

FRANCIS NEILSON TRUST FUND
REPORT AND FINANCIAL STATEMENTS
for the year ended
30th September 2018

Registered Charity No: 514802

FRANCIS NEILSON TRUST FUND

Annual Report for the year ended 30th September 2018

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FRANCIS NEILSON TRUST FUND

Trustees and Advisers for the year ended 30th September 2018

Trustees: Dean Sue Jones - Dean of Liverpool (from 05.05.18)
Allastair Davey
Stephen Derringer (resigned 11.09.18)
Lee Ward - Director of Music (from 16.12.17)
David Evans - Trustee of the Cross Guild
Pat Heyes
Tom Roberts
Neil Ashbridge - Chair of the Finance Committee
Nick Basson (from 13.12.18)
Margaret Swinson (from 13.12.18)

Correspondence Address: Cathedral Office
St James' House
20 St James' Road
Liverpool
L1 7BY

Bankers: National Westminster Bank plc
University Branch
5 Oxford Street
Liverpool
L7 7HL

Investment Managers: Quilter Cheviot Investment Management
5, St Paul's Square
Liverpool
L3 9SJ

Independent Examiner: Philip Griffiths F.C.A.
Mitchell Charlesworth LLP
5 Temple Square
Temple Street
Liverpool
L2 5RH

FRANCIS NEILSON TRUST FUND

Report of the Trustees for the year ended 30th September 2018

The trustees present their report and the financial statements for the year ended 30th September 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out on pages 9 to 12 and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16th July 2014 (as amended by Update Bulletin 1 published on 2nd February 2016).

History, Objectives and Activities of the Trust

The Trust was founded by a deed dated 6th October 1949 made by Francis Neilson for the promotion and encouragement of education in the cultural arts and sciences among the choirboys and members of the Cross Guild under the age of twenty one and for the costs and expenses in the promotion of special services sanctioned by the Dean. The Trust deed gives the Trustees the power to apply the funds in such manner as they think fit in accordance with the terms and conditions in the Trust. The Trustees identify projects they wish to support and consider grant applications made from Liverpool Cathedral. The Trust does not support individuals or organisations other than in relation to those associated with Liverpool Cathedral. The Trust receives income from the Will Trust of the late Francis Neilson as administered by JP Morgan Chase, New York, USA. The level of income is affected by the exchange rate with the US dollar.

Management and Governance Arrangements

The Trust deed provides for a minimum of four Trustees, with no maximum. The Trustees must include those holding the office of Dean of Liverpool, the Chair of the Cathedral Finance Committee and Director of Music of Liverpool Cathedral.

Where there is a requirement for new Trustees, these would be identified and appointed by the continuing Trustees. The Chair of the Trustees is responsible for the induction of any new Trustee which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures, and the history and philosophical approach of the charity. A new Trustee would receive copies of the previous year's annual report and accounts and a copy of the Charities Commission Leaflet 'The Essential Trustee: What You Need to Know'. All decisions made by the Trustees can if necessary, be exercised by majority vote and in the event of a tie, the Dean of Liverpool has a second or casting vote.

Procedures and Policy for Grant Making

The Trustees meet no fewer than three times per year to consider what grants they will make and to review any feedback they have received. Nominations for grants are elicited from Trustees by formal and informal means. The formal means include grant applications made on behalf of Liverpool Cathedral towards the cost of maintaining the choir and special benefits for them. The Trustees always seek feedback on the actual use of the grants given and the achievements made, including those to individuals. The explanations and feedback received are sufficient for monitoring the quality of the grants made.

FRANCIS NEILSON TRUST FUND

Report of the Trustees (continued) for the year ended 30th September 2018

Financial Review, Investment Policy and Reserves

The Trustees have agreed to reinvest the income from the Endowed portfolio for the time being.

Total return from the investment is split between funds retained as capital and funds used as income.

At each meeting the Trustees receive a report from the Clerk to the Committees on the charity's current financial position and the effectiveness of its financial controls. Quilter Cheviot, the Investment Managers, invest funds held by the charity so as to ensure the same are prudently and profitably invested to achieve the required income return and provide reports on the investment performance.

The Trustees are satisfied that the standard of bookkeeping and evidence of expenditure through grants made during the year have been properly carried out and in a manner in which all transactions have been accounted for.

The Statement of Financial Activities for the Trust is set out on page 7 of the financial statements. It shows net income for the year ended 30 September 2018 of £23,101 (2017: £8,083).

Achievements and Performance of the Trust

During the year in addition to their daily schedule of services and rehearsals each week and the Trust's prescribed responsibilities, the Neilson Trust has by grant:

1. Supported the musical education of the boy and girl choristers by assisting with fees for instrumental, theory and singing tuition.
2. Supported the work of the Cross Guild (Ex-Choristers Guild):
3. by assisting with fees for instrumental lessons
4. in providing financial support to those at university and study placements.

The trustees have had due regard to the guidance published by the Charity Commission on public benefit.

Risk Assessment

The trustees have re-assessed the principal risks to which the charity is exposed and are satisfied that the appropriate systems or controls are in place to mitigate exposure to those risks. It must be said that such systems or controls can provide only reasonable and not absolute assurance against material misstatement, fraud or loss.

**Report of the Trustees (continued)
for the year ended 30th September 2018**

Reserves Policy

It is the policy of the Charity to maintain unrestricted funds, which are the free reserves of the Charity, and remains available in case of need. The trustees regularly discuss the portfolio of the Trust and future requirements of the Trust. The trustees believe that it is prudent to ensure that there are sufficient funds to provide financial flexibility for the current running and future development of the Trust's objectives and unforeseen events.

Future Plans

The trustees intend to continue to fulfill the objectives of the Trust by the proper provision of grants to Liverpool Cathedral in accordance with the Trust deed and review the composition of the Trustee body.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and Trust Deed. 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.

Investment Review

The Investment Policy is a prudent balance of capital appreciation over the mid- to long-term, with a useful income meanwhile (i.e. medium-risk). Investment activity/performance and asset allocations are reviewed on a quarterly basis against suitable benchmarks at each meeting.

Holdings are in the hands of the appointed Investment Managers in accordance with published Charity Commission guidance (CC42). Their appointment and this policy are reviewed once a year.

FRANCIS NEILSON TRUST FUND

Report of the Trustees (continued) for the year ended 30th September 2018

Independent Examiner

The trustees have re-appointed Mitchell Charlesworth LLP to undertake the independent examination of the Trust for the financial year ending 30th September 2019.

Trustees

The trustees who served during the year were:

Dean Sue Jones - Dean of Liverpool (from 05.05.18)
Allastair Davey
Stephen Derringer (resigned 11.09.18)
Lee Ward - Director of Music (from 16.12.17)
David Evans - Trustee of the Cross Guild
Pat Heyes
Tom Roberts
Neil Ashbridge - Chair of the Finance Committee

Trustees appointed since the end of the financial year:

Nick Basson (from 13.12.18)
Margaret Swinson (from 13.12.18)

New trustees are appointed by Deed of Appointment by the continuing Trustees.

The trustees received no emoluments during the year. There are no employees.

Approved by the Board of Trustees on 4th July 2019.

Dean Sue Jones
Trustee

Mitchell Charlesworth

Chartered Accountants

5 Temple Square · Temple Street · Liverpool · L2 5RH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF FRANCIS NEILSON TRUST FUND

I report to the charity trustees on my examination of accounts of the charity for the year ended 30th September 2018 set out on pages 7 to 17.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the 'Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- 2 the accounts do not with accord those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

P.L. Griffiths F.C.A.
Mitchell Charlesworth LLP
Chartered Accountants

25th July 2019

FRANCIS NEILSON TRUST FUND

Statement of Financial Activities For the year ended 30th September 2018

	Notes	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Endowed Funds 2018 £	Totals 2018 £	Totals 2017 £
Income and endowments from:						
Donations and legacies	2	78,331	-	-	78,331	111,680
Investments	3	<u>5,195</u>	<u>738</u>	<u>-</u>	<u>5,933</u>	<u>5,082</u>
Total income		<u>83,526</u>	<u>738</u>	<u>-</u>	<u>84,264</u>	<u>116,762</u>
Expenditure on:						
Raising funds	4	1,479	-	-	1,479	329
Charitable activities	5	<u>68,008</u>	<u>738</u>	<u>-</u>	<u>68,746</u>	<u>120,714</u>
Total expenditure		<u>69,487</u>	<u>738</u>	<u>-</u>	<u>70,225</u>	<u>121,043</u>
Net gains/(losses) on investments		<u>4,764</u>	<u>-</u>	<u>4,298</u>	<u>9,062</u>	<u>12,364</u>
Net income/(expenditure)	8	18,803	-	4,298	23,101	8,083
Total funds brought forward		<u>138,131</u>	<u>2,000</u>	<u>116,617</u>	<u>256,748</u>	<u>248,665</u>
Total funds carried forward		<u>156,934</u>	<u>2,000</u>	<u>120,915</u>	<u>279,849</u>	<u>256,748</u>

All activities of the Charity are continuing.

FRANCIS NEILSON TRUST FUND

Balance Sheet At 30th September 2018

	Notes	2018 £	2017 £
Fixed assets			
Investments	9	262,565	232,013
Current assets			
Debtors	10	-	21,923
Balances at bank			
Cash at bank and in hand		17,222	23,416
Central Board of Finance		<u>8,538</u>	<u>54,829</u>
		25,760	100,168
Creditors: amounts falling due within one year	11	<u>(8,476)</u>	<u>(75,433)</u>
Net current assets		<u>17,284</u>	<u>24,735</u>
Total assets less current liabilities		<u>279,849</u>	<u>256,748</u>
Funds			
Unrestricted funds	13	156,934	138,131
Restricted fund	13	2,000	2,000
Endowment funds	13	<u>120,915</u>	<u>116,617</u>
Total funds	14	<u>279,849</u>	<u>248,665</u>

Approved by the Board of Trustees on 4th July 2019 and signed by:

Dean Sue Jones
Trustee

**Notes to the Financial Statements
for the year ended 30th September 2018**

1. Summary of significant accounting policies

(a) General information and basis of preparation

Francis Neilson Trust Fund is a charitable trust established in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are included in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014 (as amended by Update Bulletin 1 published on 2nd February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity has applied Update Bulletin 1 as published on 2nd February 2016 and does not include a Statement of Cash Flows on the grounds that it is applying FRS102 Section 1A.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued on 16th July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1st April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include investments of fair value. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Notes to the Financial Statements
for the year ended 30th September 2018**

1. Summary of significant accounting policies (continued)

(b) Funds (continued)

Endowment funds represent those assets which must be held permanently by the charity, and comprise funds from the Francis Neilson Trust and the legacy from the Estate of Miss Kathleen Jackson deceased. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Income from the Morton Bursary is restricted for the benefit of assisting young choirboys in their musical studies.

Any capital gains or losses arising on the investments form part of the funds. Investment management charges relating to the fund are charged against unrestricted funds.

(c) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and bank deposits. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

**Notes to the Financial Statements
for the year ended 30th September 2018**

1. Summary of significant accounting policies (continued)

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Cash of raising funds includes investment managers fees.
- Expenditure on charitable activities includes grants payable to The Corporation of Liverpool Cathedral.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administration costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

(f) Investments

Investments are recognised initially at fair value which is normally the transaction price including transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

(g) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**Notes to the Financial Statements
for the year ended 30th September 2018**

1. Summary of significant accounting policies (continued)

(i) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Income from donations and legacies

Unrestricted funds
Total
2018
£

Remittances from trustees in the USA
Other donations received

88,497
23,183

78,331
111,680

3. Income from investments

Unrestricted funds
£

Restricted funds
£

Endowment funds
£

Total
2018
£

Total
2017
£

Dividends receivable
Interest on bank deposits

5,152
43

738
-

-
-

5,890
43

4,900
182

5,195

738

-

5,933

5,082

£960 of the above income in 2017 was attributable to restricted funds and £4,122 of the above income in 2017 was attributable to unrestricted funds.

4. Expenditure on raising funds

Unrestricted funds
2018
£

Investment managers fees

1,479

329

FRANCIS NEILSON TRUST FUND

Notes to the Financial Statements for the year ended 30th September 2018

5. Expenditure on charitable activities	2018 £	2017 £
Grants payable (note 7)	66,365	118,580
Support costs (note 6)	<u>2,381</u>	<u>2,134</u>
	<u>68,746</u>	<u>120,714</u>

£738 (2017 £960) of the above costs were attributable to restricted funds and £69,487 (2017 £119,754) of the above costs were attributable to unrestricted funds.

6. Support costs	2018 £	2017 £
Accountancy	750	750
Bank charges	75	74
Honorarium	200	200
Governance costs - Independent examiners' fee	<u>1,356</u>	<u>1,110</u>
	<u>2,381</u>	<u>2,134</u>

7. Grants payable	2018 £	2017 £
Corporation of the Cathedral Church in Liverpool	64,383	24,659
Choir tours	-	92,324
Cross guild	1,043	697
Individuals	<u>939</u>	<u>900</u>
	<u>66,365</u>	<u>118,580</u>

8. Net income/(expenditure)	2018 £	2017 £
Net incoming resources is stated after charging:		
Independent Examiner's fees	<u>1,356</u>	<u>1,110</u>

FRANCIS NEILSON TRUST FUND

Notes to the Financial Statements for the year ended 30th September 2018

9. Investments	2018 £	2017 £
Balance as at 1st October 2017	196,792	160,078
Additions at cost	44,512	49,443
Disposals	(13,056)	(14,350)
Net unrealised investment (losses)/gains	<u>9,246</u>	<u>11,709</u>
	237,494	196,792
Cash held on deposit	<u>25,071</u>	<u>35,221</u>
Market value at 30th September 2018	<u>262,565</u>	<u>232,013</u>
	2018 £	2017 £
Historical cost at 30th September 2018	<u>227,784</u>	<u>204,237</u>
Investments are held in UK Unit Trusts.		
Investments exceeding 5% of the total portfolio:	2018 £	2017 £
Ishares Core FTSE 100	18,543	18,190
Artemis Fd Man Income I Inc	21,282	21,276
Kleinwort Benson	21,570	20,449
BNY Mellon Global Funds	13,988	20,449
Majedie Asset Mgt UK Equity X	<u>12,538</u>	<u>12,534</u>
	2018 £	2017 £
10. Debtors		
Accrued income	-	21,923
	2018 £	2017 £
11. Creditors: amounts falling due within one year		
Accruals	8,476	75,433
	2018 £	2017 £
12. Financial instruments		
Financial assets:		
Measured at fair value through net income	237,494	196,792
Debt instruments measured at amortised cost	<u>50,831</u>	<u>135,389</u>
	288,325	332,181
Financial liabilities:		
Measured at amortised cost	<u>8,476</u>	<u>75,433</u>

FRANCIS NEILSON TRUST FUND

Notes to the Financial Statements for the year ended 30th September 2018

13. Movement in funds	At 1.10.2017 £	Income £	Expenditure £	Gains and Losses £	At 30.9.2018 £
Endowment funds:					
Jackson Legacy	63,800	-	-	2,351	66,151
Friends of Cathedral Music - Unrestricted permanent endowment fund	29,345	-	-	1,082	30,427
Morton Bursary - Restricted expendable endowment fund	<u>23,472</u>	<u>-</u>	<u>-</u>	<u>865</u>	<u>24,337</u>
Total endowment Funds	<u>116,617</u>	<u>-</u>	<u>-</u>	<u>4,298</u>	<u>120,915</u>
Restricted funds:					
Cross Guild Educational Grants	2,000	-	-	-	2,000
Morton Bursary - Musical studies for young choristers	<u>-</u>	<u>738</u>	<u>(738)</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>2,000</u>	<u>738</u>	<u>(738)</u>	<u>-</u>	<u>2,000</u>
Unrestricted funds:					
General funds	<u>138,131</u>	<u>83,526</u>	<u>(69,487)</u>	<u>4,764</u>	<u>156,934</u>
Total Funds	<u><u>256,748</u></u>	<u><u>84,264</u></u>	<u><u>(70,025)</u></u>	<u><u>9,062</u></u>	<u><u>279,849</u></u>

**Notes to the Financial Statements
for the year ended 30th September 2018**

13. Movement in funds (continued)

Comparative information in respect of the preceding period is as follows:

Movement in funds	At 1.10.2016 £	Income £	Expenditure £	Gains and Losses £	At 30.9.2017 £
Endowment funds:					
Jackson Legacy	60,825	-	-	2,975	63,800
Friends of Cathedral Music - Unrestricted permanent endowment fund	27,976	-	-	1,369	29,345
Morton Bursary - Restricted expendable endowment fund	<u>22,377</u>	<u>-</u>	<u>-</u>	<u>1,095</u>	<u>23,472</u>
Total endowment funds	<u>111,178</u>	<u>-</u>	<u>-</u>	<u>5,439</u>	<u>116,617</u>
Restricted funds:					
Cross Guild Educational Grants	2,000	-	-	-	2,000
Morton Bursary - Musical studies for young choristers	<u>-</u>	<u>960</u>	<u>(960)</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>2,000</u>	<u>960</u>	<u>(960)</u>	<u>-</u>	<u>2,000</u>
Unrestricted funds:					
General funds	<u>135,487</u>	<u>115,802</u>	<u>(120,083)</u>	<u>6,925</u>	<u>138,131</u>
Total Funds	<u>248,665</u>	<u>116,762</u>	<u>(121,043)</u>	<u>12,364</u>	<u>256,748</u>

Endowment Funds and Restricted Income Funds

Endowment funds are those funds which must be retained for the benefit of the charity as a capital fund.

Where the trustees must permanently maintain the whole of the fund it is referred to as a permanent endowment. In instances where the trustees have a power of discretion to convert endowed capital into income the fund is referred to as an expendable endowment.

The endowed Funds comprise the Francis Neilson Trust and the legacy from the Estate of Miss Kathleen Jackson deceased.

**Notes to the Financial Statements
for the year ended 30th September 2018**

13. Movement in funds (continued)

Endowment Funds and Restricted Income Funds (continued)

The unrestricted endowment fund represents an amount gifted by the 'Friends of the Cathedral Music' together with various unrestricted funds transferred from the Cathedral Foundation during the year. The income generated from this fund is available for the general use of the charity.

The restricted endowment fund relates to the Morton Bursary. The income generated by this fund is restricted for the benefit of assisting young choristers in their musical studies.

Contributions have been specifically received towards the cost of the choir tour to the United States.

Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

**14. Analysis of net assets
between funds**

	Unrestricted £	Restricted £	Endowment £	Total £
Investments	141,650	-	120,915	262,565
Current assets	23,760	2,000	-	25,760
Creditors: amounts falling due within one year	<u>(8,476)</u>	<u>-</u>	<u>-</u>	<u>(8,476)</u>
Total Funds	<u>156,934</u>	<u>2,000</u>	<u>120,915</u>	<u>279,849</u>

Comparative information in respect of the preceding period is as follows:

	Unrestricted £	Restricted £	Endowment £	Total £
Investments	115,396	-	116,617	232,013
Current assets	98,168	2,000	-	100,168
Creditors: amounts falling due within one year	<u>(75,433)</u>	<u>-</u>	<u>-</u>	<u>(75,433)</u>
Total Funds	<u>138,131</u>	<u>2,000</u>	<u>116,617</u>	<u>256,748</u>

**Notes to the Financial Statements
for the year ended 30th September 2018**

15. Contingencies And Commitments

There were no contingent liabilities or financial commitments at 30th September 2018 or 30th September 2017.

16. Related Party Transactions

The Dean of Liverpool is a member of the Chapter, being the administrative body of Liverpool Cathedral. Neil Ashbridge is the Chair of the Cathedral Finance Committee and Lee Ward is the Director of Music.

Grants paid to Liverpool Cathedral during the year amounted to £64,383 (2017 £24,659).

17. Trustees' Expenses

None of the trustees received any remuneration or benefits from the charity during the period. The total amount of reimbursed expenses was £Nil (2017 - £Nil).

18. Ultimate Controlling Party

In the trustees opinion the trust has no ultimate controlling party.