

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

**THE CHORAL FOUNDATION  
THE CHAPEL ROYAL  
HAMPTON COURT PALACE**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

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Contents	Page
Company information	1
Trustees' report	2 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Statement of cash flows	8
Notes to the financial statements	9 - 15

# THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

## COMPANY INFORMATION

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Trustees	Jonathan Round (Chairman) Sue Hall (Treasurer) Deborah Fearn Peter Havelock Nicholas Jenkins Peter Menneer Richard Rothwell Alexander Scully MVO
Secretary	Richard Champness
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
Independent examiner	Barry Hitchens
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 2017

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The Trustees present their annual report and the unaudited financial statements for the year ended 31 August 2017.

### **Structure, governance and management**

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 Charities Statement of Recommended Practice FRS 102 "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and in accordance with the requirements of the Companies Act 2006.

### **Objectives**

The Choral Foundation preserves and promotes the unique heritage of English choral music at the Chapel Royal, Hampton Court Palace and makes it accessible to all.

The objects of the charity as set out in its governing document the Memorandum and Articles of Association 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; and
- to advance the education of the choristers of the Chapel Royal for the public benefit.

### **Review of activities**

The Choral Foundation has had a relatively quiet year whilst maintaining and fulfilling all its obligations. Deborah Fearn took on the Director's role ably assisted by Louise Cole: both working just two days per week. As the Chapel worked through the recruitment of new Gentlemen and the new Chaplain focused on that the Choral Foundation had 3 work streams:

- To plan and then deliver the Chorister open day in September, to follow this up with the auditions and offers of chorister places. Once again this proved highly successful, the 20 boys that attended had an enlightening afternoon learning to sing under our Director of Music Carl Jackson. They put on a concert for their families and clearly enjoyed themselves: so much so, that 15 came back for audition for which 7 were placed on a waiting list to join our very full choir.
- To keep in touch with our donors: Newsletters have been sent to our existing donors and a number of coffee mornings were held to answer questions about the Foundation.

- To work towards the launch of the link of The Chapel Royal at Hampton Court Palace and the Companions of Honour. Her Majesty the Queen and the Duke of Edinburgh attended a beautiful service in June to formally link the Companions of Honour (CH) with the Chapel. This event was flawless thanks to HRP and the staff from Buckingham Palace. The Foundation supported the choir and ensured that all CH received information about the Chapel and the foundation. It is our hope that this relationship will prove fruitful in the long term.

### *Operations*

The Patrons and Trustees all remained the same in this year, however Sue Hall took over as Treasurer from Peter Havelock after many years of service in this role. I would like to thank Peter for all that he continues to do as a trustee and for his years of service as Treasurer. I am grateful that Sue has agreed to take this task on.

### *Charitable Grants and Outreach*

The Choral Foundation continues to make grants totalling £19,652 (£18,276 in 2015/16) made up of bursaries to each chorister towards the cost of music lessons and charitable grants to support the Director of Music, organist and organ scholar.

Outreach and education remains an important part of the Foundation's work. We have helped the choir attract choristers from an increasingly broad range of backgrounds, and to provide them with a first class musical education. As part of this we have worked with the charity, Shine, to identify, recruit and financially support choristers from Brixton, the first of whom joined the choir during this year.

We continue to deliver the commitments we have made in our objects.

### **Financial Review**

The Choral Foundation made an overall deficit in 2017 which meant it was not able to add to its reserves in this year reducing them to £309,549 from £321,499 in 2016. The total reserves are unrestricted.

Our key objective is still to raise an endowment to preserve the future of the music in the chapel, and whilst we have not moved that objective forward this year it is testament to the staff and supporters of the charity that without any substantive fundraising activity we have broadly stood still with a healthy reserve.

Our current pledges promised are £107,729.

### **Governance and management**

The Choral Foundation is governed by a Board of eight Trustees who are committed to the objects of the charity. Board member expertise includes finance, investment, risk, management, religion, music, and information technology. The Chairman, the Treasurer and Trustees Peter Havelock and Richard Rothwell are members of The Investments Committee.

The Choral Foundation is a Company Limited by Guarantee, and is governed by its Memorandum and Articles of Association. Trustees are recruited through an open advertising process, and appointed by the Board at a quarterly meeting. New trustees are introduced to the Choral Foundation through an induction process.

The Trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit.

### **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.

#### **Disclosure of information to examiner**

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 information of which the charitable company's examiner is 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 information and to establish that the charitable company's examiner is 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**

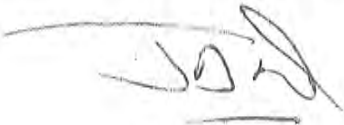
The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the Trustees are required to:

- 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 adequate 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.

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

On behalf of the board



Jonathan Round  
**Chair**

Dated: 7<sup>th</sup> March 2018

## THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

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I report on the accounts of the company for the year ended 31 August 2017, which are set out on pages 6 to 15.

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the Charities Act") or Part 16 of the Companies Act 2006, and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Australian Society of Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with 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 386 of the Companies Act 2006; and
  - to prepare accounts with accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Barry Hitchens ASA  
24 Effingham Road  
Long Ditton  
Surrey  
KT6 5JY

Dated: 7<sup>th</sup> March 2018

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds £	Total 2017 £	Total 2016 £
<b>Income from:</b>				
Donations and legacies	3	54,440	54,440	131,785
Charitable activities	3	845	845	13,986
Investments	3	4,583	4,583	7,046
<b>Total Income</b>		<b>59,868</b>	<b>59,868</b>	<b>152,817</b>
<b>Expenditure on:</b>				
Raising funds	4	21,660	21,660	63,044
Charitable activities	6	38,454	38,454	25,823
Choir School Piano		11,704	11,704	
<b>Total Expenditure</b>		<b>71,818</b>	<b>71,818</b>	<b>88,867</b>
<b>Net income/expenditure</b>		<b>(11,950)</b>	<b>(11,950)</b>	<b>63,950</b>
Transfers between funds		-	-	-
<b>Net movement in funds</b>		<b>(11,950)</b>	<b>(9,190)</b>	<b>63,950</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		321,499	321,499	257,549
<b>Total funds carried forward</b>	12	<b>309,549</b>	<b>309,549</b>	<b>321,499</b>

All the above amounts relate to continuing activities.

The notes on pages 9 to 15 form part of these financial statements.



THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

BALANCE SHEET  
AS AT 31 AUGUST 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	9	-	1,416
<b>Current assets</b>			
Debtors	10	6,296	21,372
Investments		102,327	106,148
Cash at bank		201,511	196,857
		<u>310,134</u>	<u>324,377</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	11	585	4,294
		<u>309,549</u>	<u>320,083</u>
<b>Net current assets</b>			
		<u>309,549</u>	<u>321,499</u>
<b>Total assets less current liabilities</b>			
		<u>309,549</u>	<u>321,499</u>
<b>The funds of the charity</b>			
Unrestricted funds		309,549	321,499
Restricted funds		-	-
		<u>309,549</u>	<u>321,499</u>
<b>Total funds</b>	12	<u>309,549</u>	<u>321,499</u>

For the financial year ended 31 August 2017, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

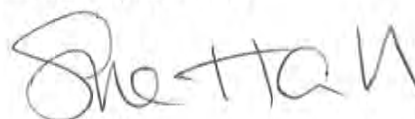
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the Board of Trustees on 7<sup>th</sup> March 2018.



Jonathan Round  
Chair



Sue Hall  
Treasurer

The notes on pages 9 to 15 form part of these financial statements.  
Company Registration Number: 07542466

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

STATEMENT OF CASH FLOWS  
AS AT 31 AUGUST 2017

	2017 £	2016 £
<b>Cash flow from operating activities</b>		
Net income/(expenditure) for the year	(11,950)	63,950
Adjustments for:		
Interest received	(346)	(1,050)
Amortisation	1,416	1,408
(Increase)/decrease in debtors	15,076	(4,777)
Increase in creditors	(3,709)	1,494
Investment return	(4,237)	(5,996)
<b>Net cash provided by operating activities</b>	<u>(3,750)</u>	<u>55,029</u>
<b>Cash flows from investing activities</b>		
Interest received	346	1,050
Investments return	4,237	5,996
Purchase of investments	3,821	(106,148)
<b>Net cash provided by investing activities</b>	<u>8,404</u>	<u>(99,102)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	<u>4,654</u>	<u>(44,073)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	196,857	240,930
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>201,511</u>	<u>196,857</u>

## THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1. Statutory information

The Choral Foundation, The Chapel Royal, Hampton Court Palace is a charitable company, limited by guarantee, incorporated in England and Wales and registered under the Charities Act 1993, no. 1142075.

#### 2. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. These financial statements are the first that comply with Charities SORP (FRS 102). The date of transition is 1 September 2015.

The Choral Foundation, The Chapel Royal, Hampton Court Palace meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### b) Reconciliation with previous generally accepted accounting practice

In preparing the accounts the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items at the transition date of 1 September 2014 was needed. No restatements were required.

##### c) 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.

##### d) Incoming resources

All incoming resources are recognised when the charity has entitlement to the resources, the amount can be quantified with reasonable accuracy and it is probable that the income will be received.

Legacies are regarded as receivable when the legacy has been received or, if before receipt, when there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

The value of services provided by volunteers is not incorporated into these financial statements.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

e) 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. Governance and support costs are allocated against the charitable activities of the charity on a percentage basis when they are not directly attributable to either raising funds or charitable activities.

f) VAT

Where appropriate, expenditure includes irrecoverable value added tax.

g) Intangible assets

There are no intangible assets.

3. Income

	Unrestricted funds	Total 2017 £	Total 2016 £
Individual donations	54,440	54,440	114,035
Donations from legacies and charitable trusts	0	0	17,750
	<hr/>	<hr/>	<hr/>
	54,440	57,200	131,785
Activities for generating funds:			
Christmas Cards	845	845	13,986
Investment income:			
Return on investments	4,237	4,237	5,996
Interest receivable	346	346	1,050
	<hr/>	<hr/>	<hr/>
Total incoming resources	<u>59,868</u>	<u>59,868</u>	<u>152,817</u>

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

4. Expenditure on raising funds

	Direct costs £	Support costs £	Total 2017 £
Fundraising consultancy	2,381	5,164	7,545
Design and advertising	3,315	5,164	8,479
Costs of choral events	471	5,164	5,635
Total expenditure on raising funds	<u>6,167</u>	<u>15,493</u>	<u>21,660</u>

5. Expenditure on raising funds comparatives

	Direct costs £	Support costs £	Total 2016 £
Fundraising consultancy	31,566	-	31,566
Design and advertising	5,519	685	6,204
Costs of choral events	22,486	2,788	25,274
Total expenditure on raising funds	<u>59,571</u>	<u>3,473</u>	<u>63,044</u>

6. Analysis of charitable expenditure

	Grant giving activities £	Support costs £	Total 2017 £
Tuition fees & grants	14,487	5,164	19,652
General charitable expenditure	13,638	5,164	18,802
Total charitable analysis	<u>28,126</u>	<u>10,329</u>	<u>38,454</u>

7. Analysis of charitable expenditure comparatives

	Grant giving activities £	Support costs £	Total 2016 £
Tuition fees & grants	18,276	-	18,276
General charitable expenditure	-	7,547	7,547
Total charitable analysis	<u>18,276</u>	<u>7,547</u>	<u>25,823</u>

## 8. Analysis of support costs

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Support costs apportioned on a percentage basis:		
Independent examiners fees	-	1,020
Payroll	14,333	1,660
Book-Keeping	6,351	1,020
IT Support Costs	2,223	3,600
Depreciation	1,416	1,408
Travel	425	312
Insurance	433	425
Office Move	495	0
Sundry expenses	146	1,575
Total expenditure on raising funds	<u>25,822</u>	<u>11,020</u>

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

9. Intangible assets

	Database software £	Total £
<b>Cost</b>		
At 1 September 2016	4,232	4,232
	-----	-----
At 31 August 2017	4,232	4,232
	-----	-----
<b>Amortisation</b>		
At 1 September 2016	2,816	2,816
Charge in the year	1,416	1,416
	-----	-----
At 31 August 2017	4,232	4,232
	-----	-----
<b>Net book value</b>		
At 31 August 2016	1,416	1,416
	=====	=====
At 31 August 2017	-	-
	=====	=====

10. Debtors

	2017 £	2016 £
Gift Aid receivable	6,296	18,000
Other	-	3,372
	-----	-----
	6,296	21,372
	=====	=====

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other creditors	585	3,274
Accruals and deferred income	-	1,020
	-----	-----
	585	4,294
	=====	=====

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

12. 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.

Fund balances as at 31 August 2017 are represented as follows:

	Unrestricted funds £	Total 2017 £	Total 2016 £
Intangible fixed assets	-	-	1,416
Debtors	6,296	6,296	21,372
Investments	102,315	102,315	106,148
Cash at bank	201,511	201,511	196,857
Creditors	(585)	(585)	(4,294)
	<u>309,549</u>	<u>309,549</u>	<u>321,499</u>

13. Trustees and employees

One trustee received a salary during this period in her temporary role as Director of the Choral Foundation

The average monthly number of employees during the year was:

	2017 Number	2016 Number
Administration	2	1
<b>Employment costs</b>		
	£	£
Wages and salaries	14,333	1,660
	<u>14,333</u>	<u>1,660</u>



THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016

14. Related party transactions

There were no related party transactions during the year. No guarantees were given or received and no payments were made to key management personnel in the period.

15. Capital commitments

As at 31 August 2017 there were no capital commitments.

16. Statement of financial position comparatives

	Unrestricted funds £	Restricted funds £	Total 2016 £
<b>Income from:</b>			
Donations and legacies	131,785	-	131,785
Charitable activities	13,986	-	13,986
Investments	7,046	-	7,046
	<hr/>	<hr/>	<hr/>
<b>Total Income</b>	152,817	-	152,817
	<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>			
Raising funds	63,044	-	63,044
Charitable activities	25,823	-	25,823
	<hr/>	<hr/>	<hr/>
<b>Total Expenditure</b>	88,867	-	88,867
	<hr/>	<hr/>	<hr/>
<b>Net income/expenditure</b>	63,950	-	63,950
Transfers between funds	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>	63,950	-	63,950
	<hr/>	<hr/>	<hr/>
<b>Reconciliation of funds:</b>			
Total funds brought forward	257,549	-	257,549
	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>	321,499	-	321,499
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>