

Registered Charity Number: 1142075 (England and Wales)
Registered company number: 07542466

APPROVAL COPY

THE CHORAL FOUNDATION
THE CHAPEL ROYAL
HAMPTON COURT PALACE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

Contents	Page
Company information	1
Trustees' report	2 - 4
Independent auditors' report	5 - 6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 12

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

COMPANY INFORMATION

Trustees	Cathleen Breeze (Secretary) Peter Havelock (Treasurer) Peter Menneer Canon Denis Mulliner Richard Rothwell Jonathan Round (Chairman) Barry Martin (appointed 25 February 2013) Alan Sanders (resigned 25 February 2013)
Company number	07542466
Charity number	1142075 (England and Wales)
Registered office and Business address	The Chapel Royal Hampton Court Palace East Molesey Surrey KT8 9AU
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	Coutts & Co 440 Strand London WC2R 0QS

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2013

The Trustees present their annual report and the audited financial statements for the year ended 31 August 2013.

Legal status and reporting requirements

The Choral Foundation, The Chapel Royal, Hampton Court Palace ("The Choral Foundation") is a company limited by guarantee, having no share capital. The registered company number is 07542466.

The Choral Foundation is a registered charity. The registered charity number is 1142075 (England and Wales).

The directors of the company for the purposes of company law are also the Trustees of the charity for the purposes of charity law, and the members of the company who have guaranteed to contribute £1 each to the assets of the company in the event of winding up.

The annual report and financial statements are presented in the format required by the Statement of Recommended Practice "Accounting and Reporting by Charities (revised 2005 and 2008)" and in accordance with the requirements of the Companies Act 2006.

Objectives

The objects of the charity are:

- The advancement of the Christian religion in accordance with the principles of the Church of England by the maintenance and enhancement of a choir through the education and training of choristers and by maintaining the choral traditions of the Chapel Royal;
- To promote the art of choral music for the public benefit;
- To advance the education of the choristers of the Chapel Royal for the public benefit.

Review of activities

Fundraising

Fundraising activity continued successfully in the last financial year. Three fundraising concerts were held in the Chapel in November (with the Chapel Royal Choir), in March (featuring the Countertenor James Bowman), and in June (a baroque orchestral and choral concert). The Chapel Royal Choir also performed at the Royal Festival Hall in November in a charity gala concert, as part of our aim to bring the choir to new audiences, and to raise the profile of the Choral Foundation.

Smaller fundraising activity continued, including the sale of Christmas cards and commemorative In Memoriam Christmas angels. Information events were also held for members of the congregation and related groups, and targeted information events took place for local interest groups such as the Richmond Chamber of Commerce, local solicitors, and community groups such as Rotary and Probus.

As part of our development programme, the first public open day was held in September 2012 to recruit new choristers, successfully attracting six new choristers, and local publicity. This programme has found favour with trusts and foundations, notably the Friends of Cathedral Music which in May 2013 made a grant of £15,000 towards the training of choristers.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2013

Review of activities (continued)

To celebrate the 60th anniversary of HM The Queen's coronation in 2013, the Choral Foundation traced Hampton Court Choristers from the Coronation Service in 1953 and held an event to celebrate the occasion, engage with alumni and raise funds. This received local and national coverage, notably an article in the *The Times* which resulted in other former choristers or their families getting in touch. The success of this information event has prompted the Foundation to take steps to set up a formal alumni membership which will launch in spring 2014.

Overall, the Choral Foundation raised a further £160,000 in pledges over this year, taking us to a total pledged sum of £890,000 – 60% of our original target.

Operations

We have continued to expand our team, with Michele Price continuing as part time manager of the charity on a consultancy basis, a part time qualified accountant, Barry Hitchens, who provides bookkeeping and financial reporting services pro bono, and the volunteer fundraising committee of seven. In May 2013 a decision was taken to recruit a university work placement student to be employed as an events intern. The appointment of Alexander McLennan as an employee on a fixed term contract was confirmed at the August board meeting.

In May 2013 a decision was taken to replace the database system which had become obsolete and unsupported. A procurement process was undertaken and a new supplier confirmed at the August board meeting.

The Choral Foundation continues to develop a successful working relationship with Historic Royal Palaces on an operational and planning level.

Charitable Grants

Our most significant project to date, the refurbishment of the organ, commenced in January 2013 and was completed successfully and on budget in July 2013. This has been a major capital project, and was identified in our original plans as a pre-requisite for the further development of the choral tradition in the Chapel. The resulting instrument has been highly acclaimed.

The Choral Foundation continues to make grants totalling some £15,000 per annum made up of bursaries to each chorister towards the cost of music lessons and, from March 2013, charitable grants to support the Director of Music, organist and organ scholar are given in quarterly instalments.

We are well on our way to delivering the commitments we have made in our objects.

Governance and management

The Choral Foundation is governed by a Board of seven Trustees who are committed to the objects of the charity. Board member expertise includes finance, accounting, management, religion, music, marketing, public relations and information technology. The Chairman, the Company Secretary and Trustee Canon Denis Mulliner are members of The Executive Fundraising Committee. The Campaign Manager reports to the Chairman.

The Trustees have had due regard for the guidance on the public benefit requirement published by the Charities Commission, as required by section 4(6) of the Charities Act 2006.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2013

Risk management

The Trustees review risk management annually. This involves identifying the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. As part of this process the Trustees keep the adequacy of the charity's internal controls under review.

Auditors

UHY Hacker Young LLP were appointed as auditors under section 485(3) of the Companies Act 2006 and will be deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditors

Each of the persons who is a Trustee as at the date of approval of this report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Trustees' responsibilities

The Trustees are required to prepare financial statements 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 for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They 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.



Jonathan Round

Chair

19 February 2014

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON
COURT PALACE**

We have audited the financial statements of The Choral Foundation, The Chapel Royal, Hampton Court Palace for the year ended 31 August 2013 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable 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 charitable 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 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 auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON
COURT PALACE**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jack Easton
Senior Statutory Auditor
For and on behalf of UHY Hacker Young LLP, Statutory Auditor
Quadrant House
4 Thomas More Square
London
E1W 1YW

19 February 2014

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2013

	Note	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income		114,417	-	114,417	215,232
Activities for generating funds		23,444	-	23,444	1,421
Investment income		805	-	805	21
		-----	-----	-----	-----
Total incoming resources	2	138,666	-	138,666	216,674
		-----	-----	-----	-----
Resources expended					
Costs of generating funds		13,186	-	13,186	67,382
Charitable activities		140,814	-	140,814	24,575
Governance costs		480	-	480	480
		-----	-----	-----	-----
Total resources expended	3	154,480	-	154,480	92,437
		-----	-----	-----	-----
Net (expenditure)/income for the year		(15,814)	-	(15,814)	124,237
Total funds brought forward	6	129,926	14,200	144,126	19,889
		-----	-----	-----	-----
Total funds carried forward 31 August 2013		114,112	14,200	128,312	144,126
		=====	=====	=====	=====

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities.

The notes on pages 9 to 12 form part of these financial statements.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

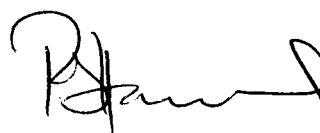
**BALANCE SHEET
AS AT 31 AUGUST 2013**

	Note	2013 £	2012 £
Fixed assets			
Tangible assets		-	-
Current assets			
Debtors	4	16,908	4,922
Cash at bank		139,501	139,897
		156,409	144,819
Liabilities			
Creditors: amounts falling due within one year	5	28,097	693
Net current assets		128,312	144,126
Total assets less current liabilities		128,312	144,126
The funds of the charity			
Unrestricted funds		114,112	129,926
Restricted funds		14,200	14,200
Total funds	6	128,312	144,126

The financial statements were approved by the Board of Trustees on 19 February 2014.



**Jonathan Round
Chair**



**Peter Havelock
Treasurer**

The notes on pages 9 to 12 form part of these financial statements.

Company Registration Number: 07542466

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

a) Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 2006, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" and applicable accounting standards.

b) Accounting reference period

The financial statements cover the year ended 31 August 2013. The comparative figures cover the year ended 31 August 2012.

c) Cash flow statement

The charity, as a small reporting entity, is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised) "Cash Flow Statements".

d) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

Restricted income funds are funds subject to specific restrictions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements.

e) Incoming resources

All income is accounted for as soon as the charity has entitlement to the income, there is certainty of receipt and the amount is quantifiable.

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Annual Report.

f) Resources expended

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with the charity's compliance with its constitutional and statutory requirements.

g) VAT

Where appropriate, expenditure includes irrecoverable value added tax.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

2. Incoming resources

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Voluntary income:				
Individual donations	80,957	-	80,957	179,582
Donations from charitable trusts	33,460	-	33,460	25,650
Legacies	-	-	-	10,000
	114,417	-	114,417	215,232
Activities for generating funds:				
Choral events	23,444	-	23,444	1,421
Investment income:				
Interest receivable	805	-	805	21
Total incoming resources	138,666	-	138,666	216,674

3. Resources expended

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Costs of generating funds:				
Fundraising consultancy	-	-	-	60,000
Design and advertising	2,771	-	2,771	2,990
Costs of choral events	10,415	-	10,415	4,392
	13,186	-	13,186	67,382
Governance costs:				
Auditors' remuneration	480	-	480	480
Charitable activities:				
Organ refurbishment costs	101,738	-	101,738	-
Tuition costs	8,013	-	8,013	4,000
General support costs	31,063	-	31,063	20,575
	140,814	-	140,814	24,575
Total resources expended	154,480	-	154,480	92,437

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

4. Debtors		
	2013	2012
	£	£
Gift Aid receivable	16,908	4,922
	=====	=====
5. Creditors: Amounts falling due within one year		
	2013	2012
	£	£
Other creditors	27,555	-
Accruals and deferred income	542	693
	-----	-----
	28,097	693
	=====	=====
6. Total funds		

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

The Trustees intend to secure an endowment fund, the income from which will fund the choristers' music lessons and the Gentlemen's (professional musicians') fees. The restricted funds have been provided for eventual inclusion in the endowment fund.

Fund balances as at 31 August 2013 are represented as follows:

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Debtors	16,908	-	16,908	4,922
Cash at bank	125,301	14,200	139,501	139,897
Creditors	(28,097)	-	(28,097)	(693)
	-----	-----	-----	-----
	114,112	14,200	128,312	144,126
	=====	=====	=====	=====

7. Trustees and employees

No Trustee received a salary or any reimbursement of expenditure.

There were no employees during the period.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

8. Charitable status

The Choral Foundation, The Chapel Royal, Hampton Court Palace is a charity registered under the Charities Act 1993, no. 1142075. As such the charity is entitled to take advantage of the exemptions granted under section 478 of the Corporation Tax Act 2010.

9. Related party transactions

There were no related party transactions during the year.

10. Capital commitments

As at 31 August 2013 there were no capital commitments.