

**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 2018**

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

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>Contents</b>	<b>Page</b>
Company information	1
Trustees' report	2 - 5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 - 15

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

## COMPANY INFORMATION

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Trustees	Peter Havelock (Chair from March 2018) Jon Round (Chair, retired March 2018) Deborah Fearn Sue Hall (Treasurer) Nicholas Jenkins Peter Menneer Michele Price (appointed September 2018) 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 2018

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The Trustees present their annual report and the unaudited financial statements for the year ended 31 August 2018.

### **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 continued to support the music in the Chapel Royal at Hampton Court, maintaining and fulfilling its obligations. The standard of music and the musicians is at a high level not heard before in the Chapel, and the Board is delighted with the progress that has been made. As a result, the choir has been able to undertake further broadcasts (the "Evensong" programme), a small tour to Wittenberg, and to record. We congratulate the Director of Music, Carl Jackson.

Our focus this year has been to support a number of projects, whilst looking to the future in terms of fund raising.

- Another successful Choristers' Open Day was held in September. Four new choristers were made offers, from about 20 attendees.
- The Foundation has funded a recording by the Gentlemen of the Choir of repertoire by Tallis. This was completed in July 2018, a preview concert for potential donors was held in June, and a Sarum Mass was

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

### TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2018

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held in November at the same time as the release.

- We have also funded a series of Choral Workshops for the choristers, which will be held quarterly.
- We have continued to hold events for our donors, and have begun to engage with Companions of Honour, some of whom have attended events, and have generously donated.
- The Board has also begun to discuss how we might reenergise our endowment fund raising through a specific campaign next year.
- Jon Round retired as Chairman at the Annual General Meeting in March 2018. The Board is immensely grateful to Jon, who led the Foundation from its inception, and was the driving force behind our successful fund raising, and delivery of our objectives. Peter Havelock was appointed Chair of the Board in his place. We have also begun recruiting new Trustees, and were delighted that Michele Price joined the Board in September 2018.

#### *Operations*

Deborah Fearn continued her excellent work as temporary Director, and stepped down from her role in May. We are indebted to her for her efficient and patient management of the Foundation's work. Louise Cole continues in her role as Administrator, and has been equally effective and efficient.

#### *Charitable Grants and Outreach*

The Choral Foundation has made grants totalling £24,658 (£14,487 in 2016/17) 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.

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

#### **Financial Review**

The Choral Foundation made a profit in 2018 of £16,351, which meant it was able to add to its reserves in this year increasing them to £325,900 from £309,549 in 2017. The total reserves are unrestricted.

Our key objective is 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.

Since our inception, the Foundation has received total pledges of approximately £1.4 million.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2018**

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### **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 Trustee 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 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

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

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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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

A handwritten signature in black ink, appearing to read 'Peter Havelock', written in a cursive style.

Peter Havelock  
**Chair**

Dated: 5<sup>th</sup> December 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 2018, 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: 5th December 2018



THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

BALANCE SHEET  
AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	9	-	-
<b>Current assets</b>			
Debtors	10	8,500	6,296
Investments		155,033	102,327
Cash at bank		162,652	201,511
		<u>326,185</u>	<u>310,134</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	11	285	585
		<u>325,900</u>	<u>309,549</u>
<b>Net current assets</b>			
		<u>325,900</u>	<u>309,549</u>
<b>Total assets less current liabilities</b>		<u><u>325,900</u></u>	<u><u>309,549</u></u>
<b>The funds of the charity</b>			
Unrestricted funds		325,900	309,549
Restricted funds		-	-
		<u>325,900</u>	<u>309,549</u>
<b>Total funds</b>	12	<u><u>325,900</u></u>	<u><u>309,549</u></u>

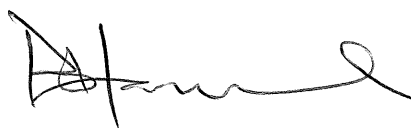
For the financial year ended 31st August 2018, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

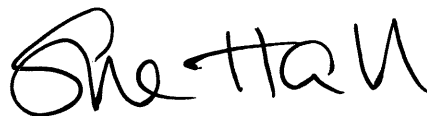
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation 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 5<sup>th</sup> December 2018.



Peter Havelock  
Chair



Sue Hall  
Treasurer

The notes on pages 10 to 15 form part of these financial statements.  
Company Registration Number: 07542466

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds £	Total 2018 £	Total 2017 £
<b>Income from:</b>				
Donations and legacies	3	66,546	66,546	54,440
Charitable activities	3	3,359	3,359	845
Investments	3	5,655	5,655	4,583
<b>Total Income</b>		<b>75,560</b>	<b>75,560</b>	<b>59,868</b>
<b>Expenditure on:</b>				
Raising funds	4	24,856	24,856	21,660
Charitable activities	6	34,353	34,353	38,454
Choir School Piano		-	-	11,704
<b>Total Expenditure</b>		<b>59,209</b>	<b>59,209</b>	<b>71,818</b>
<b>Net income/expenditure</b>		<b>16,351</b>	<b>16,351</b>	<b>(11,950)</b>
Transfers between funds		0	0	0
<b>Net movement in funds</b>		<b>16,351</b>	<b>16,351</b>	<b>(11,950)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		309,549	309,549	321,499
<b>Total funds carried forward</b>	12	<b>325,900</b>	<b>325,900</b>	<b>309,549</b>

All the above amounts relate to continuing activities.

The notes on pages 10 to 15 form part of these financial statements.

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

STATEMENT OF CASH FLOWS  
AS AT 31 AUGUST 2018

	2018 £	2017 £
<b>Cash flow from operating activities</b>		
Net income/(expenditure) for the year	16,351	(11,950)
Adjustments for:		
Interest received	(347)	(346)
Amortisation	-	1,416
(Increase)/decrease in debtors	(1,919)	15,076
Increase in creditors	(585)	(3,709)
Investment return	(5,308)	(4,237)
<b>Net cash provided by operating activities</b>	<u>8,192</u>	<u>(3,750)</u>
<b>Cash flows from investing activities</b>		
Interest received	347	346
Investments return	5,308	4,237
Purchase of investments	(63,498)	(3,821)
<b>Net cash provided by investing activities</b>	<u>(57,843)</u>	<u>(8,404)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	<u>(49,651)</u>	<u>(4,654)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>201,511</u>	<u>196,857</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>151,860</u></u>	<u><u>201,511</u></u>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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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 2018**

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**

	<b>Unrestricted funds</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Individual donations	66,546	66,546	54,440
	<hr/>	<hr/>	<hr/>
Activities for generating funds:			
Christmas Cards	0	0	845
Recitals/Recording	3,359	3,359	0
Investment income:			
Return on investments	5,308	5,308	4,237
Interest receivable	347	347	346
	<hr/>	<hr/>	<hr/>
Total incoming resources	<u>75,560</u>	<u>75,560</u>	<u>59,868</u>

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

4. Expenditure on raising funds

	Direct costs £	Support costs £	Total 2018 £
Fundraising and consultancy	8,988	4,526	13,514
Design and advertising	365	4,526	4,891
Costs of choral events	1,925	4,526	6,451
Total expenditure on raising funds	<u>11,278</u>	<u>13,578</u>	<u>24,856</u>

5. Expenditure on raising funds comparatives

	Direct costs £	Support costs £	Total 2017 £
Fundraising and consultancy	2,381	5,164	7,545
Design and advertising	3,315	5,164	8,479
Costs of choral events	471	5,165	5,636
Total expenditure on raising funds	<u>6,167</u>	<u>15,493</u>	<u>21,660</u>

6. Analysis of charitable expenditure

	Grant giving activities £	Support costs £	Total 2018 £
Tuition fees & grants	24,658	4,526	29,184
General charitable expenditure	643	4,526	5,169
Total charitable analysis	<u>25,301</u>	<u>9,052</u>	<u>34,353</u>

7. Analysis of charitable expenditure comparatives

	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>

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

8. Analysis of support costs

	<b>Total 2018</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>
Support costs apportioned on a percentage basis:		
Payroll	17,170	14,333
Book-Keeping	1,326	6,351
IT Support Costs	2,663	2,223
Depreciation	-	1,416
Travel	-	425
Insurance	919	433
Office Move	59	495
Sundry expenses	493	146
	<u>22,630</u>	<u>25,822</u>

9. Intangible assets

There are no intangible assets

10. Debtors

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Gift Aid receivable	8,500	6,296

11. Creditors: Amounts falling due within one year

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other creditors	285	585

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 2018 are represented as follows:

	<b>Unrestricted funds</b>	<b>Total 2017</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Debtors	8,500	8,500	6,296
Investments	165,825	165,825	102,315
Cash at bank	151,860	151,860	201,511
Creditors	(285)	(285)	(585)
	<u>325,900</u>	<u>325,900</u>	<u>309,549</u>

THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

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**13. Trustees and employees**

One trustee received a salary (£11,440) during this period in her temporary role as Director of the Choral Foundation

The average monthly number of employees during the year was:

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Administration	2	2-
	=====	=====
<b>Employment costs</b>		
	<b>£</b>	<b>£</b>
Wages and salaries	16,933	14,333
	-----	-----
	16,933	14,333
	=====	=====

**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 2018 there were no capital commitments.



THE CHORAL FOUNDATION, THE CHAPEL ROYAL, HAMPTON COURT PALACE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

16. Statement of financial position comparatives

	Unrestricted funds £	Restricted funds £	Total 2017 £
<b>Income from:</b>			
Donations and legacies	54,440	-	54,440
Charitable activities	845	-	845
Investments	4,583	-	4,583
	-----	-----	-----
<b>Total Income</b>	59,868	-	59,868
	-----	-----	-----
<b>Expenditure on:</b>			
Raising funds	21,660	-	21,660
Charitable activities	38,454	-	38,454
Choir School Piano	11,704	-	11,704
	-----	-----	-----
<b>Total Expenditure</b>	71,818	-	71,818
	-----	-----	-----
<b>Net income/expenditure</b>	(11,950)	-	(11,950)
	-----	-----	-----
Transfers between funds	-	-	-
	-----	-----	-----
<b>Net movement in funds</b>	(11,950)	-	(11,950)
	-----	-----	-----
<b>Reconciliation of funds:</b>			
Total funds brought forward	321,499	-	321,499
	-----	-----	-----
<b>Total funds carried forward</b>	309,549	-	309,549
	=====	=====	=====

