

**Company Registration No 05829570 (England and Wales)
Registered Charity number 01116213**

**PRO CORDA TRUST
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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PRO CORDA TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Charity name: Pro Corda Trust

Registered Charity number: 01116213

Registered Company number: 05829570

Co-Founders: Miss P Spofforth MBE (deceased)
Miss B G Hewlins MBE (deceased)

Trustees: Sarah Falk (Chair)
Graham Bowler
John Ette
Jane Fenoulhet
David Ballance
Lindsay Dodsworth
Ina Budh-Raja (Honorary Secretary)
Kate Gibbons (appointed 18 October 2016)
Angela Au (appointed 31 January 2018)

The Trustees, who are also the directors for the purposes of company law, have all served in office throughout the year and to the date of this report, except where indicated.

Members of the Board of Pro Corda Trust can be appointed by the members of Pro Corda or by the Board. Board members, including those most recently appointed by the Board, are required to retire by rotation at the Annual General Meeting and may be reappointed by the members. References in this report to the Trustees are references to the Board members.

Chief Executive Officer: Andrew Quartermain

The day-to-day running of the Trust and Pro Corda Ventures Limited is delegated to the Chief Executive Officer, Andrew Quartermain.

Registered Office: Leiston Abbey House
Theberton Road
Leiston
Suffolk
IP16 4TD

Telephone: (01728) 831354

Fax: (01728) 832500

Email: mail@procorda.com

Website: www.procorda.com

Auditors: Ensors Accountants LLP
Blyth House
Rendham Road
Saxmundham
IP17 1WA

PRO CORDA TRUST
LEGAL AND ADMINISTRATIVE INFORMATION (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Bankers: Royal Bank of Scotland
15 – 17 George Street
Luton
LU1 2AF

Solicitors: Marshalls
102 High Street
Godalming
Surrey
GU21 1NL

PRO CORDA TRUST

REPORT OF THE CHIEF EXECUTIVE OFFICER FOR THE YEAR ENDED 30 SEPTEMBER 2017

2016-17 saw the highest number of courses and programmes in Pro Corda's history.

There was a small increase in the number of students attending the Core Chamber Music courses across the age tiers, and also an increased focus during the year on the open access feeder programmes to the Preparatory chamber course. The London Saturday School "YSE" for 5 – 11 year olds added a new "Leadership tier" and, during the year, development and preparation work was carried out to establish new regional series within the YSE brand. Crucially, the bursary fund was increased during the year allowing Pro Corda to continue to meet its ongoing aspiration that no student should be prevented from accessing its courses because of their family's ability to afford fees.

Pro Corda carried out more Schools Workshops across the country than ever before via the new "Creative Ensembles" series. There were also record entrant numbers for the annual National Chamber Music Festival for Schools.

Pro Corda's professional training continues to be of central importance, to foster the next generation of chamber music coaches. During the year, six new Chamber Music Coaching Fellows were appointed from a wide pool of young professional and post graduate applicants.

It was also an exciting year for Pro Corda's Outreach Programme for young people with additional needs. A new Outreach Coordinator was appointed during the year and new areas of curriculum were added to the outreach courses including film score and composition. The recently launched Young Carers programme was developed and increased, the work experience programme for young adults with disabilities continued during the year, and emphasis was also placed on serving the siblings of young people with disabilities.

The Site Development work at Leiston Abbey focused a building project to add disabled facilities and permanent ramp access to the Guesten Hall and Barn Concert Hall. These works also took in repairs to the Barn's Gable Ends and masonry. A Site Volunteer group was established during the year which has enabled sustained and imaginative development of the gardens at Leiston Abbey. Pro Corda is working towards an integrated estate strategy to establish priority areas, fundraise for, and see through further major phases of development at Leiston Abbey.

There was also significant activity during the year to establish international working, in line with that aspiration of the current Five Year Business Plan. During the year, a partnership was established with the European Chamber Music Teacher's Association, and Pro Corda hosted the ECMTA's Annual Conference giving the key note presentations. This new partnership will give new opening to international student recruitment and also place Pro Corda's approach to chamber music training, and belief in its wider remit, at the heart of European direction in this area of education.

Another aspect of business development was the Public Concerts Series serving Pro Corda's immediate community in Suffolk. The wider commercial income potential of increased public engagement with the site, together with a new focus on school field trip type bookings, gave new direction within Pro Corda Ventures and the smaller area of output where the Abbey site is hired commercially when not being used for the Trust's ever increasing activities.

It was an extremely full year, and Pro Corda remains immensely grateful to all its many funders and donors for investing in and believing in its educational mission, a mission which in today's world is more crucial and immediate than ever.

Andrew Quartermain
CEO and Artistic Director
Pro Corda / Leiston Abbey 1363

PRO CORDA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The Trustees are pleased to present their annual Trustees' Report together with the consolidated financial statements of the Trust and its subsidiary for the year ended 30 September 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Statement of Recommended Practice ("SORP") applicable to charities preparing their accounts in accordance with FRS 102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and administration

Pro Corda Trust is a charitable company limited by guarantee, incorporated on 26 May 2006 and registered as a charity on 26 September 2006. The charity was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed by its Articles of Association. On 29 September 2006 the assets and liabilities of the original charity (Charity Number: 00313772) were transferred into Pro Corda Trust. In the event of the winding up of the Trust, each member's liability is limited to £10.

Investment powers, policy and performance

The Trustees' investment powers are governed by the constitution. Pro Corda Trust currently maintains its liquid resources in banks with stable reputations.

Method adopted for the recruitment and appointment of new Trustees

When a vacancy arises, existing Trustees, the Chief Executive Officer, Course Directors and other interested parties are invited to put forward the names of suitable candidates. Where specialist skills are required, an approach is likely to be made to suitable parents of existing students or professionals known to the Trustees or other staff. Candidates are invited to submit a CV and to indicate how they might assist in the furtherance of the principal objectives of the Trust. They are subsequently invited to a Trustees' meeting. Following the meeting, those candidates still interested are discussed by the existing Trustees and a choice is made if there is more than one candidate for a particular vacancy.

Policies and procedures adopted for the induction and training of new Trustees

The Trust has only limited resources and does not offer a formal induction programme and training for new Trustees who are generally expected to have already the skills necessary to perform their duties. Comprehensive information on Pro Corda's background, current activities, operational guidelines and development plan are provided for new Trustees upon their appointment. The Trust is prepared to consider sponsoring any Trustee who wishes to undertake external training geared to improving his or her contribution in the governance of the Trust.

PRO CORDA TRUST
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Organisational structure

The Trustees aim to have amongst their number a diversity of skills and professions to enable them to fulfil their obligations. Trustees add value by assuming responsibilities commensurate with their experience. They delegate the day-to-day running of the Trust and Pro Corda Ventures Limited to the Chief Executive Officer, Andrew Quartermain, who provides detailed and timely feedback on progress against their expectations.

The key management personnel of the Trust comprise the Trustees and the Chief Executive Officer who is appointed by the Trustees to manage the day to day activities of the Trust.

The pay of all staff is reviewed annually.

Relationship between the Trust and its subsidiary

Pro Corda Ventures Limited exists to provide a financial contribution to the Trust in the form of trading income from lettings including wedding receptions and outside courses. During the year it made an operating loss of £1,139 (2016: operating profit of £5,808). Please see note 4 to these accounts.

Grant making policy

This year, the Trust awarded £136,326 (2016: £68,911) of scholarships and bursaries. The Trustees' policy is to make these awards on the basis of musical ability, financial need and subject to the restrictions imposed by the original donor of the funds.

Course	Total Funding		Number of Students	
	2017 £	2016 £	2017	2016
Preparatory	2,815	2,826	7	9
Primary	8,037	5,265	18	10
Junior	5,340	3,358	11	10
Intermediate	3,324	6,393	9	11
Senior	8,716	16,350	13	26
Combined	2,826	-	6	-
Pro Corda North	7,280	7,300	19	21
Pro Corda West	3,239	2,536	4	6
Cello / Viola	8,920	99	24	1
Conservatoire Cello	-	4,500	-	15
Conservatoire Violin	9,900	5,100	18	17
Piano Plus	100	299	1	1
Violin Plus	50	198	1	1
Chamber Orchestra (COC)	-	3,187	-	12
Baroque	9,529	4,000	24	16
Conservatoire Viola	-	7,500	-	25
Fellowships and professional training workshops	66,250	-	68	-
	136,326	68,911	223	181

PRO CORDA TRUST
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

OBJECTIVES, ACTIVITIES AND PERFORMANCE

Pro Corda Trust exists to provide for and conduct the education of young persons and others in the whole art, philosophy and theory of music, particularly chamber music.

In setting the objectives and planning the activities of the Trust, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging.

Please see the report of the Chief Executive Officer for details of activities and performance during the year.

Board policy

The policy of the Trustees is to raise finance to make the continued running of the courses viable through:

- charging fees for the courses;
- charging third parties for the use of Pro Corda premises for other activities and courses;
- and
- seeking sponsorship, donations and Gift Aid donations.

The Trustees delegate the day-to-day running of the entire organisation to the Chief Executive Officer, Andrew Quartermain. The Trustees monitor closely all the activities of the Trust and its subsidiary.

PRO CORDA TRUST
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Activities and achievements

In the year, Pro Corda had 1,019 students (2016: 1,044) attending courses, analysed as follows.

	2017	2016
<u>At Leiston Abbey, Suffolk</u>		
Conservatoire violin	18	-
Alumni	7	-
Adult Piano (October)	12	21
Cello Course (October)	23	27
Special Educational Needs (November)	62	70
Intermediate 1 (January)	35	22
Special Educational Needs (January)	41	35
Special Educational Needs (January)	38	35
Piano (February)	8	14
Violin (February)	14	15
Conservatoire – Viola (February)	22	32
Junior 1 (April)	29	31
Primary 1 (April)	29	23
Special Educational Needs (May)	51	35
Preparatory (June)	24	28
Special Education Needs (July)	25	22
Special Education Needs (July)	22	18
Adult Piano (July)	9	9
Chamber Orchestra (July)	-	37
Primary 2 (July)	28	38
Junior 2 (August)	46	36
Intermediate 2 (August)	35	32
Senior 2 (August)	41	37
<u>At Sedburgh School, North Yorkshire</u>		
Pro Corda North (August)	31	31
<u>At Wells Cathedral School, Somerset</u>		
Pro Corda West (August)	35	28
Y.S.E	52	50
Activities Unlimited weeks	112	120
Children in Need Activity	-	41
Young Music Makers	78	93
Siblings courses	41	55
Young Adult Carers	28	9
Conservatoire baroque	23	-
	1,019	1,044

In addition to the above course, Pro Corda had attendees at the following activities:

School workshops	994	920
Chamber Music Festival	598	595
Fellowships and professional training workshops	62	-
	1,654	1,515

The Trustees are satisfied that the Trust has fulfilled the aims set out in its constitution during the year. Please see the Report of the Chief Executive Officer for details of how this was achieved.

PRO CORDA TRUST
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

FINANCIAL REVIEW AND PLANS FOR THE FUTURE

Financial activities and results

Unrestricted reserves stood at £2,196,790 (2016: £2,167,751) following a surplus in the year of £29,039 (2016: surplus of 3,851). The surplus of £29,039 includes £22,500 in donations related to the building improvements and donations of musical instruments valued at £7,250. Restricted reserves stood at £192,720 (2016: £196,902) following a deficit in the year of £4,182 (2016: surplus of £5,002).

Plans for the future are discussed in more detail in the Report of the Chief Executive Officer.

Reserves

Notes 17 to 20 to the financial statements show the assets and liabilities attributed to the various funds by type and also define the various funds in the Trust and summarise the year's movement on each fund. The Trust's unrestricted funds as at 30 September 2017 amounted to £2,196,790 (2016: £2,167,751) net of negative free reserves of £85,275 (2016: £61,640) which have arisen due to historical losses and capital expenditure on the site at Leiston Abbey which is integral to its ability to deliver its charitable objects. The Trust's tangible fixed assets, which have increased by £56,811 in the year, are represented primarily by the site at Leiston Abbey and form the major part of the unrestricted funds value at £2,442,295 (2016: £2,385,484).

Although the Trust's income streams are now reasonably stable, management attention remains focused on ensuring sufficient cash is always available to cover short term fixed costs in the event of any unforeseen downturn arising from wider economic circumstances. The Trustees have an objective to increase the level of unrestricted reserves over time to ensure that the Trust is secure financially in the long term.

Risk management

The Trustees examine the major risks the Trust faces each financial year when preparing and updating the strategic plan. The Trust has adequate systems and procedures in place to control these risks to mitigate any impact that they may have on the Trust in the future.

Attention is focussed on financial risks to ensure that the Trust and its subsidiary have sufficient funds to conduct their activities. Attention is also on non-financial risks such as those related to staff, the service provision and the site.

PRO CORDA TRUST
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Statement of Trustees' responsibilities

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' annual report and financial statements in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Charities SORP.

Company law requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Trust and the group and of the incoming resources and application of resources, including the income and expenditure, of the Trust for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Group's auditor is unaware; and
- the Trustees, having made enquiries of fellow trustees and the Group's auditor that they ought to have individually made, have each taken all steps that they are obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Signed by order of the Trustees

Sarah Falk
Chair

Approved by the Trustees on

13 February 2018

PRO CORDA TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRO CORDA TRUST
FOR THE YEAR ENDED 30 SEPTEMBER 2017

We have audited the financial statements of Pro Corda Trust for the year ended 30 September 2017, which comprise the Statement of Financial Activities, Statement of Financial Position, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Trustees, 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 Trustees 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 Trust and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Trust's affairs as at 30 September 2017, and of its surplus/(deficit) for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Trust 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 charitable company'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.

PRO CORDA TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRO CORDA TRUST
(continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

PRO CORDA TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRO CORDA TRUST
(continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Responsibilities of trustees


As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees (who are also the directors of the Trust for the purposes of company law) 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 the Trustees 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's 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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.



Malcolm McGready (Senior Statutory Auditor)
for and on behalf of Ensors Accountants LLP

Ensors Accountants LLP
Blyth House
Rendham Road
Saxmundham
IP17 1WA

Dated: 22/2/18

PRO CORDA TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Income					
Donations and legacies	2	69,466	148,335	217,801	171,824
Income from charitable activities					
Course fees	3	505,561	-	505,561	475,613
Income from other trading activities					
Trading income	4	27,607	-	27,607	28,997
Lettings and related income		31,917	-	31,917	37,778
Concert tickets and other income		21,449	-	21,449	20,502
Investment income	5	1	-	1	4
Total income		656,001	148,335	804,336	734,718
Expenditure					
Cost of raising funds					
Trading expenses	4	28,746	-	28,746	23,189
Fundraising costs		32,456	4,670	37,126	36,405
Expenditure on charitable activities	6				
Bursaries and scholarships granted	3	-	136,326	136,326	68,911
Music and pastoral staff		191,462	5,255	196,717	193,470
Food, cooking and cleaning		110,563	-	110,563	105,516
Governance and support costs	7	184,346	6,266	190,612	194,389
Establishment costs		44,031	-	44,031	57,679
Other course costs		35,358	-	35,358	46,306
Total expenditure		626,962	152,517	779,479	725,865
Net income / (expenditure)		29,039	(4,182)	24,857	8,853
Transfer between funds					
Net movement in funds		29,039	(4,182)	24,857	8,853
Total funds brought forward		2,167,751	196,902	2,364,653	2,355,800
Total funds carried forward		2,196,790	192,720	2,389,510	2,364,653

All income and expenditure derive from continuing activities.

All gains and losses recognised in the year are included in the Consolidated Statement of Financial Activities.

The notes on pages 17 – 27 form part of these financial statements.

PRO CORDA TRUST
CONSOLIDATED AND TRUST STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	Notes	Group		Trust	
		2017 £	2016 £	2017 £	2016 £
Fixed assets					
Tangible assets	11	2,442,295	2,385,484	2,435,725	2,377,683
Investments	12	-	-	100	100
		<u>2,442,295</u>	<u>2,385,484</u>	<u>2,435,825</u>	<u>2,377,783</u>
Current assets					
Stocks		2,503	3,235	1,330	1,330
Debtors	13	28,403	79,611	19,752	78,897
Cash		90,644	41,476	82,179	23,079
		<u>121,550</u>	<u>124,322</u>	<u>103,261</u>	<u>103,306</u>
Creditors due within one year	14	(174,335)	(145,153)	(160,193)	(134,322)
Net current liabilities		<u>(52,785)</u>	<u>(20,831)</u>	<u>(56,932)</u>	<u>(31,016)</u>
Total assets less current liabilities	17	<u>2,389,510</u>	<u>2,364,653</u>	<u>2,378,793</u>	<u>2,346,767</u>
Funds					
Restricted funds	18				
General		28,343	30,724	28,343	30,724
Barn fund		164,377	166,178	164,377	166,178
		<u>192,720</u>	<u>196,902</u>	<u>192,720</u>	<u>196,178</u>
Unrestricted funds	19				
General		1,315,561	1,279,353	1,315,561	1,279,353
Revaluation reserve		870,512	870,512	870,512	870,512
Non-charitable trading funds		10,717	17,886	-	-
		<u>2,196,790</u>	<u>2,167,751</u>	<u>2,186,073</u>	<u>2,149,865</u>
Total funds		<u>2,389,510</u>	<u>2,364,653</u>	<u>2,378,793</u>	<u>2,346,767</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

Approved by the Board for issue on

13 February 2018

Sarah Falk

Sarah Falk
Chair

Company Registration No. 05829570

The notes on pages 17 – 27 form part of these financial statements.

PRO CORDA TRUST
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 £	2016 £
Cash used in operating activities	21	<u>119,411</u>	<u>(49,104)</u>
Cash flows from investing activities			
Interest income		1	4
Purchase of tangible fixed assets		(70,244)	(1,160)
Cash used in investing activities		<u>(70,243)</u>	<u>(1,156)</u>
Increase / (decrease) in cash and cash equivalents		49,168	(50,260)
Cash and cash equivalents at the beginning of the year		41,476	91,736
Total cash and cash equivalents at the end of the year		<u>90,644</u>	<u>41,476</u>

The notes on pages 17 – 27 form part of these financial statements.

PRO CORDA TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. Principal accounting policies

Charitable company information

Pro Corda Trust is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Leiston Abbey, Theberton Road, Leiston, Suffolk, IP16 4TD.

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Charities SORP (FRS 102).

Pro Corda Trust is a public benefit entity.

The financial statements are prepared in sterling, which is the functional currency of the Trust and of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties.

These financial statements for the year ended 30 September 2017 are the first financial statements of Pro Corda Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

b) Group accounts

These financial statements consolidate the results of Pro Corda Trust and its wholly-owned subsidiary, Pro Corda Ventures Limited, on a line by line basis. A separate statement of financial activities for the Trust itself is not presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Course fees and similar income

Course fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Course fees receivable include contributions received from restricted funds for scholarships, bursaries and other costs.

d) Donations and fund accounting

Donations received for the general purposes of the Trust are included as unrestricted funds. Donations for activities restricted by the wishes of the donor are taken to 'restricted funds' where their wishes are legally binding on the Trustees.

Income from donations (including donated goods or services) or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

For legacies, entitlement is recognised from the earlier of the date of receipt or when sufficient notification is received by the Trust to enable it to quantify its entitlement with reasonable certainty. Income is not recognised for legacies which remain subject to a life interest.

e) Resources expended

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. These estimates are based on staff time. The irrecoverable element of VAT is included with the item of expense to which it relates.

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. Principal accounting policies (continued)

f) Operating leases

Rentals payable are charged on a time basis over the lease term.

g) Pension schemes

The Trust offers a defined contribution pension scheme for its employees. The contributions are charged to expenses as they fall due for payment. There are currently 12 employees (2016: 9) who are members of this scheme.

h) Tangible fixed assets

Capitalisation and replacement

The land, together with the original buildings (which are all Grade II listed properties), were acquired by the Trust in 1986. The Trust is responsible for keeping the original buildings in fit and useful condition, and these costs are written off as incurred. Building improvements and extensions costing more than £5,000 are capitalised and carried in the balance sheet at cost.

Depreciation

Land is not depreciated but is re-valued and surplus transferred to the revaluation reserve. Depreciation of other assets is provided at rates calculated to write off the excess of cost over estimated residual amount evenly over the estimated useful economic lives of each class of asset, subject to annual review.

These rates are currently as follows:

Property improvements:	50 years (straight line)
Musical instruments:	10 years (straight line)
Furniture and equipment:	5 – 10 years (reducing balance)
Computers:	3 years (straight line)

The residual value of certain musical instruments is considered such that any depreciation charge would be immaterial. Accordingly, none is charged.

Similarly, from 2017, the trustees consider the residual value of listed buildings is materially consistent with the residual value of the asset. Accordingly no depreciation has been charged on listed buildings for the year ended 30 September 2017.

i) Stock

Stock is carried at the lower of cost and net realisable value.

j) Grants and bursaries payable

Grants and bursaries from restricted funds are included as expenditure in the period for which the award is given.

k) Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Donated goods

During the year the Trust received donated musical instruments valued at £7,850. This donation has been recognised as income and capitalised in these financial statements.

3. Course fees

The course fee income comprised:

	2017 £	2016 £
Gross fees	505,561	475,613
Less: bursaries, scholarships, grants and allowances	(136,326)	(68,911)
	<u>369,235</u>	<u>406,702</u>

4. Income from subsidiary's trading activities

The Trust owns the whole of the ordinary share capital, consisting of 100 ordinary shares of £1 each, of Pro Corda Ventures Limited, a company incorporated in the UK, which undertakes activities that fall outside the scope of the Trust's objectives.

The registered office of Pro Corda Ventures Limited is Leiston Abbey, Theberton Road, Leiston, Suffolk, IP16 4TB.

Pro Corda Ventures Limited's trading results for the year as extracted from the financial statements are summarised below, together with the Trust's own results for the year to distinguish them from the group results in the Consolidated Statement of Financial Activities.

	Subsidiary		Trust	
	2017 £	2016 £	2017 £	2016 £
Turnover and fee income	27,607	28,997	505,561	475,613
Cost of sales: subsidiary	(5,981)	(7,801)		
Gross profit: subsidiary	<u>21,626</u>	<u>21,196</u>		
Administration: subsidiary	(22,765)	(15,388)		
Other income	-	-	271,167	230,104
Operating (loss) / profit	<u>(1,139)</u>	<u>5,808</u>		
Bank interest receivable	-	-	.1	4
Gross incoming resources			<u>776,729</u>	<u>705,721</u>
Cost of charitable activities			(713,607)	(666,271)
Cost of generating funds			(37,126)	(36,405)
Retained (deficit) / surplus	<u>(1,139)</u>	<u>5,808</u>	<u>25,996</u>	<u>3,045</u>

Details of the subsidiary's balance sheet are given in note 12.

The Subsidiary's retained surplus for 2016 is stated before a donation to the Trust of £4,811.

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

5. Investment income

	2017 £	2016 £
Interest on cash deposits	1	4

6. Analysis of expenditure on charitable activities

	Music Courses £	Barn Costs £	Depreciation and loss on disposal £	Total £
Bursaries and scholarships granted	136,326	-	-	136,326
Music and pastoral staff	196,717	-	-	196,717
Food, cooking and cleaning	110,563	-	-	110,563
Governance & support costs (see note 7)	176,608	1,801	12,203	190,612
Establishment costs	44,031	-	-	44,031
Other course costs	35,358	-	-	35,358
	<u>699,603</u>	<u>1,801</u>	<u>12,203</u>	<u>713,607</u>

Of the £713,607 expenditure in 2017 (2016: £666,271), £565,760 (2016: £606,116) was charged to unrestricted funds and £147,847 (2016: £60,155) to restricted funds.

7. Analysis of governance and support costs

	General support £	Governance Function £	Total £
Staff costs	76,775	-	76,775
Travel and subsistence	27,033	-	27,033
Office costs	20,042	-	20,042
Audit and accountancy costs	-	7,110	7,110
Other legal and professional costs	19,412	-	19,412
Advertising	2,907	-	2,907
Insurance	15,499	-	15,499
Depreciation and loss on disposal	12,203	-	12,203
Other costs	9,631	-	9,631
	<u>183,502</u>	<u>7,110</u>	<u>190,612</u>

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

8. Expenditure for the year is stated after charging:

	2017 £	2016 £
Fees payable to the group's auditor for:		
The audit of the consolidated and subsidiary company financial statements	7,110	7,050
Accountancy services	15,206	16,902
	<u>15,206</u>	<u>16,902</u>

9. Analysis of staff costs and trustee remuneration and expenses

	2017 £	2016 £
Wages and salaries	244,430	233,053
Employers National Insurance	17,095	16,377
Employers pension contributions	1,621	515
	<u>263,146</u>	<u>249,945</u>

The average number of employees in the year, calculated on a head count basis was 13 (2016: 12).

No employee earned more than £60,000 in the year (2016: nil).

The key management personnel of the parent charity, the Trust, comprise the Trustees and the Chief Executive Officer. The total employee benefits of the key management personnel of the Trust were £45,381 (2016: £45,314).

The key management personnel of the group comprise those of the Trust and those of its wholly owned subsidiary Pro Corda Ventures Limited. The key management personnel of Pro Corda Ventures Limited are the directors and the Chief Executive Officer, whose employee benefits total £nil (2016: £nil). The total employee benefits of key management personnel for the group was therefore £45,381 (2016: £45,314).

10. Related party transactions

Neither the Trustees, nor any persons connected with them, received any remuneration or other benefits from the Trust or any connected organisation other than the reimbursement of expenses.

Reimbursement of travel expenses to Trustees totalled £nil (2016: £nil). No Trustee received any subsidy for their offsprings to attend.

A Trustee of the Trust made a donation of £3,299 (2016: £nil) to the Trust during the year.

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

11. Tangible fixed assets

	Freehold buildings £	Musical instruments £	Furniture & equipment £	Trust total £	Subsidiary furniture & equipment £	Group total £
Cost or Valuation						
1 October 2016	2,379,324	58,567	70,000	2,507,891	69,651	2,577,542
Additions	62,930	7,850	-	70,780	-	70,780
Disposals	-	(500)	(31,773)	(32,273)	-	(32,273)
30 September 2017	2,442,254	65,917	38,227	2,546,398	69,651	2,616,049
Depreciation						
1 October 2016	45,000	28,605	56,603	130,208	61,850	192,058
Charge for the year	6,845	182	2,047	9,074	1,231	10,305
On disposal	-	-	(28,609)	(28,609)	-	(28,609)
30 September 2017	51,845	28,787	30,041	110,673	63,081	173,754
Net book values						
30 September 2017	2,390,409	37,130	8,186	2,435,725	6,570	2,442,295
30 September 2016	2,334,324	29,962	13,397	2,377,683	7,801	2,385,484

Within freehold buildings there is property valued at £2,100,000 which has a historical cost of £1,229,488.

The Trust's freehold land and property was valued at 30 September 2013 by John Ette, a Trustee with the necessary expertise and experience to perform the valuation.

12. Investments

	Group		Trust	
	2017 £	2016 £	2017 £	2016 £
Fixed asset investments				
Investment in subsidiary	-	-	100	100

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

12. Investments (continued)

	2017	2016
	£	£
The assets and liabilities of the subsidiary were:		
Tangible fixed assets	6,570	7,801
Current assets	21,697	27,367
	<u>28,267</u>	<u>35,168</u>
Creditors: amounts falling due within one year	(17,550)	(17,182)
	<u>10,717</u>	<u>17,986</u>
Represented by:		
Share capital	100	100
Profit and loss account	10,617	17,886
	<u>10,717</u>	<u>17,986</u>

Details of the subsidiary's profit and loss account are given in note 4.

13. Debtors

	Group		Trust	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	22,029	22,872	13,981	17,010
Prepayments	6,374	43,045	5,771	43,043
Amounts due from subsidiary	-	-	-	6,350
Other debtors	-	13,694	-	12,494
	<u>28,403</u>	<u>79,611</u>	<u>19,752</u>	<u>78,897</u>

14. Creditors: Due within one year

	Group		Trust	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	80,695	69,069	78,871	66,935
Advance course fees	46,869	36,485	46,869	36,485
Taxation and social security	4,245	5,372	4,245	5,372
Amounts owed to subsidiary	-	-	3,407	-
Other creditors and accruals	42,526	34,227	26,801	25,530
	<u>174,335</u>	<u>145,153</u>	<u>160,193</u>	<u>134,322</u>

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

15. Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group		Trust	
	2017	2016	2017	2016
	£	£	£	£
Total commitment	10,275	10,668	10,275	10,668

16. Financial instruments

	Group		Trust	
	2017	2016	2017	2016
	£	£	£	£
<u>Carrying amount of financial assets</u>				
Debt instruments measured at amortised cost	28,403	79,611	19,752	78,897
Equity instruments measured at cost less impairment	-	-	100	100
<u>Carrying amount of financial liabilities</u>				
Measured at amortised cost	174,335	145,153	160,193	134,322

17. Analysis of group funds

	Fixed assets	Net current assets / (liabilities)	Fund balances
	£	£	£
Restricted funds:			
General	-	28,343	28,343
Barn Fund	164,377	-	164,377
	164,377	28,343	192,720
Unrestricted funds:			
General fund	1,400,836	(85,275)	1,315,561
Revaluation fund	870,512	-	870,512
Non-charitable trading funds	6,570	4,147	10,717
Group	2,442,295	(52,785)	2,389,510

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

18. Restricted funds: movement in the year

	Balance at 1 Oct 2016 £	Income £	Expended £	Balance at 30 Sept 2017 £
Bursary	8,750	136,335	(136,326)	8,759
Special Educational Needs and Lifeskills	7,014	2,000	(9,014)	-
Piano	2,349	-	-	2,349
Chamber Competition	7,956	10,000	(5,376)	12,580
Barn Fund	166,178	-	(1,801)	164,377
NYMO	4,655	-	-	4,655
	196,902	148,335	(152,517)	192,720

19. Unrestricted funds: movement in the year

	Balance at 1 Oct 2016 £	Income £	Expended £	Balance at 30 Sept 2017 £
General reserve	1,279,353	628,394	(592,186)	1,315,561
Revaluation reserve	870,512	-	-	870,512
Trust	2,149,865	628,394	(592,186)	2,186,073
Non-charitable trading funds	17,886	27,607	(34,776)	10,717
	2,167,751	656,001	(626,962)	2,196,790

20. Restricted fund expenditure

	Bursaries granted £	Music and pastoral staff £	Administra- tion £	Establish- ment £	Fundraising costs £	Total £
General						
Bursary	136,326	-	-	-	-	136,326
SEN	-	2,962	2,962	-	3,090	9,014
Chamber comp.	-	2,293	2,293	-	790	5,376
Barn	-	-	1,011	-	790	1,801
Group and Trust	136,326	5,255	6,266	-	4,670	152,517

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

21. Reconciliation of group net incoming resources to net cash inflow from group operations

	£	2017 £	£	2016 £
Net income		24,857		8,853
Depreciation charges added back	13,434		9,943	
Deduct interest income	(1)		(4)	
Decrease in stocks	731		-	
Decrease / (increase) in debtors	51,208		(15,324)	
Increase / (decrease) in creditors	29,182		(52,572)	
		94,554		(57,957)
Net cash generated by / (used in) group operating activities		119,411		(49,104)

PRO CORDA TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

22. Consolidated statement of financial activities (including income and expenditure account) for the year ended 30 September 2016

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £
Income			
Donations and legacies	103,849	67,975	171,824
Income from charitable activities			
Course fees	475,613	-	475,613
Income from other trading activities			
Trading income	28,997	-	28,997
Lettings and related income	37,778	-	37,778
Concert tickets and other income	20,502	-	20,502
Investment income	4	-	4
Total income	666,743	67,975	734,718
Expenditure			
Cost of raising funds			
Trading expenses	23,189	-	23,189
Fundraising costs	33,587	2,818	36,405
Expenditure on charitable activities			
Bursaries and scholarships granted	19,936	48,975	68,911
Music and pastoral staff	187,880	5,590	193,470
Food, cooking and cleaning	105,516	-	105,516
Governance and support costs	188,799	5,590	194,389
Establishment costs	57,679	-	57,679
Other course costs	46,306	-	46,306
Total expenditure	662,892	62,973	725,865
Net income	3,851	5,002	8,853
Transfer between funds	-	-	-
Net movement in funds	3,851	5,002	8,853
Total funds brought forward	2,163,900	191,900	2,355,800
Total funds carried forward	2,167,751	196,902	2,364,653

PRO CORDA TRUST
DETAILED INCOME AND EXPENDITURE ACCOUNT
(This page does not form part of the statutory financial statements)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	2017		2016	
	£	£	£	£
Donations and legacies				
Donations received	214,542		161,816	
Gift Aid refunds	2,079		8,788	
Friends subscriptions	1,180		1,220	
		217,801		171,824
Income from charitable activities				
Course fees		505,561		475,613
Lettings and related income				
English Heritage contributions	12,500		7,000	
Other lettings	19,417		30,778	
		31,917		37,778
Concert tickets and other income				
Concert tickets	4,708		6,823	
Fundraising events	951		8,666	
CD sales	35		130	
Refreshments, cream teas & lunches	4,269		4,368	
Merchandise sales	195		50	
Insurance claims	11,291		465	
		21,449		20,502
Investment income				
Deposit account interest		1		4
Total income		776,729		705,721
Less: Expenditure per schedule attached		(750,733)		(702,676)
Net surplus for the year		25,996		3,045
Net surplus for year transferred to total funds		25,996		3,045

PRO CORDA TRUST
DETAILED INCOME AND EXPENDITURE ACCOUNT
(This page does not form part of the statutory financial statements)
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	2017		2016	
	£	£	£	£
Fundraising costs		37,126		36,405
Bursaries and scholarships granted		136,326		68,911
Music and pastoral staff and other costs		196,717		193,470
Food, cooking and cleaning				
Provisions	24,209		21,446	
Cleaning & laundry supplies	1,198		2,025	
Domestic staff	85,156		82,045	
		<u>110,563</u>		<u>105,516</u>
Governance and support costs				
Administrative staff	76,775		74,217	
Travel & subsistence	27,033		20,507	
Postage, printing & stationery	4,065		3,576	
Telephone, fax & internet	10,489		10,677	
Website maintenance & computer costs	5,488		4,948	
Legal & professional fees	4,205		4,768	
Bookkeeping	15,206		12,730	
Equipment hire & maintenance	5,660		3,911	
Bank charges & interest	2,642		1,117	
Insurance	15,499		15,110	
Subscriptions	378		812	
Advertising	2,907		22,918	
Audit and Accountancy	7,110		8,672	
Miscellaneous	952		1,894	
Depreciation and loss on disposal	12,203		8,532	
		<u>190,612</u>		<u>194,389</u>
Establishment costs				
Grounds & maintenance staff	7,812		21,199	
Rates	4,463		5,201	
Light & heat	15,144		17,107	
Repairs & renewals	16,612		14,172	
		<u>44,031</u>		<u>57,679</u>
Other course costs				
External accommodation	27,725		37,853	
Concert expenses	-		3,356	
Sheet music purchase	82		67	
Miscellaneous	7,551		5,030	
		<u>35,358</u>		<u>46,306</u>
To income & expenditure account		<u>750,733</u>		<u>702,676</u>