

Charity no: 1103159
Company no: 4851028

ARMONICO CONSORT LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

Year ended 31 July 2016

TUESDAY



A6546MK2

A20

25/04/2017

#231

COMPANIES HOUSE

ARMONICO CONSORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 July 2016

INDEX TO FINANCIAL STATEMENTS AND REPORTS

	Page
Legal and Administrative Information	1
Report of the Board of Trustees and Directors	2
Report of the Independent Examiner	8
Statement of Financial Activities	9
Statement of Total Recognised Gains and Losses	10
Balance Sheet	11
Notes to the Financial Statements	12-15

ARMONICO CONSORT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

For the year ended 31 July 2016

Status:

The organisation is a charitable company limited by guarantee (no. 4851028), incorporated on 30 July 2003 and registered as a charity (no. 1103159) on 13 April 2004.

The company was established under a Memorandum of Association which determined the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Directors and Trustees:

C R Monks (Chair)
R G Courtney – resigned 17 September 2015
J R Sampson
M J C Harbour CBE
J Boyden – appointed 18 December 2015

Registered Office:

2 New Street, Warwick, CV34 4RX

Independent Examiner

Michael Williams FCA
Flint & Thompson, 1325A Stratford Road, Hall Green, Birmingham B28 9HH

Bankers:

Lloyds TSB Bank PLC, 12 Swan Street, Warwick CV34 4BJ

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS

For the year ended 31 July 2016

The Board presents its report and the financial statements of the Charity for the year ended 31 July 2016. The Financial Statements have been prepared in accordance with the accounting policies set out on page 12 and 13 and comply with the Charity's Trust Deed and applicable law.

Structure, Governance and Management

Governing Document

Armonico Consort Limited is constituted as a company limited by guarantee and was incorporated on 30th July 2003. It is governed by a Memorandum and Articles of Association.

Recruitment and Appointment of the Board

Details of the Board, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who have served throughout the period are set out on page 1.

The selection and appointment of new Board members is determined by the Board in office at that time. This policy is based on a complementary age profile, knowledge of the Charity's areas of activity, general experience in management and also to provide skills complementary to the other members of the Board.

Organisation

The Board is responsible for the strategic overview and financial oversight of Armonico Consort Limited. Day to day management of the organisation's activities is in the hands of the Artistic Director and the team of five permanent staff members.

Risk management

The Board regularly reviews the major risks to which the charity is exposed - financial, reputational and organisational - and systems have been established to mitigate those risks. The development of a strategic plan which allows for the diversification of funding and activities has proved to be the correct way forward and the Board will be continuing on this path for the foreseeable future. Internal risks have been minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Our Objectives and Activities

Our charity's purposes are set out in the objects contained in the company's Memorandum of Association.

The objects of the Charity are to:

- Advance, improve, develop and maintain public education and appreciation of choral and orchestral music, primarily of the renaissance and baroque periods, by promoting or participating in public concerts.
- Encourage the musical education of young people by organising and participating in a schools educational programme

When considering the charity's activities, the Trustees are mindful of the Charity Commission's guideline on public benefit.

The charity continued to develop its activities and range of its operations during the period, whilst retaining a firm hold on costs. During the period, key new major partnerships were also developed with The Royal Albert Hall's education department, and Youth Music.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2016

Ensuring we Achieve our Aims

Each year we monitor our aims and objectives by evaluating the outcomes of our services provided to see if we are benefiting those who use them or have access to them.

Achievements and Performance – August 2015 – July 2016

Contrary to trends across the world of the arts, the trustees, staff and artists of Armonico Consort are proud that for six successive years the charity has grown both in breadth and quality of its provision and continued to make a financial surplus year on year. This puts the charity on a very strong footing to thrive long into the future.

In the report for year end July 2015, the charity set goals, both in terms of development and expansion, and in terms of financial growth. All of these were achieved.



Armonico Consort has continued to develop its work with performing partners, most notable in increasing the number of large scale concert hall partnerships and larger scale performances. Audiences have continued to expand and Armonico Consort has continued to achieve a surplus in our concert work. With 46 performances at increasingly high profile venues and almost daily radio broadcast on national stations, added to some significant 4 and 5 star national reviews, with more advance bookings for concerts than in previous years, there is a strong sense of confidence for the future. Most significantly, concert bookings for 2 years in advance are currently 300% higher than at a similar stage in previous years. We are now working at developing our status as 'Baroque Group in Residence' alongside major symphony orchestras at our major concert partner venues.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2016

Armonico Consort has held back further expansion of our hub relationships to go through a period of stabilisation and growth of our own high quality workshop leaders. Most significantly, this has included a brand new partnership with the Music Faculty of the University of Cambridge where we are training some of the MMus choral conducting students to be high quality youth choir leaders of the future.

We are continuing our contractual relationships with Solihull, Coventry, Worcestershire, Telford and Wrekin and with the 'Soundstorm' hub in the Bournemouth and Poole areas of Dorset. This is in addition to informal partnerships with hubs across London. At the heart of these partnerships is Armonico Consort's unique delivery package, based around choir creation and training teachers as choir leaders. On the basis of the investment received from the hubs, the charity is able to attract further match-funding which increases considerably the scale of the provision we are able to offer. This is possible because of the way the business model is structured and the number of partners willing to match-fund our work.

When the board of trustees is confident of our ability to expand further, we will look at new partnerships focusing on areas of the UK where we have the most significant concert hall partnerships. It is expected that this strategic expansion will happen during the year 2017 - 2018.

Armonico Consort has continued to act as its own agent. This has proved to be a very wise decision seeing both an increase in the number and quality of bookings. This has enabled us to improve further the conditions which the musicians work, enabling us to work to even higher standards with an increased number of rehearsals. New releases on the Signum label were greeted by very positive reviews in all the national papers, which then led to an avalanche of bookings for the following season. AC continues to develop unique programmes working with young and emerging artists, identifying new talent especially.

A project with Nicola Benedetti saw her undertake a Masterclass, with school children attending a hugely inspirational open rehearsal and question/answer session. It is Armonico Consort's intention to do this in all similar future rehearsals where circumstances allow.

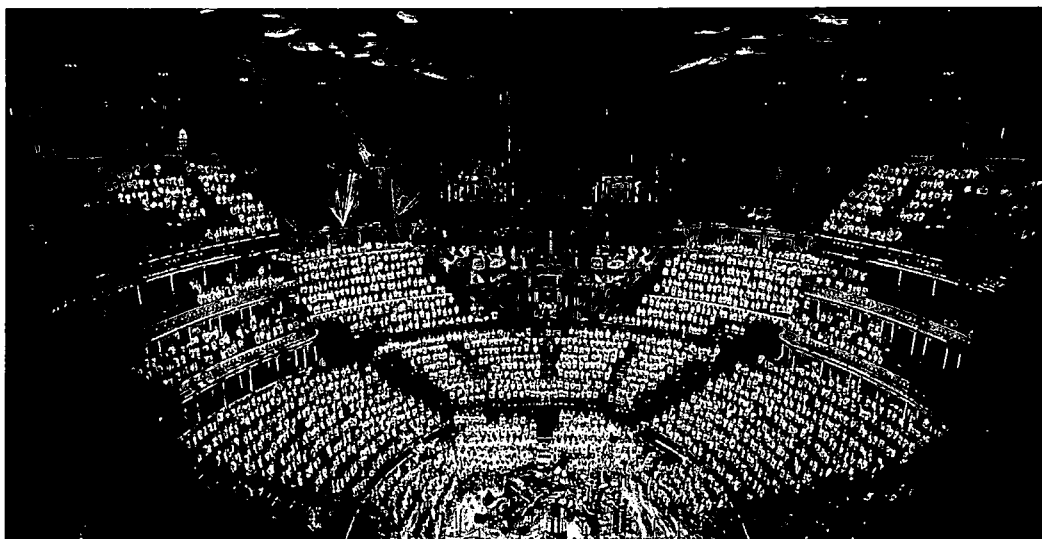
AC ACADEMY

The delivery of the Consort's AC Academy education outreach programme has expanded significantly across the UK during the period, and is now focused on creating 300 new children's choirs and training 300 teachers as choir leaders by 2020. The Royal Albert Hall Gala concert in June 2016 marked a half-way point, and 50 of these choirs provided over 2000 singers in a spectacular performance to a full house. A video of this can be seen on our website www.armonico.org.uk

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2016



Armonico Consort continues to develop its programme of workshops for children and young people with special educational needs (SEN). As part of this programme, AC Academy's specialist workshop leaders work with children with moderate to severe learning disabilities, physical and/or sensory impairments to create original music and lyrics as part of a fully staged musical entertainment with songs composed by the children themselves. One such song, written collaboratively with the children and based on their experiences and interests, was then arranged for a band of West End players and the participating children performed this song at our gala celebration concert at the Royal Albert Hall in June 2016. The 2000 children from the mainstream choir creation programme had specially written backing vocals, and the audience also had a part to join in, so that at one point, we had around 5000 people singing a song composed by 40 of our SEN project participants, some of whom are ordinarily unable to fully express themselves. The children from mainstream schools who took part commented that this was their favourite moment in the concert, so we are pleased to have played a part in breaking down barriers between our beneficiaries.

AC Academy is currently undergoing a period of development, recruitment and training of new workshop leaders, partly in partnership with the University of Cambridge MMus Choral Conducting Course. Once completed, this will enable us to take on a period of significant expansion of our work with hub partners across the UK.

To date, over 170,000 children have benefited from the education outreach of the charity, and every year over 15,000 children benefit from the AC Academy education outreach programme.

Fundraising

Armonico Consort now has more than 300 different sources of income, which the trustees feel is a great strength. One notable area of increased giving is philanthropic support from individuals for artistic projects, in line with the USA model. The President's Circle and Artistic Ambassadors have been great supporters in this area. Sir John Egan (formerly Chief Executive of Jaguar and of BAA plc.) continues as Armonico Consort's President. Concert sponsorship has again increased during this period.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2016

The appointment in March 2015 of a new position of Director of Strategy and development has proved to be a very wise one, with the results being a far more intelligent and strategic distribution of the resources of the charity, achieving a far greater impact on its beneficiaries. It has also enabled us to engage in negotiations with partners on far longer term because of the clearer longer term picture we hold of our outreach. This has moved the charity's approach away from the pursuit of multiple smaller donations from trust funders, and towards a more focussed emphasis on strategic projects and the development of the Consort's administrative and other systems. This should make the organisation ready for greater levels of strategic funding in the future. In the period, there was a small drop in income from smaller trust funders, but this was compensated for by a greater level of confidence from larger funders in our readiness to deliver.

Aside from a previous grant from Arts Council England carrying over into this financial year, Armonico Consort did not have any significant income from Arts Council England. The trustees have previously made a conscious decision not to apply for National Portfolio status with Arts Council England because it was felt too constraining in the terms of our being able to expand further over the four year period, in that Portfolio status limits the ability of the charity to apply for project-focussed "Grants for the Arts" funding. The Trustees will be reconsidering this for the next round of National Portfolio Organisation applications.

The impact of the organisational review undertaken in the previous financial year continues to have a very positive impact on the quality and effectiveness of the charity's delivery, whilst also managing to keep the running costs of the charity down to 20% of income. The number of regular volunteers supporting the charity's work has increased to more than 50, enabling the staff to concentrate on the more strategic management of the charity. Armonico Consort continues to outsource production management as that is still seen as the most cost efficient way of running operas.

Plans for the Future

- The further development and increase in number of partnerships with major concert halls across the UK.
- The further development of a touring programme for the choir and orchestra across Europe and the US.
- The creation of an AC Opportunities scheme for young aspiring professional singers.
- The development and increase in number of the formal hub partnerships across the UK.
- The recruitment and training process for new workshop leaders in partnership with Cambridge University, and the MMus choral conducting course.
- To research and develop new and innovative concert programmes and ways in which to perform them.
- To research and develop new ways to deliver our AC Academy programme.

Financial Review

In 2008, owing to the sudden downturn in the economic climate, many grant pledges were withdrawn for work to which we were committed. In addition, loans to pump-prime key elements of our education strategy had been taken out, which also affected our balance sheet. However, since this time, our performance and education work has not been detrimentally affected, due to strong guidance and leadership from our board of trustees, and we are pleased to report that this debt has now been dramatically reduced.

The Statement of Financial Activities for the year is set out on page 9 of the financial statements. Over the period we made a surplus of £27,154 (2015 £40,014 as restated). The deficit of £270,000 in 2009 has now been reduced to £24,735 and at the time of writing this report (October 2016, the balance sheet was positive (+£22,500)), and no further debts held. We expect this recovery and growth to continue.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2016

All of the debt built up in previous years has now been restructured into low or zero interest long-term loans and repayment plans for this debt are in place.

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

Reserves

On the basis that the initiatives outlined in the Board's report are realised, in the opinion of the Board the charity's available assets and future funding are adequate to fulfil the objects of the charity and its plans for the foreseeable future.

Approval

This Report was approved by the Board of Directors and Trustees on 2 March 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C R Monks', written over a dotted line.

C R Monks -Chair

ARMONICO CONSORT LIMITED

REPORT OF THE INDEPENDENT EXAMINER
For the year ended 31 July 2016

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ARMONICO CONSORT LIMITED

I report on the accounts of the Charity for the period ended 31 July 2016 which are set out on pages 9 to 15.

Respective responsibilities of Trustees and Examiner

The trustees (who are also 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 2011 Act) and that an independent examination is needed.

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 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Review

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 are kept in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the methods and principals of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave 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.

 M D WILLIAMS

M D Williams FCA
Chartered Accountant
1325a Stratford Road
Hall Green
Birmingham B28 9HH

Date: 3 March 2017

ARMONICO CONSORT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

For the year ended 31 July 2016

Incoming Resources	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 As restated £
Incoming resources from generated funds:					
Voluntary income					
Grants - charitable foundations		75,738	98,559	174,297	117,307
Donations and legacies		34,548	9,620	44,168	75,910
Incoming resources from charitable activities:					
Concert and workshop income		283,422	132,315	415,737	345,084
Subscriptions		7,586	-	7,586	5,952
Merchandising income		9,254	-	9,254	5,444
Total Incoming Resources		410,548	240,494	651,042	549,697
Resources expended	2				
Costs of generating funds:					
Fundraising and donations		13,619	-	13,619	45,981
Charitable activities					
Concert and workshop		355,238	250,519	605,757	458,381
Governance costs		4,512	-	4,512	5,321
Total Resources Expended		373,369	250,519	623,888	509,683
Net Income Resources/(Resources Expended)		37,179	(10,025)	27,154	40,014
Fund balances brought forward at 1 August 2015		(61,914)	10,025	(51,889)	(91,903)
Fund balances carried forward at 31 July 2016		(24,735)	-	(24,735)	(51,889)

The statement of financial activities includes all gains and losses in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 12 to 15 form part of these financial statements.

ARMONICO CONSORT LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 July 2016

	2016	2015 As restated
	£	£
SURPLUS FOR THE FINANCIAL YEAR	<u>27,154</u>	<u>40,014</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	27,154	<u>40,014</u>
Prior year adjustment	Note 5	
	<u>10,000</u>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>37,154</u>	

ARMONICO CONSORT LIMITED

BALANCE SHEET At 31 July 2016

Company Number: 4851028

	Note	2016	2015 As restated
		£	£
Fixed Assets			
Tangible Fixed Assets	6	10,002	10,002
Current Assets			
Stock	7	7,230	3,500
Debtors	8	17,628	26,139
Cash at bank and in hand		53,544	34,389
		<u>78,402</u>	<u>64,028</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	106,639	107,919
Net Current Liabilities		<u>(28,237)</u>	<u>(43,891)</u>
Total Assets less Current Liabilities		(18,235)	(33,889)
Creditors: amounts falling due after more than one year	11	(6,500)	(18,000)
Net Liabilities		<u>(24,735)</u>	<u>(51,889)</u>
Funds			
Unrestricted Funds		(24,735)	(61,914)
Restricted Funds		-	10,025
Total Funds	13	<u>(24,735)</u>	<u>(51,889)</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 July 2016.

The board have not required the company to obtain an audit of its financial statements for the period ended 31 July 2016 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for;

- Ensuring that the company keeps accounting records which comply with sections 386 to 387 of the Companies Act 2006 and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as of the end of each financial year in accordance with requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

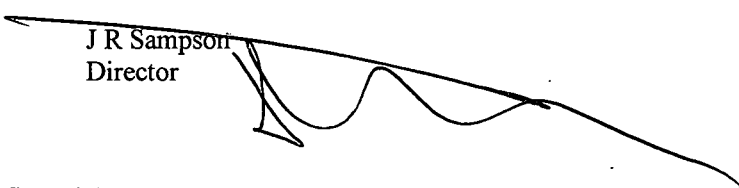
The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the trustees/directors on 2 March 2017 and were signed by:

C R Monks
Director



J R Sampson
Director



The notes on pages 12 to 15 form part of these financial statements

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2016

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard for Smaller Entities. In preparing the Financial Statements the Charity follows best practice as laid down in the Statement of Recommended Practice, (SORP) – “Accounting and Reporting by Charities” and the Charities Act 2011.

(b) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

(c) Fund accounting

General Funds are unrestricted funds which 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.

Designated Funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Investment income and gains are allocated to the appropriate fund.

(d) Incoming resources

Voluntary income including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Grants are matched to the expenditure to which they relate.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received from the staging of concerts, members' subscriptions and sale of merchandise.

Income from legacies is included in incoming resources when received.

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

ARMONICO CONSORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 July 2016

(f) **Tangible Fixed Assets**

Tangible fixed assets except Set costs are depreciated on a straight line basis over their estimated useful lives as follows:

Furniture and equipment 25% per annum

The net book value of Set costs is reviewed annually and depreciated appropriately.

(g) **Stock**

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value.

(h) **Lease Commitments**

Payments made under an operating lease agreement are written off in the period to which they relate.

2 Analysis of Total Resources Expended

	<u>Staff Costs</u> £	<u>Other Direct Costs</u> £	<u>Depreciation</u> £	<u>2016 Total</u> £	<u>2015 Total</u> <u>As restated</u> £
Charitable Expenditure					
Concert and workshop	90,546	402,868	-	493,414	370,826
Support costs	60,234	55,472	-	115,706	108,240
Grants and fundraising	11,093	-	-	11,093	36,404
Governance costs	-	3,675	-	3,675	4,213
Total for charity	161,873	462,015	-	623,888	509,683

Resources Expended

Governance costs include:

Independent Examiner's Fee

3,600 3,600

Accountancy and other services

75 613

Operating lease rentals – Land
and buildings

9,600 9,600

3 Staff costs

Staff costs were as follows:

Salaries and wages

151,940 116,920

Social security costs

9,933 7,984

Total

161,873 **124,904**

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows;

	<u>2016</u> <u>No</u>	<u>2015</u> <u>No</u>
Administration and support	4	4
Fundraising	<u>1</u>	<u>1</u>
	<u>5</u>	<u>5</u>

No employee received more than £60,000 during the year.

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **For the year ended 31 July 2016**

4. Trustees' remuneration and expenses

No member of the Board of Trustees received any remuneration and expenses during the year.

5. Prior year adjustment

The company has capitalised set costs that were previously included in Charitable Activities expenses.

6. Tangible Fixed Assets

Cost or valuation

At 31 July 2015

Additions

At 31 July 2016

Furniture & Equipment

£

14,337

-

14,337

Depreciation

At 31 July 2015

Charge for the year

At 31 July 2016

4,335

-

4,335

Net book value

At 31 July 2016

10,002

At 31 July 2015

10,002

7. Stock

2016

**2015
as
restated**

£

£

Compact Discs for resale

7,230

3,500

8. Debtors: amounts falling due within one year

2016

**2015
as
restated**

£

£

Other debtors

17,550

26,061

Prepayments and accrued income

78

78

17,628

26,139

9. Creditors: amounts falling due within one year

2016

**2015
as
restated**

£

£

Other creditors

77,539

50,491

Bank overdraft

1,657

34,073

Unsecured loans

11,500

10,000

Social security and other taxes

4,240

2,275

Accruals & deferred income

11,703

11,080

106,639

107,919

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 July 2016

10. Operating lease commitments

The following operating lease payments are committed to be paid within one year:-

	2016 £	2015 as restated £
Expiring:-		
Within one year: land and buildings	4,800	-
Within two to five years land and buildings	<u>9,900</u>	<u>9,600</u>

11. Creditors: amounts falling due after more than one year

	2016 £	2015 as restated £
Unsecured loans repayable within five years	<u>6,500</u>	<u>18,000</u>

The unsecured loans bear interest at a current maximum of 3% over Bank of England base rate calculated on a monthly basis.

12. Secured Debts

	2016 £	2015 as restated £
The following secured debts are included within creditors:		
Bank loan and overdraft	<u>1,657</u>	<u>34,073</u>

13. Movements in funds

	At 1 August 2015 as restated £	Income £	Expenditure £	At 31 July 2016 £
Unrestricted Fund:				
General Reserve	(61,914)	410,548	373,369	(24,735)
Restricted Funds:				
Grants Receivable	10,025	240,494	250,519	-
Total Funds	<u>(51,889)</u>	<u>651,042</u>	<u>623,888</u>	<u>(24,735)</u>

The accounting policies at Note 1(c) describe the basis of fund accounting.

14. Related Party Transactions

Mrs C R Monks is Chair of the Board of Trustees and is the wife of Mr C Monks, the Artistic Director. During the year Cherry Street Productions Limited, of which Mr Monks is a director and controlling shareholder, provided services to the value of £52,591. At 31 July 2016 Cherry Street Productions Limited was owed £26,418, which is included in Other Creditors under usual trading terms. Mr Monks was paid a salary in his capacity as Artistic Director of £25,000 during the year.

15. Going concern

The accounts have been prepared on a going concern basis. This assumes that the anticipated cashflows from fundraising, educational and concert activities will be realised and financial support at the level required will continue from the charity's bankers, other lenders and creditors.