

SALISBURY CATHEDRAL CHORAL FOUNDATION

REPORT OF THE TRUSTEE

AND

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2021

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SALISBURY CATHEDRAL CHORAL FOUNDATION

REGISTERED CHARITY NUMBER 1058899

Trustee: Salisbury Cathedral

Address: 6 The Close, Salisbury, SP1 2EF

Independent Examiner: James Fletcher
Crown Chambers, Bridge Street, Salisbury, SP1 2LZ

Solicitors: Parker Bullen
45 Castle Street, Salisbury, SP1 3SS

Bankers: Lloyds Bank plc
38 Blue Boar Row, Salisbury, SP1 1DB

Accountants: Fletcher & Partners, Chartered Accountants
Crown Chambers, Bridge Street, Salisbury, SP1 2LZ

SALISBURY CATHEDRAL CHORAL FOUNDATION
TRUSTEE'S REPORT
FOR THE YEAR ENDED 31st MARCH 2021

Legal Status

The Foundation is a registered charity number 1058899. It is regulated by a Deed of Trust dated 30 October 1996. Under the Trust Deed the Trustee of the Foundation is the Corporation of Salisbury Cathedral. The Trust Deed gives the Trustee complete discretion over the Foundation's investments.

Objectives and activities for the public benefit

The principal objective of the Charity is the promotion and enhancement of Church Music in Salisbury Cathedral. The Trustee has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Foundation achieves its objective by applying its income to assisting choristers with their fees at Salisbury Cathedral School and promoting the Cathedral choirs generally.

Funding Policies

The Foundation's published policy is to establish an endowment fund to provide income to enable it to provide scholarships and bursaries for Salisbury Cathedral choristers. Capital donations, which are made to the Foundation on this basis, are therefore added to the Endowment Fund.

Organisation

The Chapter of Salisbury Cathedral, as the executive body of the Corporate Trustee, meet from time to time as Trustee of the Foundation.

Trustee's Responsibility for the Preparation of Accounts

Charity Law requires the Trustee 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 its financial activities for that period. In preparing those financial statements the Trustee is required to:

- 1) Select suitable accounting policies and then apply them consistently.
- 2) Make judgements and estimates that are reasonable and prudent.
- 3) Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.
- 4) Prepare the accounts on the going concern basis unless it is inappropriate to assume that the Fund will continue to function.
- 5) Observe the methods and principles in the Charities SORP.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the Charities Act 2011, all current statutory requirements, the charities governing document, and the requirements of the revised statement of recommended practice. The Trustee is also responsible for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Investment Powers, Policy and Performance

The Trustee has the authority to invest the Trust Fund in the purchase of or at interest on the security of such stocks, funds, shares, securities or other investments or property of whatever nature and wherever situated as the Trustee in their absolute discretion think fit to the intent that the Trustee shall have the same full and unrestricted powers if investing and transposing investments as if they were beneficially entitled to the Trust Fund.

The Trustee's policy is to invest the Foundation's capital in charitable common investment funds, in a mixture of funds based on both equities and fixed-interest stocks. The objective is to obtain a relatively high level of income while still allowing for the possibility of capital growth, subject to a medium degree of risk.

In the 12 months to 31st March 2021 the Choral Foundation portfolio had a total return (income plus Capital) of 22.7%. This compares with returns from UK equities* of 24.3%, from overseas equities** of 39.4%, and from fixed interest*** of -5.7%.

Sources * MSCI UK Index; **MSCI World ex UK Index; ***Markit iBoxx £ Gilts Index

Trustee Remuneration and Expenses

Neither the Trustee nor any persons connected with them received any remuneration in the year.

SALISBURY CATHEDRAL CHORAL FOUNDATION
TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Risk Management

The Chapter has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate the charity's exposure to the major risks.

Our approach to Fundraising activities

The trustees are please to confirm the following:

- The fundraising approach taken by the charity is to raise funds from private donors or trusts to support the objectives of the foundation. Currently the trustees have no plans to retain a professional fundraiser or commercial participator to assist with these fundraising activities.
- The trustees are pursuing registration with the Fundraising Regulator and will look to adhere to the practice this body recommends in addition to adhering to guidance issued by the Charity Commission
- The trustees have had no incidents of failure by the foundation, or by any person acting on its behalf, to comply with fundraising standards.
- Since the trustees have not retained any person acting on its behalf no monitoring of fundraising activities by third parties is currently undertaken.
- The Trustees did not receive in the year reported any complaints received about its fundraising activity.
- The trustees seek to protect vulnerable people and other members of the public by adhering to good practice and working with the Cathedral by complying with data privacy requirements to ensure that future fundraising events will be safeguarded from behaviour which:
 - Is an unreasonable intrusion on a person's privacy
 - Is unreasonably persistent; and
 - Places undue pressure on a person to give money or other property

Review of Activities

The Choral Foundation continued to use its investment income to fund bursaries to support choristers at Salisbury Cathedral. During this financial year also provided support with a grant towards the chorister tutor.

Review of Financial Transactions and Position

During the year donations, legacies, voluntary contributions and investment income amounted to £48,149. A total of £53,350 was spent on scholarships and bursaries.

The endowment funds increased by £80,307, taking into account unrealised surpluses on investments, whilst the income funds increased by £8,725, reflecting the continuing support of the choristers. The Foundation's net assets at the end of the year totalled £769,575 of which £501,300 were held as endowed funds and is not available to spend.

Future Plans

The Foundation will continue to raise funds to provide chorister bursaries, to fund choir tours when these take place and to promote music in Salisbury Cathedral more generally.

Signed on behalf of the Trustee

.....
Chapter Clerk

Date: 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF
SALISBURY CATHEDRAL CHORAL FOUNDATION
FOR THE YEAR ENDED 31st MARCH 2021

I report to the Trustee on my examination of the accounts of the Charity for the year ended 31 March 2021, which are set out on pages 5 to 11.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's Trustee 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 Trustee's accounts carried out under section 145 of the 2011 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 2011 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 accord with 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.

James Fletcher FCA
Chartered Accountant
Fletcher & Partners
Crown Chambers
Bridge Street
Salisbury
SP1 2LZ

Date:

SALISBURY CATHEDRAL CHORAL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31st MARCH 2021

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
Income and endowments from:						
Donations and legacies		16,140	13,000	-	29,140	38,064
Fund-raising events		582	245	-	827	8,584
Investment income	2	2,357	15,825	-	18,182	18,818
Total income		<u>19,079</u>	<u>29,070</u>	<u>-</u>	<u>48,149</u>	<u>65,466</u>
Expenditure on:						
Costs of income generation						
Fundraising costs		-	-	-	-	1,347
Management Fees		770	-	5,201	5,971	5,379
		<u>770</u>	<u>-</u>	<u>5,201</u>	<u>5,971</u>	<u>6,726</u>
Charitable activities						
Scholarships and bursaries		-	53,350	-	53,350	53,233
Choir Tour		-	-	-	-	4,685
Chorister Tutor		18,000	-	-	18,000	-
Independent examination fee	3	-	440	-	440	360
		<u>18,000</u>	<u>53,790</u>	<u>-</u>	<u>71,790</u>	<u>58,278</u>
Total expenditure		<u>18,770</u>	<u>53,790</u>	<u>5,201</u>	<u>77,761</u>	<u>65,004</u>
Net income / (expenditure) before gains and losses on investments		309	(24,720)	(5,201)	(29,612)	462
NET GAINS/(LOSSES) ON INVESTMENTS						
Unrealised profits/(losses) on investments	4	12,386	-	85,508	97,894	3,077
Realised profits/(losses) on investments		-	-	-	-	-
Net income / (expenditure)		12,695	(24,720)	80,307	68,282	3,539
Transfers between funds	8	(4,019)	4,019	-	-	-
Net movement in funds		<u>8,676</u>	<u>(20,701)</u>	<u>80,307</u>	<u>68,282</u>	<u>3,539</u>
Fund balances at 1 April 2020		<u>162,223</u>	<u>118,077</u>	<u>420,993</u>	<u>701,293</u>	<u>697,754</u>
Fund balances at 31 March 2021		<u>£170,899</u>	<u>£97,376</u>	<u>£501,300</u>	<u>£769,575</u>	<u>£701,293</u>

SALISBURY CATHEDRAL CHORAL FOUNDATION
BALANCE SHEET
AS AT 31st MARCH 2021

	Note	31st March 2021	31st March 2020
FIXED ASSETS			
Investments	4	580,641	488,718
CURRENT ASSETS			
Debtors	5	33,043	12,469
Cash at bank		191,088	302,090
		<u>224,131</u>	<u>314,559</u>
CREDITORS: Amounts falling due within one year	6	35,197	101,984
NET CURRENT ASSETS		<u>188,934</u>	<u>212,575</u>
TOTAL NET ASSETS		<u><u>£769,575</u></u>	<u><u>£701,293</u></u>
Representing:			
ENDOWMENT FUNDS			
Scholarship and Bursary Fund capital		485,753	407,875
Music Commissioning Fund capital		15,547	13,118
		<u>501,300</u>	<u>420,993</u>
RESTRICTED FUNDS			
Scholarship and Bursary Fund income	8	77,758	103,212
Music Commissioning Fund income		15,354	14,865
Choir Tours Fund		4,264	-
		<u>97,376</u>	<u>118,077</u>
UNRESTRICTED FUNDS			
General Fund	9	170,899	162,223
		<u>170,899</u>	<u>162,223</u>
		<u><u>£769,575</u></u>	<u><u>£701,293</u></u>

Signed on behalf of the trustee
Chapter Clerk

Approved by Chapter: 2021

SALISBURY CATHEDRAL CHORAL FOUNDATION
NOTES TO THE ACCOUNTS
AS AT 31st MARCH 2021

1. ACCOUNTING POLICIES

a. Basis of accounting

The accounts have been prepared in accordance with the Charities Act 2011, the Statement of Recommended Practice on Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019).

Salisbury Cathedral Choral Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note.

b. Preparation of the accounts on a going concern basis

The charity is a grant making trust, with a significant investment portfolio and cash reserves. The charity has a low level of overheads and makes discretionary grants. The Trustee is confident that the charity is a going concern.

c. Investments

Investments are stated at market value and the unrealised gains arising in the year are credited to the funds in which the investments are held.

d. Income and expenditure

Income and expenditure are accounted for on the accruals basis. Liabilities are recognised when a legal or constructive obligation to transfer economic benefits arises as a result of past transactions or events. Scholarships and bursaries are accounted for at the start of the school term to which they relate.

e. Income tax

Income tax recoverable is accounted for at the same time as the related net income

f. Restricted and endowment funds

Moneys held on specific trusts, including permanent endowment, within the general objects of the Foundation, are identified separately and shown as restricted or endowment funds.

2. INVESTMENT INCOME

	31st March 2021	31st March 2020
Dividends on UK listed investments	18,182	18,818
	£18,182	£18,818

3. SUPPORT COSTS

Independent examination (governance)	440	360
	£440	£360

Support costs are incidental to the operation of the charity and are allocated to the Bursary and Scholarship Fund.

4. INVESTMENTS

	<u>General Fund</u>	<u>Scholarship and Bursary Fund</u>	<u>Music Commissioning Fund</u>	<u>Total</u>
Market value at 1 April 2020	63,287	412,183	13,248	488,718
Unrealised gains in year	12,386	82,918	2,590	97,894
Increase in cash held for investment	(770)	(5,040)	(161)	(5,971)
Market value at 31 March 2021	£74,903	£490,061	£15,677	£580,641
Cost at 31 March 2021	£48,150	£313,605	£10,080	£371,835
Cost at 31 March 2020	£48,150	£313,605	£10,080	£371,835

SALISBURY CATHEDRAL CHORAL FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31st MARCH 2021

4. INVESTMENTS (continued)	31st March	31st March		
	<u>2021</u>	<u>2020</u>		
The investment portfolio was made up as follows:				
CCLA	580,641	488,718		
	£580,641	£488,718		
 COMPARATIVE INVESTMENTS NOTE				
	General Fund	Scholarship and Bursary Fund	Music Commissioning Fund	Total
Market value at 1 April 2019	63,585	414,125	13,310	491,020
Additions	-	-	-	-
Disposals	-	-	-	-
Realised Gains	-	-	-	-
Unrealised gains in year	399	2,594	84	3,077
Increase in cash held for investment	(697)	(4,536)	(146)	(5,379)
Market value at 31 March 2020	£63,287	£412,183	£13,248	£488,718
Cost at 31 March 2020	£48,150	£313,605	£10,080	£371,835
Cost at 31 March 2019	£48,150	£313,605	£10,080	£371,835
 5. DEBTORS				
Salisbury Cathedral			19,375	-
Income tax recoverable			8,903	7,793
Sundry Debtors			4,765	4,676
			£33,043	£12,469
 6. CREDITORS: Amounts falling due within one year				
Salisbury Cathedral			-	77,206
Salisbury Cathedral School			34,067	-
Salisbury Cathedral Choristers Endowment Fund			-	23,688
Accruals			1,130	1,090
			£35,197	£101,984
 7. ENDOWMENT FUNDS				
	Bursary and Scholarship Fund Endowment	Music Commissioning Fund Endowment	Total	
			£	
Balance at 1 April 2020	407,875	13,118	420,993	
Realised Gain	-	-	-	
Unrealised gains	82,918	2,590	85,508	
Management fees	(5,040)	(161)	(5,201)	
Balance at 31 March 2021	£485,753	£15,547	£501,300	
Represented by:				
Investments	485,753	15,547	501,300	
	£485,753	£15,547	£501,300	

SALISBURY CATHEDRAL CHORAL FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31st MARCH 2021

7. ENDOWMENT FUNDS - COMPARATIVE NOTE

	Bursary and Scholarship Fund <u>Endowment</u>	Music Commissioning Fund <u>Endowment</u>	<u>Total</u>
Balance at 1 April 2019	409,817	13,180	422,997
Realised Gain	-	-	-
Unrealised gains	2,594	84	2,678
Management fees	(4,536)	(146)	(4,682)
Balance at 31 March 2020	<u>£407,875</u>	<u>£13,118</u>	<u>£420,993</u>
Represented by:			
Investments	407,875	13,118	420,993
	<u>£407,875</u>	<u>£13,118</u>	<u>£420,993</u>

8. RESTRICTED FUNDS

	Bursary and Scholarship Fund <u>Income</u>	Music Commissioning Fund <u>Income</u>	Choir Tours Fund	<u>Total</u>
				£
Balance at 1 April 2020	103,212	14,865	-	118,077
Income	28,336	489	245	29,070
Transfer from unrestricted funds	-	-	4,019	4,019
Expenditure	(53,790)	-	-	(53,790)
Balance at 31 March 2021	<u>£77,758</u>	<u>£15,354</u>	<u>£4,264</u>	<u>£97,376</u>

These funds consist of moneys held on specific trusts within the objects of the Foundation, as follows:

Scholarship and Bursary Fund - income of the Scholarship and Bursary Endowment Fund, which is to be used to pay for scholarships and bursaries for choristers;

Music Commissioning Income Fund - income of the Music Commissioning Endowment Fund, which is to be used to commission new music for use in Cathedral services;

Choir Tours Fund - donations specifically to assist with funding choir tours.

RESTRICTED FUNDS - COMPARATIVE NOTE

	Bursary and Scholarship Fund <u>Income</u>	Music Commissioning Fund <u>Income</u>	Choir Tours Fund	<u>Total</u>
				£
Balance at 1 April 2019	116,717	14,338	-	131,055
Income	19,863	527	3,674	24,064
Transfer from unrestricted funds	-	-	2,358	2,358
Expenditure	(33,368)	-	(6,032)	(39,400)
Balance at 31 March 2020	<u>£103,212</u>	<u>£14,865</u>	<u>£-</u>	<u>£118,077</u>

SALISBURY CATHEDRAL CHORAL FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
AS AT 31st MARCH 2021

9. UNRESTRICTED FUNDS

	<u>Balance at</u> <u>1st April 2020</u>	<u>Income</u>	<u>Expenditure</u>	<u>Gains/(losses)</u> <u>and transfers</u>	<u>Balance at</u> <u>31st March 2021</u>
					£
General fund	162,223	19,079	(18,770)	8,367	170,899
Total	<u>£162,223</u>	<u>£19,079</u>	<u>(£18,770)</u>	<u>£8,367</u>	<u>£170,899</u>

UNRESTRICTED FUNDS - COMPARATIVE YEAR

	<u>Balance at</u> <u>1st April 2019</u>	<u>Income</u>	<u>Expenditure</u>	<u>Gains/(losses)</u> <u>and transfers</u>	<u>Balance at</u> <u>31st March 2020</u>
					£
General fund	143,702	41,402	(20,922)	(1,959)	162,223
Total	<u>£143,702</u>	<u>£41,402</u>	<u>(£20,922)</u>	<u>(£1,959)</u>	<u>£162,223</u>

10. COVID-19 PANDEMIC

The charity is not significantly affected by the Covid-19 pandemic. The investment portfolio has performed well and the Trustee is able to take a long term view in determining the level of grants awarded in future years.

11. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

SALISBURY CATHEDRAL CHORAL FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31st MARCH 2020

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2020
Income and endowments from:				
Donations and legacies	32,466	5,598	-	38,064
Fund-raising events	6,508	2,076	-	8,584
Investment income	2	2,428	16,390	-
Total income	41,402	24,064	-	65,466
Expenditure on:				
Costs of income generation				
Fundraising costs	-	1,347	-	1,347
Management Fees	697	-	4,682	5,379
	697	1,347	4,682	6,726
Charitable activities				
Scholarships and bursaries	20,225	33,008	-	53,233
Choir Tour	-	4,685	-	4,685
Music & Medal Purchase	-	-	-	-
Independent examination fee	3	-	360	-
	20,225	38,053	-	58,278
Total expenditure	20,922	39,400	4,682	65,004
Net income / (expenditure) before gains and losses on investments	20,480	(15,336)	(4,682)	462
NET GAINS/(LOSSES) ON INVESTMENTS				
Unrealised profits/(losses) on investments	4	399	-	2,678
Realised profits/(losses) on investments	-	-	-	-
Net income / (expenditure)	20,879	(15,336)	(2,004)	3,539
Transfers between funds	8	(2,358)	2,358	-
Net movement in funds	18,521	(12,978)	(2,004)	3,539
Fund balances at 1 April 2019	£143,702	£131,055	£422,997	£697,754
Fund balances at 31 March 2020	£162,223	£118,077	£420,993	£701,293

SALISBURY CATHEDRAL CHORAL FOUNDATION
DETAILED INCOME AND EXPENDITURE ACCOUNT
AS AT 31st MARCH 2021

	Year ended 31st March 2021		Year ended 31st March 2020	
	£	£	£	£
GENERAL FUND				
Income				
Legacy	5,000		5,000	
Donations	11,140		27,466	
Fundraising income	582		6,508	
Investment income	2,357		2,428	
	<u>19,079</u>		<u>41,402</u>	
Expenditure				
Music & Medal Purchase	-		-	
Grants to choristers	-		20,225	
Grant for chorister Tutor	18,000		-	
Management Fee	770		697	
	<u>18,770</u>		<u>20,922</u>	
(Deficit) / Surplus		309		20,480
BURSARY AND SCHOLARSHIP FUND				
Income				
Donations	13,000		4,000	
Investment income	15,336		15,863	
Expenditure				
Grants to choristers	53,350		33,008	
Management Fees	5,040		4,536	
Governance costs	440		360	
	<u></u>		<u></u>	
(Deficit) / Surplus		(30,494)		(18,041)
MUSIC COMMISSIONING FUND				
Income				
Legacy	-		-	
Donations	-		-	
Investment income	489		527	
	<u>489</u>		<u>527</u>	
Expenditure				
Purchase/commissioning of music	-		-	
Management Fees	161		146	
	<u></u>		<u></u>	
(Deficit) / Surplus		328		381
CHOIR TOURS FUND				
Income				
Donations	-		1,598	
Fundraising income	245		2,076	
Investment income	-		-	
	<u>245</u>		<u>3,674</u>	
Expenditure				
Fundraising expenses	-		1,347	
Costs of tours	-		4,685	
	<u></u>		<u>6,032</u>	
(Deficit) / Surplus		245		(2,358)
Surplus / (Deficit) on Income Funds		<u>(29,612)</u>		<u>462</u>