THE ROYAL SCHOOL OF CHURCH MUSIC

Report of Council and Accounts

for the year ended

31 December 2019

Founded by Sir Sydney Nicholson in 1927

Registered Charity Number 312828
A Company Limited by Guarantee, Company Registration Number 250031

Registered Office
19 The Close, Salisbury, Wiltshire SP1 2EB

Governing Document
Memorandum and Articles of Association dated 25 July 1930, most recently amended at RSCM's AGM on September 18th 2017

Charitable Objects
The RSCM exists to promote the study, practice and improvement of music and other matters relevant to the conduct of Christian Worship. Our main activities in pursuit of this object are the provision of programmes of education, training courses, resources, publications and advisory services to subscribing individuals, churches, colleges and other bodies, both in house and by working in partnership with other organisations.

Royal Patron
Her Majesty the Queen

Patrons
The Right Revd The Moderator of the General Assembly of the Church of Scotland
His Eminence the Cardinal Archbishop of Westminster
The Revd The Moderator of the Free Churches Group
The Rt Revd and Rt Hon The Lord Carey of Clifton

President
His Grace The Lord Archbishop of Canterbury

Vice-Presidents
The Right Revd David Stancliffe
The Right Revd Nicholas Holtam
Brian Kay

Council (Trustees and Directors)

1. The Very Reverend Dr John Hall (Chairman)
2. Phil Taylor (Vice Chair)
3. David Price
4. Robin Thomas
5. Peter Connor
6. Brigid Parkin
7. Mary Evans
8. Anna Macham
9. Chris Bridges (appointed 24th April 2019)
10. Andrew Morgan (appointed 24th April 2019)
11. Edward Wild (appointed 24th April 2019)
12. Revd Angie Paterson (appointed 24th April 2019)
13. Jane Woodward (appointed 24th April 2019)

Rowan Morton-Gledhill retired following Dec 9th 2019 Council

Ian Church retired following the Sept 23rd 2019 Council / 2019 AGM

Honorary Advisors

1. Michael Chamberlain (resigned July 2019)
2. The Revd Dr Maggi Dawn
3. Trevor Ford
4. The Revd Douglas Galbraith
5. Dr Simon Lindley
6. The Revd Dr Timothy Macquiban
7. The Revd Peter Moger
8. Patrick Russill
9. Dr John Rutter
10. Professor Peter Toyne
11. Dr Noël Tredinnick
12. Dr Mary Archer
13. The Revd Canon Simon Butler (resigned July 2019)

2019 Voluntary Forum

Craig Cartwright
Andrew Moodie
Tim Morris
David Duvall
Ian Church (retired September 2019)
Martin Van Bleek
Mick Perrier
Simon Russell
Emma Gibbins (from September 2019)
Phil Taylor (from September 2019)

Senior Officers and Managers

Director	Hugh Morris
Deputy Director Operations / Company Secretary	Stephen Mansfield
Deputy Director Education and Voluntary Networks	Sal McDougall (from 1 June 2020)

(Sal McDougall took over the above role from Rosemary Field, whose staff responsibilities within RSCM have changed by agreement)

Advisers

Auditors	Rothmans Audit LLP Avebury House, 6 St Peter Street, Winchester, SO23 8BN
Principal Bankers	Santander, Bootle, Merseyside, L30 4GB
Common Banking	CAF (Charities Aid Foundation), 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4TA
Insurance Brokers	Bridges Insurance Brokers, 61 Northdown Road, Cliftonville, Margate, Kent CT9 2RJ
Investment Managers	Brewin Dolphin,12 Smithfield Street, London EC1A 9BD
Solicitors	Batt Broadbent, 44 Castle St, Salisbury SP1 3TX
Pensions Administrators	Origen Financial Services Ltd, Infor House, 1 Lakeside Rd, Farnborough GU14 6XP

NB Rothmans have replaced RSCM's former auditors Fletcher and Partners, following a review.

NB Santander have replaced RSCM's former bankers RBS, following a review.

REPORT OF COUNCIL

OUR MISSION AND APPROACH

Our Vision

A Church drawn closer to God through music

Our Mission

The Christian faith underpins everything we do; and as the Heart and Home of church music, the RSCM promotes "the study, practice and improvement of music and other matters relevant to the conduct of Christian worship."

Public Benefit

In pursuing these activities, the Council confirms that it has complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission General Guidance on Public Benefit. In particular, the RSCM's training programmes, publications and associated resources serve to promote the charitable purposes of the advancement of education, religion, arts, culture, heritage or science. We consider that our work is of significant public benefit, not only directly to the individuals, especially children and young people, who are engaged with us, but also, indirectly, to the congregations and communities which they serve.

SPECIAL NOTE - COVID-19

The following report relates to the 2019 reporting year, which predated the advent of COVID but it would be incomplete if at least some recognition were not made of an unprecedented event that has impacted not only RSCM but society everywhere.

RSCM has been fortunate in that for the past year or so, we have been adopting and training staff in the use of Microsoft Office 365 with particular reference to the use of its key applications: Teams, Planner, Forms, OneDrive and so on. Clearly email was already a fact of life, but these additional tools have allowed our staff to collaborate, albeit remotely, in ways that have made many of COVID's pressures easier to address. We are profoundly grateful to our IT service providers Vermont for leading the training of staff in these new ways of working that will continue to make a material difference to how we collaborate across distances, long after COVID's pressures have eased.

Set against that, and in missional and financial terms, we have been forced to cancel the main body of our traditional training activities for 2020, and with choirs, instrumental groups and congregations unable to come together, it is having an inevitable bearing on 2020's sales of published material. Relational events to support our fundraising agenda cannot currently take place as planned within our budgeting for 2020, and the effects of COVID on stock markets are showing in our investment portfolio's value and in the income line it is delivering. All these factors taken together become significant.

We have not acquiesced, however. Facing the constraints of social distancing, we have built an increasing array of webinars and other online resources and these have received powerful acceptance from our supporter-base as a response to the challenges they themselves face under COVID. We are creating other resources, a number available at no cost, via our website and our e-commerce webshop as part of our own response to COVID's effects on mission delivery. We will continue to do this, building training and other resources that will continue to be relevant, even after COVID's pressures reduce, alongside our more traditional offerings as these become once more available again.

The overall result should thus be a strengthened rather than a weakened offering. Although the consequences of managing COVID 19 will inevitably have an adverse impact on some parts of our financial position, we believe, based on current forecasts, that our reserves are sufficient to carry us, as we continue to respond innovatively to COVID, through this difficult period.

In all of this, we invite prayer for our staff and our volunteers who, under pressure, have remained unbowed and whose response to the challenges has been magnificent, professional, and moving.

REVIEW OF CHARITABLE ACTIVITIES

Introduction

The RSCM provides programmes of education, training courses and events, educational and musical resources, publications and advisory services, which are variously available both to our membership and to other interested groups and individuals.

RSCM programmes, events, activities, achievement and impact in 2019 are described below. The impact of our activity reaches much more widely and to a greater extent than is indicated in some of the statistics. Increasingly, we are working to a 'train the trainers' model, so that by directly offering tuition or resourcing to one individual, they are able to use that skill or knowledge in relation to their own setting and in turn deliver further, indirect, training. Some of our most valued resources, including the hymn planning tool within *Sunday by Sunday* has a positive and direct but hidden impact on the worship of thousands of churches, week by week.

The patterns of how RSCM delivers its mission and education work continue to evolve; and over the next period this will result in a re-evaluation of the most effective means for us to reach the widest audience for our work. In particular, a decisive move to more closely align RSCM activity to that of the wider church is already underway.

This report of the RSCM in 2019 is, then, a snapshot in time of an organisation which is rapidly re-energising and re-shaping its work, as it prepares to celebrate its centenary in 2027. The report is divided into the various departments within RSCM.

Contents:

1. Education
2. Publishing
3. Membership
4. Development
5. Communications and Marketing
6. Voluntary Networks
7. International Partner Organisations
8. Celebration Day and Honorary Awards
9. Operations, Finance, Strategy and Governance
10. Safeguarding
11. Governance

1. EDUCATION

Overview

A total of 324 people attended centrally-organised RSCM courses in 2019 (this being distinct from the local Area pattern of activity, which reaches many thousands of people; local courses run by Areas, for example Young Voices festivals and the Oxford Easter course, are therefore not included).

International Summer School

A special focus of 2019 was the triennial International Summer School. Held at Belsey Bridge conference centre in Norfolk, 45 attendees from across the UK and from Australia, Canada and the USA, spent an intensive week immersed in study, rehearsal and performance of church music, set into a wide range of contexts. A highlight for many was the Angel Roof pilgrimage tour, led by Revd Helen Bent, RSCM's Head of Ministerial Training.

Choral training

The **Bath course**, a mainstay of our Education programme, was led for the second successive year by Cathy Lamb, to wide acclaim. 90 young people enjoyed a busy week, including daily services; the ongoing re-building work at Bath Abbey meant that no more participants could be accepted, with a resultant waiting list; aside from Kingswood School and its residential facilities, effective use was made of nearby St Mary Redcliffe church, Bristol.

The three-day spring **residential course for young people** was relocated to Dovedale in the Peak district this year; the necessary re-location caused by the closure of the usual Yorkshire venue led to a reduction in participants to 9, but the feedback remained very positive.

The **Residentiary Choir** spent a week in Coventry in late July, with most services sung in Coventry Cathedral and additional forays to Birmingham; 30 singers were led again by Silas Woolston.

The **Voices choirs** continued an active programme of singing throughout the year, with rehearsal days preparing each choir for a series of cathedral and large-church visits. Each choir is supported by an administrator, employed on a part-time basis.

Northern Cathedral Singers continued to be led by Martyn Rawles, with a strong influx of new singers through the year; George Castle continued to direct Voices West; and Rosemary Field continued to direct Voices South. Scottish Voices has now joined the central administration process.

The **Millennium Youth Choir** had a very successful year, with a weekend residency in St Paul's Cathedral with 27 singers, and a week at Norwich Cathedral with 23; these were prefaced by

two rehearsal days earlier in the year. The Norwich residency included a recording of Choral Evensong which was subsequently broadcast on BBC Radio 3.

A new innovation this year was the addition of an **Intermediate Millennium Youth Choir,** designed to be a way of providing high-level musical training to a younger age group (11-16), with the aim of feeding the singers through to the MYC in due course. A very successful initial residential course, with 13 singers, was held in Norfolk.

Two **Junior Millennium Youth Choir** events happened during the year with a total of 17 attendees; this specific badging has now been paused as part of a wider review into our choral training provision.

Ministerial Training; and congregational/instrumental training

Ministerial training continues to be a vital part of RSCM's mission delivery; and it included a number of *Inspiring Music in Worship* workshops, based on the book of the same title released in 2018.

Two residential courses, part of the *Strengthen for Service* programme, took place in February and May. They attracted 7 and 5 attendees respectively; feedback from this course, led by Helen Bent, continues to be excellent. From the end of 2019, the programme has been re-titled *Music for Mission and Ministry*

14 people attended centrally-organised *Lift Up Your Voice* (LUYV) courses; but most LUYV sessions are organised by local RSCM Areas and so do not appear in these statistics. The content is aimed at smaller churches with less well-developed musical resources.

Other training

The Organ Scholar Survival Kit, a three-day course specifically aimed at preparing those about to start cathedral organ scholarships, was this year based at Sarum College, and taught by Hugh Morris and Rosemary Field. It made use of organs in Portsmouth Cathedral, Christchurch Priory, and Wimborne Minster. It has a significant impact on the students who attend; this year there were three participants.

RSCM Programmes of study

Voice for Life

Thousands of choristers undertake the Voice for Life scheme devised and published by the RSCM, in the UK and around the world. In a structured and rewarded environment, and with many hours of tuition from church musicians, it helps choristers improve their singing, musicianship and contextual knowledge. For those who wish for validation of their work

beyond the parish, RSCM conducts Voice for Life Awards. In 2019, RSCM made 452 such awards as follows:

- Bronze 229
- Silver 150
- Gold 73

This is a decrease on the previous year, reflecting a long-term trend. In 2020, it is intended to undertake a full revision of the Awards, with a new, streamlined syllabus, and online application process.

Church Music Skills

Church Music Skills includes strands for organists, choir trainers, cantors and music group leaders, as well as general programmes entitled "Worship and ministry" and "Church music in practice". 19 students studied on the Church Music Skills programme during 2018. Eight tutors delivered the programme regionally.

Pipeline Organ Scholarships

Pipeline represents a three-way partnership between church, family, and the RSCM, with a focus on producing liturgical organists who commit to playing regularly for church services. Five scholarships were in place during 2019: 3 were continuations, one was a new scholarship, and one reached its conclusion.

Complete Church Organist project

This Welsh initiative enables group organ tuition, and covers the essential aspects of service playing. In 2019, 22 students joined classes in 6 groups, led by 4 tutors.

2. PUBLISHING

RSCM Press provides three principal types of publication: educational and training material; liturgical and musical resources; and Membership Magazines. These benefit and support both RSCM affiliated churches who can purchase at a discount, and also the wider needs of church musicians.

New Publications

The 2019 festival service book, *Where shall Wisdom be Found? A festival service in search of God's wisdom* was widely used by RSCM Areas for their festival services both in the UK and in Europe. *God's Church for God's World*, a festival service to celebrate the variety and unity of God's world, and the theme for the Lambeth Conference in 2020 was also in production during 2019.

Advent Pilgrimage, a significant liturgical and musical resource for Advent, was published in 2019. The liturgy, written by *Sunday by Sunday* collaborator Revd Prebendary Chris Thorpe, offers a very real alternative to the mad headlong rush to Christmas, and allows people to ground themselves, to maintain their balance, through December. It takes us on a journey through four 'Stations': Hoping, Waiting, Fearing, and Preparing. Each station provides a selection of anthems and hymns reflecting the theme and the voices we hear along the way. Through the service of readings, prayers, music and silence, we allow space for reflection and listening, both to our own inner voice, and to the still small voice of God.

The third in an occasional collection of hymns by the leading hymn-writer Timothy Dudley-Smith, *Light on the way,* is a collection of hymns based on Scripture, from Genesis to Revelation. Characteristically elegant, concise and rich in theology, they were written at different times over some five decades. Most are set to well-known tunes, selected and arranged by William Llewellyn.

As well as collections, RSCM Press continues to publish choral leaflets, and in 2019 published a number of significant works including *Victimae Paschali* by RSCM Director-emeritus Andrew Reid, and a number of highly successful new works by Joanna Forbes L'Estrange, including an anthem for Music Sunday, *God the Holy Trinity*, a set of Preces and responses, and a setting of the Magnificat & Nunc dimittis for King's College Cambridge. A set of 8 settings of the Magnificat, one to each tone, by David Bevan, a number of which have been in the libraries of many cathedrals, was also published in 2019.

A number of very successful Christmas Carols were issued, including works by Chris Artley (Winner of the Leeds Philharmonic Society Carol Writing Competition 2018), Luke Fitzgerald, Thomas Hewitt Jones, Joanna Forbes L'Estrange, and Piers Maxim.

RSCM's organ music catalogue was expanded with the publication of the *Charles Villiers Stanford's Organ Sonata No.1*, edited by Daniel Cook, the first of a series of new editions of the Stanford Organ works edited by the leading Stanford interpreter; and a *Christmas Suite* by David Halls, Organist at Salisbury Cathedral.

In support of the educational mission of the RSCM, the Publishing Department produced the music and service books for several courses, including the International Summer School. It also continued production of high-quality music booklets for use by several RSCM volunteer committees in local Area Festivals.

Magazines

Church Music Quarterly (CMQ) and *Sunday by Sunday* continue to be valued by volunteers, members and others. CMQ provides information and inspiration through a broad range of news, real-life stories, interviews and thought-provoking articles on church music issues. The local events previously listed in the *The Network* magazine are now included in the front pages of CMQ; CMQ itself had a major facelift which has been well received by the readership. *Sunday by Sunday* combines RSCM's liturgy planner, indispensable for many, with training articles and printed music reviews, and is supported by a team of specialist contributors.

Web Shop

The Web Shop was replaced during 2019 by a new web shop that uses more up-to-date technology and integrates with the systems at both our sales and distribution centre in Norwich and the RSCM membership database. Whilst these projects are never easy, the new web shop already has significant improvements over the old system, including real-time stock updates, the ability to showcase titles with multimedia, and an improved exclusive offering to RSCM members including a number of free downloads.

3. MEMBERSHIP

At 31 December 2019, RSCM's membership in the UK and abroad (but excluding RSCM America, RSCM Australia, RSCM Canada, RSCM New Zealand and RSCM South Africa, which have their own legally constituted RSCM charities) comprised:

Affiliates: 3595 *(* 3703) (Affiliate is the RSCM term for a member, affiliated church)*
Individuals 1232 *(* 1210)*
Friends 280 *(* 295)*
Students 39 *(* 26)*
** 2018 figures are shown in brackets after the 2019 figures*

The figures above still detail a small reduction in membership numbers, but as with last year, this drop in number is continuing to slow down compared to historic trends. Due to current financial climates, and with money continuing to be a rare luxury for the 'average' parish church, we continue to see benefices and team ministries making use of a single group membership (Affiliate Plus) rather than each church having its own.

We have seen an increase in new applications for membership although in the figures above an offset of members leaving, still, just outweighs new members; we believe this to be in relation to the much-improved online application and renewal process and the new ability to accept direct debit payments online. The process is a lot easier for the user and many new members have complimented it. In addition, our new branding, new Webshop and new resource offerings (including the first two in a periodic series of free downloadable eBooks for members), have all collectively played a part in continuing to retain and attract new memberships, thus keeping the Membership income fairly level.

We have continued to create a culture of feedback from members, both to let us know when things go right, as well as wrong. This is working well, but with scope for further development. As an early example of actively listening to our membership, we plan to host the very first RSCM Membership Conference in Derby next year (March 7th, 2020). This will be a major step for the RSCM, investing in its members and resourcing the wider church.

4. DEVELOPMENT

How the RSCM raises voluntary income

NB All auditable charities that raise funds from the public must provide the following information in their trustees' annual report for financial years beginning on or after 1 November 2016:

- *the fundraising approach taken by the charity, or by anyone acting on its behalf, and whether a professional fundraiser or commercial participator carried out any fundraising activities*
- *details of any fundraising standards or scheme for fundraising regulation that the charity has voluntarily subscribed to*
- *details of any fundraising standards or scheme for fundraising regulation that any person acting on behalf of the charity has voluntarily subscribed to*
- *details of any failure by the charity, or by any person acting on its behalf, to comply with fundraising standards or scheme for fundraising regulation that the charity or the person acting on its behalf has voluntarily subscribed to*
- *whether the charity monitored the fundraising activities of any person acting on its behalf and, if so, how it did so*
- *the number of complaints received by the charity, or by a person acting on its behalf for the purposes of fundraising, about fundraising activity*
- *what the charity has done to protect vulnerable people and other members of the public from behaviour which:*
    - *is an unreasonable intrusion on a person's privacy*
    - *is unreasonably persistent*
    - *places undue pressure on a person to give money or other property*

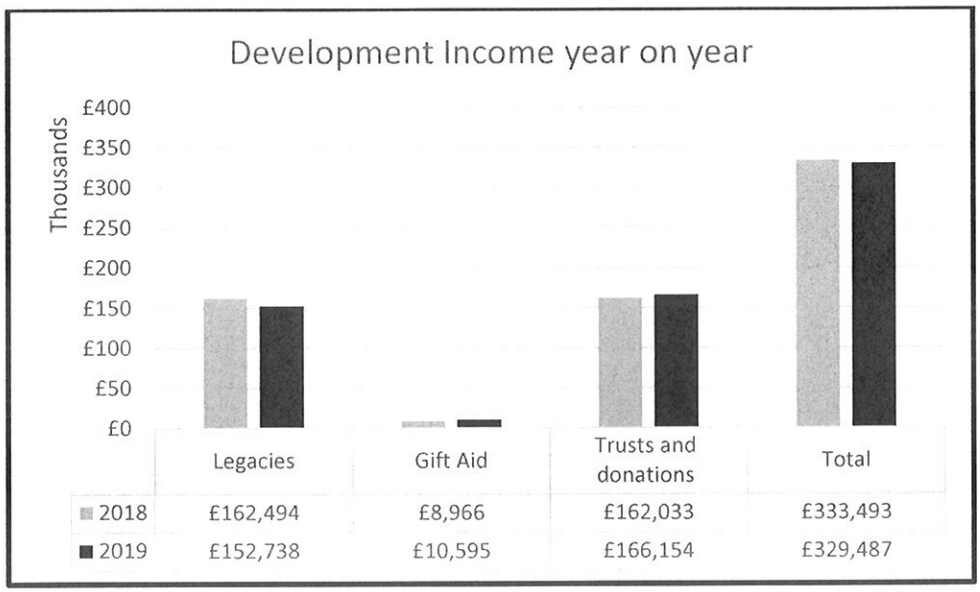
The RSCM appeals for donations directly to its members and existing supporters (by post, and by electronic communication). The RSCM also receives income both directly and through various online giving websites. It makes appeals for legacy donations through advertising in relevant publications.

Fundraising is carried out by RSCM staff and volunteers; in 2019 we made use of an external professional to further our fundraising activity. There were no complaints received during 2019 about RSCM fundraising activity. The RSCM protects the privacy of its donors by not sharing any of its data with third parties, except where it is necessary for carrying out its legitimate operations and complies with relevant data protection laws. The RSCM appeals to an individual at most twice in one year and all such appeals are made under the direction of the Director of the RSCM, who is responsible for Development.

2019 Voluntary income

In 2019 individuals, churches, and grant-giving bodies and trusts donated £166,154 (an increase of above £4,000 on 2018) to support the charitable work of the RSCM. By gift aiding their donations, our supporters contributed a further £10,595 in 2019. In addition, we also received legacies in 2019 totalling £152,738.

Graphed:



Music Sunday, the RSCM's only national fundraising event, is a 50/50 appeal run to raise funds for the RSCM and their church. In 2019 the emphasis of Music Sunday was shifted to focus on engagement; as a result, 63 churches took part (a significant increase on the number in 2018), and many more downloaded and sang the commissioned anthem, *God the Holy Trinity*. We were pleased that, aside from building connections, we also raised the sum of £1,871. This has been further enhanced by the Gift Aid Small Donations Scheme.

Legacy income

Income from gifts in wills continues to provide a significant, if unpredictable, income stream. In 2019 RSCM received £152,738 of which none represented restricted funds. In addition, the RSCM was in receipt of various donations in memoriam totalling £5,295 of which £1846 was restricted.

Grants

The value of grants received in 2019 is £99,875. This represents a decrease on 2018 (£104,750) of £4,875.

In January 2019, the RSCM appointed a consultant Development Officer on a 12-month contract, with a specific brief to increase the quantity of Grant and Trust funding applications; the results of this increased focus will be recorded in the next Annual Report. Applications made between May and December 2018 (many therefore being considered during 2019) were handled on an individual basis by a number of different staff in the absence of a dedicated Development staff member.

Support from Trusts and Foundations

In addition to supporting the work of the Education Department generally, grant income in 2018 directly supported a number of courses and programmes. The RSCM is deeply grateful to the trusts and foundations, including those who wish to remain anonymous, for their support through both grants and donations. We would like to acknowledge the support of:

- Donald Byford Charitable Trust, The
- G. F. Eyre Charitable Trust, The
- G M Morrison Charitable Trust, The
- Hymns Ancient and Modern
- Liz and Terry Bramall Foundation, The
- Martin Laing Foundation, The
- Miss Kathleen Beryl Sleigh Charitable Trust, The
- Ouseley Church Music Trust, The
- Pratt-Green Trust, The
- Praxis
- Verdon-Smith Family Charitable Settlement, The

5. COMMUNICATION AND MARKETING

2019 has been a busy and focused year for the marketing and communications function within the RSCM.

In addition to day-to-day marketing activities to support the breadth of services that we offer there have been two key strategic marketing themes that have run throughout the year.

The first of these has been to strengthen the consistency of the RSCM brand across all the different service areas of the RSCM. Consistency makes us more identifiable and more memorable and connects us better with potential friends.

The second theme has been about the importance of integrating content across all channels and involving the marketing function at a much earlier stage, thereby maximising exposure, opportunities, and engagement.

Both themes play directly into Strand 2 and Strand 4 of our Strategic Goals (Advancing our Mission and Developing Effective Communications).

2019 Key Marketing Projects to Support RSCM Strategic Goals:

- **New Brand Guidelines** - Creation and roll-out of new Brand Guidelines and templates to strengthen the RSCM brand
- **New Notes from the Director** – A regular newsletter to RSCM Members
- **New Brand Development Group** – New marketing group with Council and senior management representation
- **New Marketing Audit** – Audit to identify and prioritise marketing activities across the RSCM
- **Increased PR** – Resulting in a significant increase in press coverage across key media
- **Social Media Engagement** – Effecting increased levels of engagement across our different social media platforms
- **New Endorsements and Photography** – To actively demonstrate the impact that the RSCM has on people across our different service areas
- **New Literature** – To showcase the work and impact that the RSCM has across different areas
- **Building Stronger Marketing Relationships with Key Strategic Partners** – such as Hymns Ancient and Modern

6. VOLUNTARY NETWORKS

2019 was something of a transitional year for our administration of local area activity. A plan for a regional model to replace our local Area committees, designed in early 2018, was piloted in North/North West England in 2019. The findings from this Pilot have led to the decision of Council not to adopt this as a new national strategy, but instead to advance an alternative model. The planning for this will take place in the first half of 2020, for implementation in 2021. The key principles of the revision are to enable effective delivery of the RSCM's mission at local level, ensuring an even geographical spread and inclusion of the full range of our strands of learning, plus enhanced connection to our membership.

UK, Ireland and Continental Europe

RSCM trustees are enormously grateful for the dedication and hard work of 430 plus volunteers and the staff that support them. Their work contributes significantly to RSCM's local outreach and events, provision for members and non-members, and therefore charitable benefit in the field of church music. Through them RSCM offers training opportunities and a shop-window to its national courses and events, published resources, information and advice. RSCM's volunteers share the responsibility for keeping the organisation safe, legally compliant

and charitably active. They organise many local events for training, celebration, exams, social gatherings and general information exchange, such as repertoire evenings.

Support structure

The work of the Regional Co-Ordinators and Volunteer Team Leaders helps to secure a better-regulated organisation. They have continued to recruit to the RSCM volunteering pool and to membership of the RSCM. They are essential in ensuring compliance (e.g. Safeguarding, GDPR, financial) at local level.

RSCM's Voluntary Forum, comprising several Area Chairs elected by the members of the Association and attended by the Vice Chair of Council and members of senior staff, met once in person and twice remotely during the year.

Local activity

207 local events were organised by or in conjunction with the RSCM's Area/Regions during 2019. The breakdown is as follows:

- Area festivals: 37
- Rehearsals: 37
- Awards trainings: 11
- Choral trainings: 28
- Lift up Your Voice: 6
- Organ training: 19
- Social/development: 4
- Young Voices Festivals: 6
- Strengthen for Service Lite: 5
- Come and Sing events: 71
- Also: Conductor training x 2, Instrumental/Mixed Music Group x 3, Plainsong x 2,
- Other x 12

In addition, 92 Bronze and Silver exam sessions were held locally (the number of candidates for each session varies)

Volunteer Conference

This year, one conference for Volunteers was held on 31st March 2019 in Birmingham.

57 volunteers attended representing a total of 31 local RSCM Areas/Regions.

The content of the conference included:

- Demonstrations of products from the Education team (Lift up Your Voice, Inspiring Music in Worship and Choral studies)
- A forum and Q&A session on the Area re-development, including updates from Region One (pilot region)
- Presentations from Marketing, Membership and Publications departments

Managing risk

The introduction of an Intranet for Volunteers provides a better format for policies and procedures to be easily available (eg Safeguarding, GDPR, Social Media). Safeguarding at local events and exam sessions remains a risk although staff make every effort to ensure compliance is met locally. Changes to policies/good practice in line with future re-structuring proposals will be incorporated accordingly.

7. INTERNATIONAL PARTNER ORGANISATIONS

2019 saw the completion of the new International Franchise Agreements with our partners in Australia, Canada, New Zealand, South Africa and the USA.

With the renewed impetus of a new RSCM Director in the UK, there has been a more active pattern of dialogue and support between the Presidents of the international franchises and the UK; and the resumption of the rolling programme of visits to the five partners by the Director is intended to begin in 2020.

The re-formatted CMQ magazine now includes a regular 'international' section, with a rotating spotlight on the different countries in successive issues.

8. CELEBRATION DAY AND HONORARY AWARDS

The annual RSCM Celebration Day took place in Salisbury Cathedral in October 2019. The service was preceded by a reception at the Medieval Hall in the Close for RSCM guests and those who were receiving awards. Certificates for Honorary Awards were presented by the Very Reverend Dr John Hall, KCVO, Chair of the RSCM Council. The combined boy and girl choristers, and lay vicars of Salisbury Cathedral were directed by David Halls.

In 2019 the RSCM Council made honorary awards to the following people who have made a significant contribution to church music or liturgy internationally, nationally or locally, or in particular to RSCM work, in relation to its published criteria:

FRSCM (Fellow of the Royal School of Church Music)

- Ann Bond
- Michael Deasey
- Keith and Kristyn Getty
- Andrew Reid

ARSCM (Associate of the Royal School of Church Music)

- Tom Clammer

- Michael Emerson
- Michael Kleinschmidt
- Simon Lole
- Susan Jane Matthews
- Andrew Morris
- Carol Anne Taylor
- David Wright

HonRSCM (Honorary Member of the Royal School of Church Music)

- Betsy Calhoun
- Michael Perrier
- Andrew Robinson
- Shirley Rowson

Certificate of Special Service

- Andrew Benoy
- Peter Elliott
- Ronald Fletcher
- Virginia Gallagher
- Douglas Milsom

9. OPERATIONS, FINANCE, STRATEGY AND GOVERNANCE

Financial Review

The 2019 result has seen further planned expenditure from pre-existing reserves to support one-off costs relating to areas of targeted growth in mission. In particular a strengthening of capabilities in IT such as the creating and launch of a new customer-facing web shop, further investment in the new website we introduced in 2018 and a charity-wide move into greater use of collaborative solutions such as Office 365. We are currently preparing work to embark upon replacing our essential CRM (customer relationship management) platform with a more modern solution, better geared to today's needs.

Despite some good legacy inflows and cost reductions in a number of established areas of expenditure, the pressured financial climate within the sector has prevented RSCM from returning a surplus result for the year. There has also been some significant investment in strategic development in the RSCM's delivery of mission.

There is a clear need to build financial sustainability across several income types. During 2019 the Development (Fundraising) structure was strengthened (see 'Development' above), including the greater involvement of, and addition of new, Council members with such skills at professionally qualified level.

As in previous years, the unrestricted income associated with membership subscriptions and voluntary donations remained broadly static. The question of how the charity nurtures and develops its membership, and thus increases this important source of income, is currently under active consideration. There is a need to grow income streams, especially where they deliver both unrestricted and long-run, predictable incomes.

Into 2020, the process of making informed decisions about rational pricing of membership, courses, events, and publishing is underway, with a need to understand better what "value" means to RSCM's beneficiaries. Any charity whose own view of "value" differs from that of its beneficiaries is likely to feel the effect of that misalignment in its income stream. RSCM is no exception.

Investment policy

In a turbulent market, and with all the volatility of the Brexit uncertainties, the relationship with Brewin Dolphin has continued to deliver returns that we do not believe could have been bettered elsewhere, without taking undue and over-risky investment gambles. Some drawdowns were necessary during the year to support the spends mentioned above. Council is content that the direction of travel on investment returns has more than justified those decisions earlier taken. Careful management will be needed in the light of the re-appearance of market volatilities.

Reserves policy

As in other recent years, reserves continue to seek a more multi-year mind-set, able to manage the flow of longer-run projects and programmes with a less volatile and short-term approach to reserves management. This is particularly true with the financial implication of heavy IT / infrastructure spend, often depreciating over several years to reflect new assets' expected useful lives. The reserves policy is equally relevant to revenue and capital management, providing for either income under-runs or expenditure over-runs in any or all the key areas: Membership Income, Publishing, Education, Voluntary Income, and Investment Income. The figure of £293,000 remains the desired total target.

Considerable work, begun in 2018, has continued in 2019 to develop a clearer alignment of how restricted reserves are invested in the missional activity related to the restriction. This honours the missional desires of those supporters who have given funds to RSCM with specific intentions and instructions in their own mind. The goal is to limit deployment of unrestricted reserves to those areas of spend that can be served only from unrestricted, and from nowhere else.

Total reserves amount to £1,457,812 of which £419,754 is held in endowment funds and £414,159 in restricted funds. Of the unrestricted funds, £15,084 is designated to represent the amount of funds tied up in fixed assets, £8,934 is designated for the development of local voluntary educational activity, £199,064 is held by local committees, and £89,410 represents revaluation gains on investments. £9,803 of funds are designated to the Cathedral Organists Association.

The General Fund, or 'free reserves', stands at £301,604. This is more than the existing policy's target level.

Risk assessment

The Risk Register is updated and reviewed regularly, at least once a year, by the Finance and Audit Committee on behalf of Council. Managing down of key risks, measured on a quantitative basis that looks at severity, probability and predictability taken in combination, has continued.

Areas assessed include:

- Safeguarding (detail – see next section)
- Fraud
- Financial Collapse of key income streams
- Strategic IT risks
- Major PR/Media failures
- Unforeseen multiple losses of Council or senior management team-members

Mitigating actions are identified and classified. The resultant levels of residual risk are calculated.

Risk registers are also maintained in terms of our various service-Providers, our Partnering relationships elsewhere, and with respect to the various overseas local bodies who are permitted to use the RSCM brand in USA, Canada, New Zealand, South Africa and Australia. Throughout 2018, work continued with a more formal regularising of our agreements with these local bodies. In 2019 this is now complete and allows RSCM to manage that area of risk better, recognising that these are all, unlike the local branches in the UK, separate legal entities, which has a bearing on the managing of liabilities.

10. SAFEGUARDING

Safeguarding has had a year in which robust procedures have ensured that the culture of safeguarding within the RSCM continues to develop and become more consistently embedded; the dedicated work of the safeguarding staff is paying real dividends.

Routine preventative checking work expanded during the year, with the Self-Declaration collection from every event-leader. Ongoing groundwork continues towards an official sharing of information with the C of E Safeguarding function, which would facilitate better liaison with Anglican Diocesan Safeguarding Advisers/Officers.

11. GOVERNANCE

The current Strategic Plan, completed in March 2019, has continued to underpin the planning work for the charity over the present and future period. It is regularly monitored by both Council and its Finance and Audit Committee.

Our vision is: A Church drawn closer to God through music

Our mission: The Christian faith underpins everything we do; and as the Heart and Home of church music, the RSCM promotes "the study, practice and improvement of music and other matters relevant to the conduct of Christian worship."

The five principal strands of the plan comprise:

1. Influence the church, and wider society
2. Advance our mission
3. Build Financial Sustainability
4. Develop Effective Communications
5. Optimise our impact through technology

One level down from this, the following table shows how these five high-level strands take shape:

Strand 1 **Influence both the church and society beyond it**	**Strand 2** **Advance our mission**	**Strand 3** **Build Financial Sustainability**	**Strand 4** **Develop Effective Communications**	**Strand 5** **Optimise our impact through technology**
a) Representation in relevant places of our work and mission b) Develop relationships with key policy-makers c) Engage with key media d) Influence clergy programmes	a) Relevant, desirable membership benefits b) Relevant, coherent education programme c) Broad and balanced training provision d) Relevant, coherent publications programme e) A source of help and support f) Website content development	a) Cost control b) Cultivate existing membership c) Increase membership d) Grow grant and voluntary income e) Re-focus legacies income f) Fund core costs from regular income g) Improve & diversify income streams (including trading)	a) Supply regular editorial to external recipients b) Develop relationship with church communications channels c) Develop new communication pathways d) Develop role as a influencer e) Improve internal communications	a) Website/web shop/intranet b) Technology as a tool for learning c) Online publishing – unlocking potential d) Better use of social media as a tool for interactive learning e) RSCM app(s)

A business plan agreed between management and Council supports the strategic plan at a yet more detailed level. It includes some 20 current strategic initiatives running across the above 3-year strategic cycle. These are in addition to the regular activity of the charity during each year. A number of these projects were completed by the end of 2019, in accordance with the plan – the remainder continue into 2020, on schedule.

Council and Honorary Advisors.

Full principles for the organisation structure of the RSCM are contained within the charity's governance document. The Charity is overseen by a Council of trustees. Decisions are taken by Council or by staff on such delegated terms as Council approves. Generally, strategic

decisions are taken by Council, and the day to day management of the charity is delegated by Council to the Director and two Deputy Directors who are considered key management.

The members of Council are the Trustees of the charitable assets and activities of the Company and are the Directors of the Company for the purposes of Company Law. The number of Council members is now limited to sixteen, and Members of Council are recruited with a view to Council's overall balance of skills and interests. New members of Council are supplied with an induction pack, including among other items the Charity Commission's The Essential Trustee, the RSCM's Memorandum and Articles of Association, and the current business plan and published accounts, and are informally briefed by the Chairman with regard to the requirements of the role. All Council members are kept informed as to key governance-related issues by the Secretary to Council. Budget provision is made for ongoing training for all members of Council.

The Council and staff have access to Honorary Advisors who are available to support decision making at Council level.

Smaller *ad hoc* working groups consisting of appropriately skilled members of Council and Senior Officers are formed to consider specific issues in preparation for Council meetings. In 2019, these included the Finance and Audit Committee, an IT steering group, Publishing Group, Brand Development and Marketing group, Safeguarding group, and Development committee.

Members of Council are covered by the RSCM's indemnity insurance, subject to normal exclusions, in the event of a personal liability arising to them in their capacity as trustees of the Charity. This cover is provided as part of a combined insurance policy and the amount of the premium applicable to Trustees' indemnity cannot be quantified.

All trustees give of their time freely and received no remuneration during the year. Summary details of any incidental expenses claimed during the year are documented elsewhere in note 7 to these accounts.

Senior staff remuneration (the Director and the two Deputy Directors) is reviewed annually as part of, and commensurately with, any annual salary review for all payroll staff. Some account may sometimes be taken of recognised indices such as RPI and CPI in determining any such general annual review, but any percentage increase for staff, including the three senior posts, will be determined at least as much by projected affordability, as by reference to any such published or otherwise recognised index.

Audit Information

So far as each of the directors at the time the Report of Council is approved is aware:

a) there is no relevant information of which the auditors are unaware; and

b) they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Statement of Council Responsibilities

Council (who are also directors of the Royal School of Church Music for the purposes of company law) are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Council to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, Council 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 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 charitable company will continue in business.

Council are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council's report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of Council

The Very Reverend Dr John Hall KCVO

Chairman of Council

Opinion
We have audited the financial statements of The Royal School of Church Music (the "Charity") for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Susan Sullivan FCA (Senior Statutory Auditor)
For and on behalf of Rothmans Audit LLP
Chartered Accountants & Statutory Auditors
Avebury House
6 St Peter Street
Winchester
Hampshire
SO23 8BN

S A Sullivan FCA

Date: 30th June 2020

The Royal School of Church Music
(Company No:00250031)
Statement of Financial Activities (including the Income and Expenditure Account)
For the year ended 31 December 2019

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
Income and Endowments from:						
Donations and legacies	2a	238,558	90,929	-	329,487	333,493
Income from charitable activities:						
Membership Income		540,146	-	-	540,146	578,849
Education & Outreach		121,296	-	-	121,296	88,327
Publication sales & royalties		400,388	-	-	400,388	412,447
Area committees		116,471	-	-	116,471	137,880
Investment Income	2b	12,717	20,799	-	33,516	33,669
Other Income	2c	11,342	-	-	11,342	4,865
Total Income		1,440,918	111,728	-	1,552,646	1,589,530
Expenditure on:						
Raising funds	3	101,337	-	-	101,337	51,638
Charitable activities						
Membership services	3	271,892	-	-	271,892	277,399
Education & Outreach	3	371,819	95,860	-	467,679	477,883
Publications	3	452,327	-	-	452,327	452,832
Area committees	3	346,888	-	-	346,888	298,479
Total expenditure		1,544,263	95,860	-	1,640,123	1,558,231
Net income/(expenditure)		(103,345)	15,868	-	(87,477)	31,299
Transfers between funds		6,352	(6,352)	-	-	-
Gains/(losses) on investments	10	(533)	(325)	(612)	(1,471)	(22,638)
Unrealised gains/(losses) on investments	10	43,482	26,532	49,905	119,920	(58,338)
Net movement in funds		(54,044)	35,723	49,293	30,972	(49,677)
Reconciliation of funds:						
Total funds brought forward	15	677,943	378,436	370,461	1,426,840	1,476,517
Total funds carried forward	15	**623,899**	**414,159**	**419,754**	**1,457,812**	**1,426,840**

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

The notes on pages 32 to 45 form part of these financial statements

The Royal School of Church Music
(Company No:00250031)
Balance Sheet
For the year ended 31 December 2019

	Notes	2019 £	2018 £
Fixed Assets			
Intangible assets	8	79,309	68,986
Tangible assets	9	15,084	26,458
Investments	10	890,177	821,249
Total fixed assets		984,570	916,693
Current Assets			
Stock	11	164,944	149,852
Debtors	12	104,132	108,225
Areas' cash at bank and in hand		175,774	202,551
Cash at bank and in hand		186,749	200,151
Total current assets		631,599	660,779
Liabilities			
Creditors: Amounts falling due within one year	13	158,357	150,632
Net current assets		473,242	510,147
Total net assets		1,457,812	1,426,840
The funds of the charity:			
Endowment funds	15,16	419,754	370,461
Restricted Funds	15,17	414,159	378,436
Unrestricted Funds	15,18	623,899	677,943
Total Charity Funds		1,457,812	1,426,840

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the trustees on 8/6/20 and were signed on their behalf by:

The Very Rev'd Dr John Hall - Chairman of Council

The notes on pages 32 to 45 form part of these financial statements

The Royal School of Church Music
(Company No:00250031)
Cash Flow Statement
For the year ended 31 December 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	CF1	(71,417)	(17,787)
Net cash provided by (used in) operating activities		(71,417)	(17,787)
Cash flows from investing activities:			
Purchase of intangible fixed assets		(48,392)	(42,047)
Purchase of tangible fixed assets		(3,407)	(13,947)
Purchase of fixed asset investments		(81,456)	(135,733)
Sale of fixed asset investments		122,541	348,733
Cash withdrawn from investment portfolio		8,436	493
Interest received		706	33,669
Investment dividends received		32,810	
Net cash provided by (used in) investing activities		31,238	191,168
Change in cash and cash equivalents in the reporting period		(40,179)	173,381
Cash and cash equivalents at the beginning of the reporting period		402,702	229,321
Cash and cash equivalents at the end of the reporting period	CF2	362,523	402,702

CF1. Reconciliation of Net Income to Net Cash Flow from Operating Activities

	2019 £	2018 £
Net movement in funds for the reporting period *(as per the statement of financial activities)*	30,972	(49,677)
Depreciation charges	52,850	25,781
Gain on investments	(118,449)	58,338
Interest received	(33,516)	(33,669)
Decrease in debtors	4,093	30,336
Increase / (Decrease) in creditors	7,725	(55,343)
(Increase) / Decrease in stocks	(15,092)	6,447
Net cash provided by (used in) operating activities	(71,417)	(17,787)

CF2. Analysis of cash and cash equivalents	2019 £	2018 £
Cash in hand	362,523	402,702
Total cash and cash equivalents	362,523	402,702

The Royal School of Church Music is a charitable company, limited by guarantee, registered in England and Wales. Its registered office and principle place of business is 19 The Close, Salisbury, Wiltshire SP1 2EB

1. Principal Accounting Policies

a) Basis of accounting

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) second edition '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) (effective 1 January 2019)', the Companies Act 2006 and the Charities Act 2011. The financial statements have been prepared under the historical cost convention except that investments are carried at market value.

The financial statements are prepared in sterling which is the functional and presentational currency of the Charity. The financial statements are rounded to the nearest pound.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

There are no significant judgements which affect the amounts recognised in these financial statements. With respect to the next reporting period, the most significant areas of estimation uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of investments.

b) Periods Covered

The accounts cover the year to 31 December 2019, with comparatives for the year to 31 December 2018.

c) Area Committees

These financial statements consolidate the income and expenditure of RSCM Area Committees, which arrange local training activities throughout the UK, on a line by line basis. The net assets of the committees, most of which are held in cash, are shown separately on the balance sheet as the Trustees believe this method is the closest to a true and fair view.

d) Legal Status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

e) Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds that have been set aside by the trustees for particular 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.

Endowment funds represent those assets which must be held permanently by the Charity. Income arising on the endowment fund is included as restricted income. Any capital gains or losses arising on the investments form part of the fund.

f) *Incoming resources*

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. The following policies are applied to particular categories of income:

- Voluntary income received by way of grants, donations and legacies is recognised when the charity's entitlement has been ascertained, the conditions for receipt have been met and the amount can be quantified with reasonable accuracy. Donations are deferred where the donor has imposed conditions that specify the time period in which the expenditure of resources can take place.
- Investment income is recognised when receivable by the charity.
- Membership income is received annually in advance and the amount relating to the next financial year is carried forward as deferred income.
- Income from education, outreach and publication sales and royalties is recognised in the period it is receivable. Fees received in relation to courses occurring after the balance sheet date are carried forward as deferred income.
- The charity does not receive any donated goods, facilities or services. In accordance with the Charities SORP the contribution of general volunteers is not recognised within these financial statements. Details of the role played by general volunteers are given in the Trustee's Report.

g) Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs are included within support costs and include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- Costs are allocated to the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly and where costs cannot be directly allocated they are apportioned using staff costs, as set out in note 3.

h) Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange prevailing at the date of the transaction. Exchange variances are taken into account when arriving at the net income or expenditure for the year.

i) Pension Contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the SOFA in the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are included within other creditors at the year-end. The costs of the defined contribution scheme are charged to the unrestricted funds of the charity using the methodology set out in note 1g.

j) Fixed Assets

Fixed assets (excluding investments) are stated at cost less depreciation/amortisation. Assets below £100 are not capitalised. Depreciation and Amortisation are provided on a straight line basis over the estimated useful economic life of each asset, which is considered to be:

Major software packages	4 years
Other computer hardware & software	3 years
Other furniture, plant & equipment	5 years
Copyrights & publication rights	3-5 years
Website & webshop	3-5 years

The useful economic lives of theses assets are the periods over which it is anticipated that they will continue to generate an appreciable amount of income for the organisation. Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

k) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value. Unrealised gains and losses are calculated as the difference between the opening and closing market value. Realised and unrealised gains and losses are not separated in the statement of financial activities.

l) Stock

Stocks of publications are valued at the lower of cost or net realisable value, after providing for slow-moving items.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at cost which is time-apportioned over the period to which the expenses relate.

n) Creditors and provisions

Creditors and provisions for liabilities and charges are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA as they are incurred.

p) Taxation

The charity is exempt from tax on income and gains falling with section 505 of the Taxes act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2. Incoming resources

	2019	2018
	£	£
a) Donations and legacies		
Grants and donations	151,585	169,567
Affiliate fundraising	25,164	1,432
Legacies	152,738	162,494
	329,487	333,493
b) Investment income		
Listed investments	32,810	33,423
Interest on cash deposits	706	246
	33,516	33,669
c) Other incoming resources		
Commission	3,966	3,433
Sundry income	7,376	1,432
	11,342	4,865

3. Total resources expended

	Direct costs	Support Costs	Total 2019	Total 2018
	£	£	£	£
Costs of Generating Funds				
Fundraising	75,661	18,684	94,345	45,869
Investment management	6,992	-	6,992	5,769
Expenditure on Charitable Activities				
Membership	234,778	37,114	271,892	277,399
Education and development	389,235	78,444	467,679	477,883
Publications	421,310	31,017	452,327	452,832
Area Committees	286,157	60,731	346,888	298,479
	1,414,133	225,990	1,640,123	1,558,231

Support costs constitute central management and administrative costs which are necessarily incurred to enable the charity to carry out its activities. These costs have been allocated to the charity's charitable activities and fundraising on the basis of staff costs. They are made up as follows:

	Fundraising	Membership	Education	Publication	Areas	2019	2018
	£	£	£	£	£	£	£
Office costs	15,042	29,879	63,152	24,971	48,893	181,937	158,609
Professional fees	7	13	28	11	21	80	2,901
Finance costs	414	823	1,741	688	1,347	5,013	3,725
Depreciation	1,473	2,926	6,183	2,445	4,788	17,815	11,830
Amortisation	439	872	1,842	728	1,426	5,307	13,952
Governance	1,309	2,601.00	5,498	2,174	4,256	15,838	79,127
	18,684	37,114	78,444	31,017	60,731	225,990	270,144

In 2019 the Area Committee activity stream has been separated out from the Education and Development activity stream within which it was previously subsumed and the comparatives for this note have been amended accordingly.

4. Governance Costs

	2019 £	2018 £
Allocated staff costs	2,495	65,892
Governance meetings and expenses	5,886	6,385
Auditors fees - audit	4,500	4,400
Auditors fees - non-audit services	2,957	2,450
Allocated support costs	-	15,603
	15,838	94,730

5. Net income / (expenditure for year)

This is stated after charging:	2019 £	2018 £
Depreciation	14,781	13,626
Amortisation	38,069	8,355
Auditors remuneration - audit	4,500	4,110
Auditors remuneration - accountancy services	2,957	2,740

In 2019 audit services were provided by Rothmans Audit LLP and accountancy services were provided by Rothmans LLP, a partnership associated with Rothmans Audit LLP. In 2018 audit and accountancy services were provided by Fletcher and Partners.

6. Staff Costs

Total staff emoluments for the year were as follows:	2019 £	2018 £
Gross salaries and wages	569,240	515,048
Social security	42,028	42,109
Employers contributions to defined contribution pension schemes	28,225	25,229
	639,493	582,386

No employees had total emoluments above £60,000 (2018: no employees).

The total remuneration, including employer national insurance and pension contributions, of the key management personnel was £164,868 (2018: £110,559).

The average monthly head count of employees in the year was as follows:

Membership	2	3
Education and development	12	15
Publications	3	2
Governance and fundraising	12	5
	29	25

7. Trustee remuneration and related party transactions

The charity trustees were not paid any remuneration, nor received any other benefits from employment with the Charity during the year. Travel costs amounting to £5,425 (2018: £2,383) were reimbursed to 10 (2018:4) members of Council. There are no other related party transactions in the reporting period that require disclosure.

8. Intangible fixed assets

	Copyrights & publication rights	Website & Webshop	Total
	£	£	£
Cost			
As at 1 January 2019	84,985	17,417	102,402
Additions	17,527	30,865	48,392
Disposals	-	-	-
As at 31 December 2019	102,512	48,282	150,794
Amortisation			
As at 1 January 2019	31,002	2,414	33,416
Charge for the year	28,834	9,235	38,069
Elimination on disposal	-	-	-
As at 31 December 2019	59,836	11,649	71,485
Net Book Value			
As at 31 December 2019	42,676	36,633	79,309
As at 31 December 2018	53,983	15,003	68,986

9. Tangible fixed assets

	Furniture & Equipment
	£
Cost	
As at 1 January 2019	219,343
Additions	3,407
Disposals	-
As at 31 December 2019	222,750
Depreciation	
As at 1 January 2019	192,885
Charge for the year	14,781
Elimination on disposal	-
As at 31 December 2019	207,666
Net Book Value	
As at 31 December 2019	15,084
As at 31 December 2018	26,458

The Royal School of Church Music owns a collection of books and manuscripts which were a bequest from its founder, Sir Sidney Nicholson, and which are currently held at Westminster Abbey on their behalf. These items, which have been valued for insurance purposes at £159,000, are not included in the financial statements as there is inherent uncertainty as to the Charity's interest in them and therefore their valuation.

10. Fixed assets investments

	2019 £	2018 £
Market value at 1 January 2019	821,249	1,093,080
Additions at cost	81,456	135,733
Disposals at carrying value	(122,541)	(348,733)
Decrease in cash	(8,436)	(493)
Net gain/(loss) on revaluation	118,449	(58,338)
Market value at 31 December 2019	890,177	821,249
Investments at market value comprised:		
UK listed investments	468,021	339,089
Overseas listed investments	409,218	292,413
Other investments	-	168,372
Cash on deposit	12,938	21,375
	890,177	821,249
Historical cost as at 31 December 2019		
Listed investments	644,309	665,976
Cash with investments manager	12,938	21,375
	657,247	687,351

11. Stock

	2019 £	2018 £
Goods for resale	164,944	149,852
	164,944	149,852

12. Debtors

	2019 £	2018 £
Trade debtors	75,329	49,694
Other debtors	19,300	16,376
Prepayments and accrued income	9,503	42,155
	104,132	108,225

13. Creditors - amounts falling due within one year

	2019 £	2018 £
Trade creditors	27,202	39,870
Other creditors	41,789	43,560
Accruals	10,060	13,397
Deferred income	79,306	53,805
	158,357	150,632

14. Deferred Income

Deferred income comprises the portion of membership subscriptions that relate to periods after the balance sheet date, income received for courses occurring after the year-end and donations where donors have imposed conditions that specify the time period in which the donation should be used.

	Membership	Courses	Donations	Total
	£	£	£	£
Balance Brought Forward	47,578	4,935	1,292	53,805
Amount released to incoming resources	(47,578)	(4,935)	(1,292)	(53,805)
Amount deferred in the year	73,015	6,243	48	79,306
Balance Carried Forward	73,015	6,243	48	79,306

15. Analysis of net assets between funds

Fund balances are represented by:	Endowment Funds	Restricted Funds	Unrestricted Funds	Total
	£	£	£	£
Intangible fixed assets	-	-	79,309	79,309
Tangible fixed assets	-	-	15,084	15,084
Fixed asset investments	419,754	187,687	282,736	890,177
Net current assets	-	226,472	246,770	473,242
Total net assets	419,754	414,159	623,899	1,457,812

Analysis of net assets between funds - previous year

Fund balances are represented by:	Endowment Funds	Restricted Funds	Unrestricted Funds	Total
	£	£	£	£
Intangible fixed assets	-	-	68,986	68,986
Tangible fixed assets	-	-	26,458	26,458
Fixed asset investments	370,461	86,072	364,716	821,249
Net current assets	-	292,364	217,783	510,147
Total net assets	370,461	378,436	677,943	1,426,840

16. Endowment funds

The capital of the Endowment Funds, which form part of the investment portfolio, cannot be spent. The funds have been given to the charity by way of donations, legacies and memorial appeals to be invested to provide income for the purposes detailed below:

	Fund B/Fwd	Income	Expenditure	Transfers	Gains & Losses	Fund C/Fwd
	£	£	£	£	£	£
Overseas development fund (For overseas travel and development)	28,793	-	-	-	3,831	32,624
Hymns Ancient & Modern Lectureship Fund (To help pay for lecturers on RSCM courses)	28,946	-	-	-	3,851	32,797
Harold Smart Competition Fund (To fund an annual competition for composers)	10,502	-	-	-	1,398	11,900
To provide grants to students attending RSCM courses:						
Hubert Crook and other bursary funds	149,763	-	-	-	19,927	169,690
Wiles Family Bequest	82,661	-	-	-	10,999	93,660
The Minsall-Jones Bequest	53,690	-	-	-	7,144	60,834
Derek Marsden Fund for educational bursaries	16,106	-	-	-	2,143	18,249
	370,461	-	-	-	49,293	419,754

Endowment Funds - Previous year

	Fund B/Fwd	Income	Expenditure	Transfers	Gains & Losses	Fund C/Fwd
	£	£	£	£	£	£
Overseas development fund (For overseas travel and development)	31,240	-	-	-	(2,447)	28,793
Hymns Ancient & Modern Lectureship Fund (To help pay for lecturers on RSCM courses)	31,751	-	-	-	(2,805)	28,946
Harold Smart Competition Fund (To fund an annual competition for composers)	11,751	-	-	-	(1,249)	10,502
To provide grants to students attending RSCM courses:						
Hubert Crook and other bursary funds	164,584	-	-	-	(14,821)	149,763
Wiles Family Bequest	90,239	-	-	-	(7,578)	82,661
The Minsall-Jones Bequest	58,403	-	-	-	(4,713)	53,690
Derek Marsden Fund for educational bursaries	17,520	-	-	-	(1,414)	16,106
	405,488	-	-	-	(35,027)	370,461

17. Restricted funds

Restricted funds include income from endowments, legacies and donations subject to specific instructions on how they may be spent, as indicated below. The accumulated income from endowments and other restricted donations and legacies are allocated a proportion of the general investment portfolio, unless it is expected that a legacy or donation will be applied in accordance with the wishes of the donor within a reasonable period of receipt.

	Fund B/Fwd	Income	Expenditure	Transfers	Gains & Losses	Fund C/Fwd
	£	£	£	£	£	£
Overseas Development Fund Income	3,155	1,110	(800)	-	196	3,661
Hymns A & M Lectureship Fund Income	7,684	1,211	-	-	545	9,440
Harold Smart Fund Income	5,796	498	-	-	411	6,705
Hubert Crook and other Bursary Funds	36,802	6,173	(3,666)	-	2,479	41,788
Wiles Family Bequest income fund	16,303	3,348	-	-	1,156	20,807
The Minsall-Jones Income Fund	7,862	2,122	-	-	557	10,541
Derek Marsden Fund for Education	2,359	636	-	-	167	3,162
Regional development in specific areas	1,000	20	-	-	71	1,091
Bursaries for Cathedral Courses	19,220	359	(1,660)	-	1,304	19,223
Bursaries for RSCM study programmes	6,080	119	-	-	431	6,630
Liz & Terry Bramall	-	75,000	(75,000)	-	-	-
The Norman Kirkham Fund for organ scholarships	2,000	39	-	-	142	2,181
RSCM Voices general bursaries fund	964	19	-	-	68	1,051
John Pilling Trust Fund - RSCM Voices	4,000	59	(2,000)	-	212	2,271
K Guppy Fund for training/support of boy choristers	39,926	887	-	5,503	3,221	49,537
K Guppy Income Fund for training of boy choristers	5,503	-	-	(5,503)	-	-
Parish Organ Scholarships Project	4,681	91	-	-	332	5,104
Post-Ordination clergy training project	6,875	134	-	-	487	7,496
The Headley Trust bursaries grant for young people	91	2	-	-	7	100
PA Mason Memorial Fund for courses	26,926	583	-	2,940	2,118	32,567
PA Mason Memorial Income Fund	2,940	-	-	(2,940)	-	-
MB MacAuley Fund for choir training	126,627	2,466	(755)	-	8,951	137,289
DF Todd Fund	32,777	640	-	-	2,324	35,741
Cathedral Courses Income Fund	2,808	55	-	-	200	3,063
The Patrons' Fund 2017	73	1	-	-	5	79
Ouseley Trust	-	4,020	(2,000)	-	71	2,091
Area funds	9,632	188	-	-	683	10,503
To support the Cathedral Organists Association	6,352	-	-	(6,352)	-	-
Pipeline Organ Scholarship		4,448	(2,479)	-	69	2,038
The Praxis Grant for Education		7,500	(7,500)			-
	378,436	111,728	(95,860)	(6,352)	26,207	414,159

The transfers in relation to the PA Mason Memorial Fund and K Guppy Fund consolidate funds which were subject to identical restrictions. The transfer of £6,352 from the Cathedral Organists Fund is explained in Note 18.

17. Restricted Funds (continued...)

Restricted Funds - previous year

	Fund B/Fwd	Income	Expenditure	Transfers	Gains & Losses	Fund C/Fwd
	£	£	£	£	£	£
Regional development in specific areas	1,000	-	-	-	-	1,000
Bursaries for Cathedral Courses	20,907	-	-	-	(1,687)	19,220
Hubert Crook and other Bursary Funds	30,883	5,919	-	-	-	36,802
Harold Smart Fund Income	5,277	519	-	-	-	5,796
To support the Cathedral Organists Association	12,181	10,710	(16,539)	-	-	6,352
Bursaries for RSCM study programmes	6,080	-	-	-	-	6,080
Liz & Terry Bramall	-	75,000	(75,000)	-	-	-
The Norman Kirkham Fund for organ scholarships	2,000	-	-	-	-	2,000
Overseas Development Fund	2,139	1,016	-	-	-	3,155
Hymns A & M Lectureship Fund	6,519	1,165	-	-	-	7,684
RSCM Voices general bursaries fund	964	-	-	-	-	964
John Pilling Trust Fund - RSCM Voices	12,000	-	(8,000)	-	-	4,000
K Guppy Fund for training/support of boy choristers	43,405	-	-	-	(3,479)	39,926
K Guppy Income Fund for training of boy choristers	4,058	1,445	-	-	-	5,503
Parish Organ Scholarships Project	4,681	-	-	-	-	4,681
Post-Ordination clergy training project	6,875	-	-	-	-	6,875
The Headley Trust bursaries grant for young people	91	-	-	-	-	91
Wiles Family Bequest income fund	13,154	3,149	-	-	-	16,303
PA Mason Memorial Fund for courses	29,213	-	-	-	(2,287)	26,926
PA Mason Memorial Income Fund	1,990	950	-	-	-	2,940
MB MacAuley Fund for choir training	124,000	3,152	(525)	-	-	126,627
DF Todd Fund	32,777	-	-	-	-	32,777
The Minsall-Jones Income Fund	5,904	1,958	-	-	-	7,862
Derek Marsden Fund for Education	1,771	588	-	-	-	2,359
Cathedral Courses Income Fund	2,107	701	-	-	-	2,808
The Patrons' Fund 2017	73	-	-	-	-	73
Hymns A & M Strengthen for Services	3,855	-	(3,855)	-	-	-
Ouseley Church Music	2,000	-	(2,000)	-	-	-
Area funds	9,632	-	-	-	-	9,632
	385,536	106,272	(105,919)	-	(7,453)	378,436

18. Unrestricted funds

	Fund B/Fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Fund C/Fwd £
Designated funds:						
Fixed assets	26,458	-	(14,781)	3,407	-	15,084
Area development	9,334	-	(400)	-	-	8,934
Areas funds	192,919	116,470	(108,476)	(1,849)	-	199,064
Fair value reserve	46,461	-	-	-	42,949	89,410
Cathedral Organists Association	-	19,514	(16,063)	6,352	-	9,803
General fund	402,771	1,304,934	(1,404,543)	(1,558)	-	301,604
	677,943	1,440,918	(1,544,263)	6,352	42,949	623,899

Unrestricted Funds - previous year

	Fund B/Fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Fund C/Fwd £
Designated funds:						
Fixed assets	24,340	-	-	2,118	-	26,458
Area development	9,334	-	-	-	-	9,334
Areas funds	188,562	161,961	(157,604)	-	-	192,919
Fair value reserve	112,477	-	-	(38,580)	(27,436)	46,461
General fund	350,780	1,321,297	(1,294,708)	36,462	(11,060)	402,771
	685,493	1,483,258	(1,452,312)	-	(38,496)	677,943

As at 31 December 2003, Council created a fund designated to represent fixed assets. Fixed asset additions are transferred to the fund and depreciation is charged to the fund.

As at 31 December 2010, Council created a fund designated for Area Development. £30,000 was transferred from the general fund to provide underwriting or grant support for Area education and outreach programmes where the necessary funds are not available locally. One grant was paid to areas from this fund in 2019 (2018 - Nil)

Area funds comprise the net assets of the RSCM Area Committees who arrange local training activities for the charity.

The Fair value reserve comprises the net revaluation gains on investments held by the charity.

The Cathedral Organists Association is part of the Royal School of Church Music but operates within a separate framework within the overall governance arrangements of the Charity; the trustees take the view that this level of operational independence is best recognised by identifying the funds relating to the Cathedral Organists Association as a designated fund as those funds will be used only for the Association's purposes. In previous years the fund was classified as a restricted fund, but the trustees have concluded that this is no longer appropriate as none of the current funds were subject to restrictions when received.

The general fund represents those funds which are unrestricted and not designated for other purposes.

19. Operating lease commitments

At 31 December 2019, the Charity had total commitments under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2019	2018	2019	2018
	£	£	£	£
Due within one year	40,123	42,416	-	7,714
Due between one and five years	18,458	58,580	-	-
Due in more than five years	-	-	-	-
	58,581	100,996	-	7,714

20. Pension Commitments

The charity operates a defined contributions scheme on behalf of its employees. The RSCM contributes a minimum of 5% of each members gross salary into the scheme where the member contributes a minimum of 3% of gross salary. The assets of the scheme are held separately from the charity in a fund administered by Aegon. The annual pension commitment under this scheme is £28,225 (2018: £25,229). Contributions of £4,223, including employee contributions, were outstanding at the balance sheet date (2018: £4,041).

20. Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Income and Endowments from:				
Donations and legacies	255,341	78,152	-	333,493
Income from charitable activities:				
Membership Income	578,849	-	-	578,849
Education & Outreach	77,617	10,710	-	226,207
Publication sales & royalties	412,447	-	-	412,447
Area committees	137,880	-	-	-
Other incoming resources	16,259	17,410	-	33,669
Investments	4,865	-	-	4,865
Total Income	1,483,258	106,272	-	1,589,530
Expenditure on:				
Raising funds	51,638	-	-	51,638
Charitable activities				
Membership Income	277,399	-	-	277,399
Education & Outreach	379,284	105,919	-	485,203
Publication sales & royalties	452,832	-	-	452,832
Area committees	291,159	-	-	291,159
Total expenditure	1,452,312	105,919	-	1,558,231
Net income/(expenditure)	30,946	353	-	31,299
Transfers between funds	-	-	-	-
Gains/(losses) on investments	(11,060)	(2,141)	(9,437)	(22,638)
Unrealised gains/(losses) on investments	(27,436)	(5,312)	(25,590)	(58,338)
Net movement in funds	(7,550)	(7,100)	(35,027)	(49,677)
Reconciliation of funds:				
Total funds brought forward	685,493	385,536	405,488	1,476,517
Total funds carried forward	**677,943**	**378,436**	**370,461**	**1,426,840**