgh EH3 5BS
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 2023**

The Trustees have pleasure in presenting their Annual Report and Accounts for the year ended 30 September 2023, 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

Andrew Scott (joined 15 October 2023)

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 selects groups annually and offers them concerts in Scottish Music Clubs. The charity has designated funds totalling £43,750 for awards already declared but not paid including 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.

**THE TUNNELL TRUST
TRUSTEES' REPORT
YEAR ENDED 30 SEPTEMBER 2023**

Review of activities 2022/2023

By the end of the financial year, all concerts postponed during the pandemic had taken place.

During the year one concert was given by our 2019 winners Broen Ensemble (*string ensemble*), eight concerts were given by our 2020 winners Bone-fide (*trombone quartet*) (six concerts) and Kwon Lim Duo (*cello & piano*) (two concerts) amounting to spending of £8,900 as well as 18 concerts by our 2021 winners Apollo's Cabinet (*baroque ensemble*) (six concerts), Ensemble Renard (*wind quintet*) (six concerts) and Perseus Duo (*violin & piano*) (six concerts) amounting to spending of £19,800.

Funds to cover those postponed concerts were designated in the previous years' accounts. Thus, the spending level on the Awards Scheme was still artificially high in the financial year at £28,700.

Our tenth Chamber Music Course on the Isle of Coll took place from 24 June to 2 July 2023. Three groups attended: the Haizea Ensemble (*wind quintet*), the Aquillae String Quartet and the Asaka String Quartet. They enjoyed coaching sessions with our five tutors as well as performance in the three public recitals. Costs for the Course amounted to £16,369 (£15,687 in 2022).

Future plans and commitments

We hosted our annual London auditions in September 2023. We received the largest number of applications ever at 56 groups. Fifteen were chosen for audition. Four groups were selected as Award Winners for performances during the 2024/2025 season: Asaka Quartet (*string quartet*) (six concerts), Kyan Quartet (*string quartet*) (six concerts), Piano Phase Project (*four hands piano duo*) (six concerts), Trio Arisonto (*violin, horn and piano*) (six concerts). Spending on the Awards Scheme concerts for 2024/25 season was set at £22,750. The number of concerts for the 2024/25 season was agreed at 22.

The Trust also hopes to promote its tenth Annual Course on the Isle of Coll from 29 June – 7 July 2024. It is expected that the cost of promoting this event will be in line with 2023 at approximately £17,000. In line with the Trustees' policy, any other events promoted by the Trust during 2024/25 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 2022/23 generous donations were received from nine 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 2023**

Review of financial position

The Trust's direct spending on Young Musicians was slightly on the previous year as concerts postponed by the Coronavirus pandemic had mostly been reinstated. Spending in 2023 was £54,686 (2022 - £61,436). The Income of the Trust during the twelve month period was £47,302 (2022 - £48,721). 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 £11,012 (2022 - £10,572). The valuation of investments at 30 September 2023 was £305,621 (2022 -- £328,492) Cash in the bank at 30 September 2023 was £31,855 (2022 - £18,055). The net assets at the end of the period amounted to £332,695 as compared to the net assets at the beginning of the period of £347,486.

Designated funds

Total Charity Funds include amounts totalling £43,750 relating to awards for future years.

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 2023. 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 2023 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: 31 March 2024

Anson Clark
11 Dean Bank Lane
Edinburgh
EH3 5BS

THE TUNNELL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income & Expenditure Account)
YEAR ENDED 30 SEPTEMBER 2023

		Total Funds <u>Unrestricted</u> Year ended 30 September <u>2023</u> £	Total Funds <u>Unrestricted</u> Year ended 30 September <u>2022</u> £
	<u>Note</u>		
Incoming resources			
Incoming resources from generated funds			
Voluntary income	2	24,314	22,728
Investment income	3	11,012	10,572
Bank Interest		37	0
		<hr/>	<hr/>
Incoming resources from charitable activities	4	35,363 11,939	33,300 15,421
		<hr/>	<hr/>
Total incoming resources		47,302	48,721
Resources expended			
Costs of generating voluntary income	5	(3,934)	(4,078)
Charitable activities	6	(54,686)	(61,436)
Governance costs	7	(2,650)	(2,400)
		<hr/>	<hr/>
Total resources expended		(61,270)	(67,914)
Net outgoing resources before other recognised gains and losses		(13,968)	(19,193)
Other recognised gains / (losses)			
Gains / (losses) on investment assets	10	(823)	(33,051)
		<hr/>	<hr/>
Net movement in funds		(14,791)	(52,244)
Reconciliation of Funds			
Total funds brought forward		347,486	399,730
		<hr/>	<hr/>
Total funds carried forward		332,695	347,486

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 2023**

	<u>Note</u>	<u>2023</u> £	<u>2022</u> £
Investments	10	305,621	328,492
		<hr/>	<hr/>
Total fixed assets		305,621	328,492
CURRENT ASSETS:			
Debtors	11	1,221	2,736
Cash at bank		30,566	20,219
		<hr/>	<hr/>
Total current assets		31,787	22,955
Creditors: amounts falling due within one year	12	(4,713)	(3,960)
		<hr/>	<hr/>
Net current assets		27,074	18,995
Net assets		<hr/> <hr/>	<hr/> <hr/>
The funds of the charity:			
Unrestricted income funds		289,195	297,586
Designated funds – Awards Scheme	13	43,750	49,900
		<hr/>	<hr/>
Total charity funds		<hr/> <hr/>	<hr/> <hr/>

Approved by the Trustees on
and signed on their behalf by:

1 April 2024



Trustee William Tunnell



Trustee David W. S. Todd

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2023

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 2023

	<u>2023</u>	<u>2022</u>
	£	£
2		
VOLUNTARY INCOME		
Thriplow Charitable Award Scheme	3,000	0
Stevenston Trust	0	2,000
Garfield Weston Foundation	0	5,000
Albert & Eugenie Frost Music Trust	2,500	3,000
Cruden Foundation	0	1,000
Marchus Trust	5,000	0
D'Oyly Carte	4,000	4,000
Marigold Whittome Memorial Trust	6,000	6,000
	<hr/>	<hr/>
	20,500	21,000
Sundry small donations	1,074	235
Gift aid donations including tax recovered	972	1,115
Thirtieth Anniversary Appeal	757	378
Kenneth Robb Memorial	1,011	0
	<hr/>	<hr/>
	24,314	22,728
	<hr/>	<hr/>
3		
INVESTMENT INCOME		
UK Equities	2,320	3,292
Asia Pacific Equities	728	672
Emerging Market Equities	131	287
Global Investments	631	676
Absolute Return	515	386
North American Equities	1,910	1,923
Japanese Equities	421	135
Property	761	445
UK Bonds	1,577	912
European Equities	305	597
Overseas Bonds	476	329
Other Investment Income	1,237	918
	<hr/>	<hr/>
	11,012	10,572
	<hr/>	<hr/>
4		
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
<u>Music Coll</u>		
Headley Trust	3,000	3,000
Idlewild Trust	0	4,000
Cruden Foundation	1,000	0
PF Charitable Trust	3,000	3,000
Albert & Eugenie Frost Music Trust	2,500	2,500
The Misses Barrie Charitable Trust	0	1,000
Other donations	2,439	1,921
	<hr/>	<hr/>
	11,939	15,421
	<hr/>	<hr/>

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2023

	<u>2023</u>	<u>2022</u>
	£	£
5	COST OF GENERATING VOLUNTARY INCOME	
	3,629	3,799
	305	279
	<hr/>	<hr/>
	3,934	4,078
	<hr/>	<hr/>
6	CHARITABLE ACTIVITIES	
	<u>Awards to music groups</u>	
	0	5,000
	0	2,500
	1,200	4,200
	6,600	0
	1,100	2,200
	0	6,000
	0	6,600
	0	2,000
	0	3,300
	0	3,000
	8,250	0
	8,250	0
	3,300	0
	<hr/>	<hr/>
	28,700	34,800
	16,369	15,687
	283	644
	<u>Support costs</u>	
	6,600	6,600
	1,661	3,123
	394	0
	679	583
	<hr/>	<hr/>
	54,686	61,437
	<hr/>	<hr/>
7	GOVERNANCE COSTS	
	2,400	2,400
	250	0
	<hr/>	<hr/>
	2,650	2,400
	<hr/>	<hr/>
8	The Trust has no employees. Andrew Scott, Trustee, received remuneration for property let for Music Coll. Jonathan Tunnell, Artistic Director, and Charles Tunnell, Artistic Advisor are related parties to three of the Trustees and received remuneration for professional services rendered. During the year no Trustees' expenses were reimbursed.	

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2023

9	COMMITMENTS – FUTURE AWARDS	<u>2023</u>	<u>2022</u>
	The awards are to be made out of future income	£	£
	<u>Season 2020-21</u>		
	Broen Ensemble	1,200	1,400
	<u>Season 2021-22</u>		
	Bona Fide	6,600	6,600
	Kwon/Lim Duo	1,100	1,100
	<u>Season 2022-23</u>		
	Ensemble Renard	8,250	8,250
	Apollo's Cabinet	8,250	8,250
	Perseus Duo	3,300	3,300
	<u>Season 2023-24</u>		
	Salome Quartet	4,800	4,800
	Kleio Quartet	4,800	4,800
	Stroud Zhang Duo	2,400	2,400
	Lumas Winds	4,500	4,500
	Haversham Trio	2,700	2,700
	Schofield Clarke Duo	1,800	1,800
	<u>Season 2024-25</u>		
	Asaka Quartet	7,800	0
	Trio Arisonto	5,850	0
	Piano Phase	3,900	0
	Kyan Quartet	5,200	0
	<i>See note 13</i>		
		<u>72,450</u>	<u>49,900</u>
10	INVESTMENTS		
	Market value as at 1 October 2022	325,198	362,280
	Acquisitions	45,744	33,039
	Disposals	(53,796)	(32,464)
	Net gain/loss on revaluation at 30 September 2023	(14,262)	(37,657)
	Market value at 30 September 2023	<u>302,884</u>	<u>325,198</u>
	Un-invested funds with stockbroker	<u>2,737</u>	<u>3,294</u>
		<u>305,621</u>	<u>328,492</u>
	Historical cost at 30 September 2023	292,794	300,094
	<u>Net gain/loss on disposal of investments</u>		
	Proceeds	67,235	37,070
	Book value	(53,796)	(32,464)
	Net realized gain/loss in year	<u>13,439</u>	<u>4,606</u>
	Net gain/loss on revaluation at 30 September 2023	<u>(14,262)</u>	<u>(37,657)</u>
	Total gains / (losses) on Investment assets	<u>(823)</u>	<u>(33,051)</u>

THE TUNNELL TRUST
NOTES TO THE ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2023

Holdings which are greater than 5% of the portfolio

Investments which comprise more than 5% of the portfolio

SSGA SPDR ETFS E 1 SPDR S&P US	£17,780
Vanguard Funds	£15,707
Fidelity UCITS	£19,892
JP Morgan Fund	£20,435

11	DEBTORS AND PREPAYMENTS DUE IN LESS THAN ONE YEAR	<u>2023</u>	<u>2022</u>
		£	£
	VAT recoverable	1,219	2,736
		<u>1,219</u>	<u>2,736</u>
12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	Sundry creditors & accruals	4,605	3799
	Other	108	161
		<u>4,713</u>	<u>3,960</u>
13	DESIGNATED FUNDS		
	Although the awards are made out of future income the Charity has designated funds both for concerts postponed because of Covid and concerts planned.		
	Awards made for 2020-21	0	1,400
	Awards made for 2021-22	0	7,700
	Awards made for 2022-23	0	19,800
	Awards made for 2023-24	21,000	21,000
	Awards made for 2024-25	22,750	0
	Total awards to be paid in 2023-24	<u>43,750</u>	<u>49,900</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.