

THE TEMPLE MUSIC FOUNDATION

A company limited by guarantee

Financial Statements

For the year ended 31st December 2018

Registered Company No 4594413

Registered Charity No 1095141

The Temple Music Foundation
Financial statements for the year ended 31st December 2018

Contents

Report of the trustees	1
Report of the independent examiner	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7

The Temple Music Foundation
Financial statements for the year ended 31st December 2018

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 Penny Jonas
(Chairman) (appointed 16 March 2018)

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 31st December 2018. 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.

The Temple Music Foundation

Financial statements for the year ended 31st December 2018

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, 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 fifteen events during 2018 including performances by The Temple Church Choir and The Sixteen, three concerts by the Outcry Ensemble and four concerts in the Temple Song Series. The programme attracted large audiences and was supported by a great many generous donors, sponsors and underwriters.

Temple Church Choir

The Honourable Society of the Inner Temple and the Honourable Society of the Middle Temple ("the Inns") agreed with the charity at the start of 2018 that it should take over responsibility from the Temple Church as the promoter of the Temple Church Choir's non-liturgical activities including concerts, broadcasts and recordings and for musical events in the Temple Church. Initial funds of £20,231 were received from the Temple Church. Further grants amounting to £87,752 were received from the Inns and from the Temple Music Trust during 2018 to fund the Choir's non-liturgical activities during the year. Net expenditure on concerts, recordings and broadcasts was £72,526 comprising income from ticket and CD sales of £26,793 and gross costs of £99,319. As a result, the accumulated reserves of the Choir Fund were £35,457 at the end of December 2018. Monies are reported in a segregated fund.

Future Plans

The plans for 2019 are on a similar scale to 2018. The charity will continue to offer audiences a full programme of concerts, maintaining the wide range and exceptional quality of previous years.

Financial Review

The charity had income of £311,022 (2017: £198,689) and expenditure of £285,848 (2017: £190,017) resulting in a surplus of £25,174 (2017 surplus: £8,672). There was an unrealised loss on investments of £22 (2017 gain: £1,094), resulting in a net increase in funds of £25,152 (2017 increase: £9,766). As in previous years, costs have remained under tight control and fundraising has been successful. Including the initial transfer of funds from the Temple Church of £20,231, the charity's reserves have therefore increased from £156,906 to £202,289.

Grant Making Policy

The charity's policy is to make grants to support the musical education of the boy choristers of the choir of the Temple Church.

Reserves policy

At 31 December 2018 the charity's reserves were £202,289 (2017: £156,906). The trustees considered this an appropriate level to provide funding for activities during 2019. It is intended that sufficient reserves should be retained at the end of 2019 to enable the charity to continue operating beyond that date.

Risk

The trustees review the risks to which the charity is exposed as part of the process of considering and planning all events and activities. As with all charities of a similar nature, the principal risk to which it is 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 Temple Music Foundation
Financial statements for the year ended 31st December 2018

Report of the trustees (continued)

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 judgments 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 25 September 2019 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 2018, 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

25 September 2019

The Temple Music Foundation
Financial statements for the year ended 31st December 2018

Statement of financial activities including the Income and Expenditure Account

Income and Expenditure

	Notes	General Fund £	Restricted Funds £	Choir Fund £	Total Funds 2018 £	2017 £
Income						
Donations and similar income	1 (d)	65,275	53,606	87,752	206,633	106,313
Income from charitable activities						
Concerts		77,224	-	26,793	104,017	92,035
Investment income		372	-	-	372	341
Total income		142,871	53,606	114,545	311,022	198,689
Expenditure						
Costs of raising funds		25,853	-	10,080	35,933	28,498
Charitable activities:						
Concerts		105,870	53,606	89,239	248,715	160,519
Grants		-	-	-	-	-
Governance costs		1,200	-	-	1,200	1,000
Total expenditure	2	132,923	53,606	99,319	285,848	190,017
Net income / (expenditure) before other recognised gains / (losses)		9,948	-	15,226	25,174	8,672
Other recognised gains / (losses)						
Gains and losses on investment assets		(22)	-	-	(22)	1,094
Net movement in funds		9,926	-	15,226	25,152	9,766
Reconciliation of Funds						
Fund balances brought forward at 1 st January	8	156,906	-	-	156,906	147,140
Choir Fund Transfer		-	-	20,231	20,231	-
Fund balances carried forward at 31st December		166,832	-	35,457	202,289	156,906

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.

The Temple Music Foundation
Financial statements for the year ended 31st December 2018

Balance Sheet as at 31st December 2018

	Notes	Unrestricted Funds 2018 £	Choir Fund 2018 £	Total 2018 £	Total 2017 £
Fixed Assets					
Tangible Fixed Assets	4	3,680	4,062	7,742	5,636
Investments	5	5,340	-	5,340	5,362
		9,020	4,062	13,082	10,998
Current Assets					
Stock	6	-	3,973	3,973	-
Debtors	7	39,655	-	39,655	72,040
Cash at bank and in hand		227,780	27,422	255,202	201,963
		267,435	31,395	298,830	274,003
Creditors: amounts falling due within one year	8	109,623	-	109,623	128,095
Net current assets		157,812	31,395	189,207	145,908
Total assets less current liabilities		166,832	35,457	202,289	156,906
The Funds of the Charity:					
Total Funds	9	166,832	35,457	202,289	156,906

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 25 September 2019 and signed on their behalf:



Guy Beringer CBE, QC

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

The Temple Music Foundation

Notes to the financial statements for the year ended 31st December 2018

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 represent 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, initial funds 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.

The Temple Music Foundation

Notes to the financial statements for the year ended 31st December 2018 (continued)

2. Expenditure

	General Fund	Restricted Fund	Choir Fund	2018 £	2017 £
Charitable activities					
Costs of mounting concerts					
Direct costs of concerts	37,370	53,606	89,239	180,215	90,272
Support costs	68,500	-	-	68,500	70,247
	105,870	53,606	89,239	248,715	160,519
Governance costs					
Independent Examiner's remuneration	1,200	-	-	1,200	1,000

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 2018	7,827
Additions	4,167
Cost at 31 December 2018	11,994
Depreciation at 1 January 2018	2,191
Charge for the year	2,061
Depreciation at 31 December 2018	4,252
Net book value at 31 December 2018	7,742

The Temple Music Foundation

Notes to the financial statements for the year ended 31st December 2018 (continued)

5. Investments

	2018	2017
	£	£
130 shares in Unilever plc (donated in 2008)	5,340	5,362
	5,340	5,362

The statement of financial activities shows a recognised loss on the revaluation of investment assets of £22 (2017 gain: £1,094).

6. Stock

	2018	2017
	£	£
CD Recordings	4,573	-
Provision for slow-moving stock	(600)	-
	3,973	-

7. Debtors

	2018	2017
	£	£
Trade debtors	9,221	-
Prepayments	2,298	427
Accrued income	12,246	50,976
Other	15,890	20,637
	39,655	72,040

8. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	58,420	65,626
Accruals	3,808	18,227
Deferred income	26,594	37,623
Other creditors	20,801	6,619
	109,623	128,095

The Temple Music Foundation

Notes to the financial statements for the year ended 31st December 2018 (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 1.1.18 £	Transfer from Temple Church £	Net Movement in funds £	At 31.12.18 £
Unrestricted funds				
General fund	156,906	-	9,926	166,832
Restricted funds				
Choir Fund	-	20,231	15,226	35,457
TOTAL FUNDS	<u>156,906</u>	<u>20,231</u>	<u>25,152</u>	<u>202,289</u>

10. Related Party Transactions

During the year, the charity received donations from its trustees, from third party trusts controlled by the trustees and from its Members amounting to £25,702 (2017: £38,719).