

THE TEMPLE MUSIC FOUNDATION

A company limited by guarantee

Financial Statements

For the year ended 31st December 2019

Registered Company No 4594413

Registered Charity No 1095141

The Temple Music Foundation
Financial statements for the year ended 31st December 2019

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Report of the trustees

Profile of the charity

Governing instrument: Memorandum and Articles of Association dated 10th September 2002 and amended by Special Resolution dated 24 June 2011

Directors:	Guy Beringer QC CBE (Chair)	Penny Jonas
	Katie Bradford	Michael McLaren QC
	The Rt Hon Sir Christopher Clarke	The Hon Sir Martin Spencer
	The Hon Philip Havers QC	Daniel Toledano QC
	Rosamund Horwood-Smart QC	Robert Venables QC

The directors of the company are also trustees of the charity and are referred to throughout this report as "trustees". The charitable company is referred to as the "charity".

Registered Office: The Treasury Office
Inner Temple
London EC4Y 7HL

Independent Examiner: David Wheeler F.C.C.A.
Braidwood Wheeler & Co
Chartered Certified Accountants
Goodman House, 13a West Street
Reigate
Surrey RH2 9BL

Bankers: Royal Bank of Scotland
St Paul's Branch
London EC4M 7EJ

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions 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 United Kingdom and Republic of Ireland (FRS102) (effective 1st January 2015).

Objective of the charity

The promotion of public appreciation and understanding of music by assisting in any way the performance of music for the benefit of the public or any section of the public and in particular the public performance of choral music in the Temple Church London.

The trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The trustees further confirm that the activities of the charity are carried out, in line with its objects, for the public benefit.

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Report of the trustees (continued)

Trustee Recruitment and Training

Because of the charity's close links with The Honourable Society of the Inner Temple and The Honourable Society of the Middle Temple ("the Inns"), trustees are recruited primarily from the members of the judiciary and the Bar. Selection is made by the board on the basis of the particular skills that putative trustees can offer.

Review of progress and achievements

The charity produced twenty events during 2019 including performances by The Temple Church Choir, The Sixteen, Iestyn Davies and The Belcea Quartet, an organ recital series, four concerts in the Temple Song Series and a performance of The Messiah. The programme attracted large audiences and was supported by a great many generous donors, sponsors and underwriters.

Temple Church Choir

Donations for 2019 of £102,560 (2018: £87,752) were received from the Inns and from the Temple Music Trust to promote the Choir's non-liturgical activities including concerts, broadcasts, recordings, training and tours. The figure of £102,560 includes a donation of £10,000 received from the Temple Music Trust in 2020, relating to 2019.

Concerts, recordings and other activities generated revenue of £18,237 (2018: £26,793) and expenditure of £98,986 (2018: £99,319) i.e. a net cost of £80,749 (2018: £72,526). Combined with the donations of £102,560, the Choir Fund generated a surplus for 2019 of £21,811.

Future Plans, Including the Impact of Coronavirus

In May 2020, as a result of the Covid-19 pandemic, the charity donated £25,000 to the Temple Church for the support of singers and other musicians associated with the Temple Church Choir who were facing hardship. The charity was also able in 2020 to contribute additional sums towards choir-related expenditure incurred by the Temple Church including singing lessons and organ maintenance.

In addition to supporting the Temple Church Choir, several concerts scheduled for 2020 were cancelled due to the Covid-19 pandemic. The charity offered refunds to all ticket holders and is extremely grateful to those who generously agreed to make a donation instead. A limited programme is planned to resume in October 2020. The intention is for concerts to revert to a similar scale as in 2019 as soon as circumstances allow.

The charity has also undertaken a major re-design of its website at a cost of £16,500, part of which (£4,950) was incurred in 2019 and has been capitalised. The website went live in August 2020 (www.templemusic.org).

Financial Review

The charity had income of £321,083 (2018: £311,022) and expenditure of £286,069 (2018: £285,848) resulting in a surplus of £35,014 (2018 surplus: £25,174). There was an unrealised gain on investments of £316 (2018 loss: £22), resulting in a net increase in funds of £35,330 (2018 increase: £25,152). As in previous years, costs have remained under tight control and fundraising has been successful. In total, the charity's reserves have therefore increased from £202,289 to £237,619.

The 2019 surplus of £35,330 comprises a surplus of £13,519 on the charity's general concert programme and £21,811 on the non-liturgical activities of the Temple Church Choir, which the charity took over at the start of 2018.

Grant Making Policy

The charity's policy is to make grants to support the musical education and activities of the Temple Church Choir.

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Report of the trustees (continued)

Reserves policy

At 31 December 2019 the charity's reserves were £237,619 (2018: £202,289) of which £180,351 was held in the General Reserve and £57,268 in the Choir Fund Reserve. As mentioned above, the Choir Fund Reserve was partially utilised in 2020 to support the Choir during the Covid-19 pandemic. The trustees consider the charity holds an appropriate level of reserves to provide funding for activities during the remaining part of 2020 and to enable the charity to continue operating beyond that date.

Risk

As a general policy, the trustees review the risks to which the charity is exposed as part of the process of considering and planning all events and activities. The principal risk to which it is routinely exposed is that of security of funding. Consequently, no activities are undertaken unless funding is in place (either directly or through reserves) or arrangements for the underwriting of costs have been made.

The trustees paid particular attention in 2020 to the effects of cancelling concerts because of the pandemic and to the risks of re-starting concerts safely, despite the uncertainty over audience numbers and the availability of performers and venues.

Statement of trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Recognised Accountancy Practice).

Company and Charity laws require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of the surplus or deficit of the charity. In preparing those 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 UK accounting standards have been followed, subject to any natural 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 charitable company will not continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. 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.

The financial statements on pages 5 to 10 were approved by the trustees on 5 October 2020 and signed on their behalf:



Guy Beringer CBE, QC

Director and trustee

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE TEMPLE MUSIC FOUNDATION

I report on the accounts of the charity for the year ended 31 December 2019, which are set out on pages 5 to 10.

Responsibilities and basis of report.

The charity's trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act), and the Charities Act 2011 (the Act).

The charity's trustees consider that an audit is not required for this year under part 16 of the 2006 Act and that an independent examination is needed. The charitable company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.


I report in respect of my examination of the charitable company's accounts as required under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charities Commission under section 145 (5)(b) of the Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no 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. That the accounts do not accord with those records
3. That 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 the requirement that the accounts show 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.



Mr David Wheeler F.C.C.A.
Braidwood Wheeler & Co
Chartered Certified Accountants
Goodman House
13a West Street
Reigate
Surrey RH2 9BL

19 October 2020

The Temple Music Foundation

Financial statements for the year ended 31st December 2019

Statement of financial activities including the Income and Expenditure Account

Income and Expenditure

	Notes	General Fund £	Restricted Funds £	Choir Fund £	Total Funds 2019 £	2018 £
Income						
Donations and similar income	1 (d)	81,918	43,194	102,560	227,672	206,633
Income from charitable activities						
Concerts		74,604	-	18,237	92,841	104,017
Investment income		570	-	-	570	372
Total income		<u>157,092</u>	<u>43,194</u>	<u>120,797</u>	<u>321,083</u>	<u>311,022</u>
Expenditure						
Costs of raising funds		36,395	-	10,770	47,165	35,933
Charitable activities:						
Concerts		106,194	43,194	88,216	237,604	248,715
Grants		-	-	-	-	-
Governance costs		<u>1,300</u>	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>1,200</u>
Total expenditure	2	<u>143,889</u>	<u>43,194</u>	<u>98,986</u>	<u>286,069</u>	<u>285,848</u>
Net income / (expenditure) before other recognised gains / (losses)		<u>13,203</u>	<u>-</u>	<u>21,811</u>	<u>35,014</u>	<u>25,174</u>
Other recognised gains / (losses)						
Gains and (losses) on investment assets		<u>316</u>	<u>-</u>	<u>-</u>	<u>316</u>	<u>(22)</u>
Net movement in funds		<u>13,519</u>	<u>-</u>	<u>21,811</u>	<u>35,330</u>	<u>25,152</u>
Reconciliation of Funds						
Fund balances brought forward at 1 st January	9	166,832	-	35,457	202,289	156,906
Choir Fund transfer		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,231</u>
Fund balances carried forward at 31st December	9	<u>180,351</u>	<u>-</u>	<u>57,268</u>	<u>237,619</u>	<u>202,289</u>

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities. The notes on page 7 to 10 form part of these financial statements.

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Balance Sheet as at 31st December 2019

	Notes	Unrestricted Funds 2019 £	Choir Fund 2019 £	Total 2019 £	Total 2018 £
Fixed Assets					
Tangible Fixed Assets	4	6,825	3,854	10,679	7,742
Investments	5	5,656	-	5,656	5,340
		12,481	3,854	16,335	13,082
Current Assets					
Stock	6	-	2,791	2,791	3,973
Debtors	7	61,174	11,100	72,274	39,655
Cash at bank and in hand		201,118	40,534	241,652	255,202
		262,292	54,425	316,717	298,830
Creditors: amounts falling due within one year	8	94,422	1,011	95,433	109,623
Net current assets		167,870	53,414	221,284	189,207
Total assets less current liabilities		180,351	57,268	237,619	202,289
The Funds of the Charity:					
Total Funds	9	180,351	57,268	237,619	202,289

The trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and have confirmed that no notice has been deposited under Section 476 of the Act. The trustees have acknowledged their responsibilities for ensuring that the charity keeps accounting records which comply with Section 386 of the Act and for preparing accounts which give a true and fair view of the charity and of its surplus for the year then ended in accordance with the requirements of Section 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the accounts, so far as applicable to the charity.

The financial statements are prepared in accordance with the provisions of the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 5 to 10 were approved by the trustees on 5 October 2020 and signed on their behalf:



Guy Beringer CBE, QC

The notes on page 7 to 10 form part of these financial statements.

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Notes to the financial statements for the year ended 31st December 2019

Statutory information

The charity is registered in England and Wales as a company limited by guarantee, number 4594413. The registered office is at The Treasury Office, Inner Temple, London EC4Y 7HL.

1. Accounting policies

a) **Basis of preparing the financial statements**

The financial statements of the charity have been prepared in accordance with the Charities SORP (FRS102) "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 United Kingdom and Republic of Ireland (FRS102) (effective 1st January 2015)" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity constitutes a public benefit entity as defined by FRS102.

b) **Income**

Donations, interest and investment income are accounted for when receivable. Legacies are accounted for when received or otherwise if amounts are known with certainty.

c) **Expenditure**

Direct charitable expenditure comprises services supplied and activities undertaken, which are identifiable as wholly or mainly in support of the charity's objectives. Grants, prizes and scholarships are accounted for when awarded. Those costs shown as Governance relate to compliance with constitutional and statutory requirements. Costs of Generating Funds comprise fundraising costs. All support costs are allocated to musical events as those relating to grants are deemed negligible.

d) **Restricted Funds**

Donations received for a specific concert are reported as Restricted Funds.

e) **Choir Fund**

Following the transfer of responsibility for promoting the Temple Church Choir to the charity in 2018, funds brought forward at the start of the year and any surplus / deficit from activities undertaken during the year are reported as part of a segregated fund and may only be used for the benefit of the Choir.

f) **Investments**

Investments are reported at market value in accordance with the Charities SORP. See Note 5.

g) **Fixed Assets**

Office equipment and software are depreciated at a rate of 25% on cost per year. The piano is depreciated at 5% on cost per year.

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Notes to the financial statements for the year ended 31st December 2019 (continued)

2. Expenditure

	General Fund	Restricted Fund	Choir Fund	2019 £	2018 £
Charitable activities					
Costs of mounting concerts					
Direct costs of concerts	46,199	43,194	88,216	177,608	180,215
Support costs	59,995	-	-	59,995	68,500
	106,194	43,194	88,216	237,604	248,715
Governance costs					
Independent Examiner's remuneration	1,300	-	-	1,300	1,200

3. Trustees

None of the trustees received any reimbursement of expenses or remuneration for their services during the year.

4. Tangible Fixed Assets

	Equipment £
Cost at 1 January 2019	11,994
Additions	4,950
Cost at 31 December 2019	16,944
Depreciation at 1 January 2019	4,252
Charge for the year	2,013
Depreciation at 31 December 2019	6,265
Net book value at 31 December 2019	10,679

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Notes to the financial statements for the year ended 31st December 2019 (continued)

5. Investments

	2019 £	2018 £
130 shares in Unilever plc (donated in 2008)	5,656	5,340
	<u>5,656</u>	<u>5,340</u>

The statement of financial activities shows a recognised gain on the revaluation of investment assets of £316 (2018 loss: £22).

6. Stock

	2019 £	2018 £
CD Recordings (Choir Fund)	3,391	4,573
Provision for slow-moving stock	(600)	(600)
	<u>2,791</u>	<u>3,973</u>

7. Debtors

	2019 £	2018 £
Trade debtors	38,560	9,221
Prepayments	4,599	2,298
Accrued income (Choir Fund)	11,100	12,246
Other	18,015	15,890
	<u>72,274</u>	<u>39,655</u>

8. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	46,342	58,420
Accruals (of which, Choir Fund: £1,011)	5,204	3,808
Deferred income	37,377	26,594
Other creditors	6,510	20,801
	<u>95,433</u>	<u>109,623</u>

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Notes to the financial statements for the year ended 31st December 2019 (continued)

Deferred income relates to sponsorship income, ticket sales, donations and similar relating to events that will take place in the following financial year. All amounts deferred are released to income in the following financial year.

9. Movement in Funds

	At 1.1.19 £	Net Movement in funds £	At 31.12.19 £
Unrestricted funds			
General Fund	166,832	13,519	180,351
Restricted funds			
Choir Fund	35,457	21,811	57,268
TOTAL FUNDS	<u>202,289</u>	<u>35,330</u>	<u>237,619</u>

10. Related Party Transactions

During the year, the charity received generous donations from its trustees, from third party trusts controlled by the trustees and from its Members amounting to £31,893 (2018: £25,702).

11. Commitments

At the year end, the charity had contractual commitments to expenditure of £11,550 in relation to the redesign of the website.