

THE QUEILLE TRUST

Notes to Accounts for the Period to 30 September 2005

1. Accounting Policies

These accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) ("SORP 2005"). Because the Trust falls within the relevant financial thresholds set out in the Companies Act 1985, it is entitled to apply the Financial Reporting Standard for Smaller Entities such that an audit of the accounts is not required. These accounts are however subject to scrutiny by an Independent Examiner whose report is appended to the Trust's Report and Accounts.

2. Funds Structure

The Blueberry Charitable Trust, The Strawberry Charitable Trust, The Cheshire Children's Charitable Trust and Mr. Nicolas Lethbridge, a Trustee, together made major donations to the Trust with wishes that their donations be treated as an Expendable Capital Endowment. The Trustees have the power to convert such Expendable Capital Endowments into income at their discretion. During the year £77,519 of the Expendable Capital Endowment was converted into Voluntary Income and treated as a Donation. All other funds of the Trust are held in an Unrestricted Fund.

3. Related Party Transactions

There were no disclosable Related Party Transactions with the Trustees. From time to time, the Trustees have acted as agents of the Trust and made purchases on its behalf or loaned the Trust money on an interest-free basis to cover short-term expenditure requirements. All such expenditure or loans have been or will be repaid or reimbursed by the Trust and no Trustee incurred any benefit as a result of these arrangements.

4. Staff Costs and Emoluments

The Trust employs no staff.

5. Governance Costs

Governance Costs include the legal and other costs associated with the establishment of the Trust which amounted to £1,101; bank charges of £171; expenses associated with Trustee meetings which amounted to £670, and the fees of the Independent Examiner (see note 6).

6. Costs of Independent Examination

The fees of the Independent Examiner amounted to £500.

7. Donations

Donations have been received both to support the general purposes of the Trust and as donations made on a voluntary basis along with the sale of tickets for the Queille Festival, which is sponsored and produced by the Trust (see note 9). The Trust also received gifts of shares; these shares were used to establish the Trust's Expendable Capital Endowment (see note 2).

8. Gift Aid

Where applicable, the Foundation is able to reclaim from the Inland Revenue income tax that has been paid in connection with eligible donations.

9. Bank Interest

Funds are held in a deposit account unless likely to be used in the foreseeable future in which case they are held in a current account.

10. Festival Ticket Sales

Tickets are sold for the Queille Festival, held each second year in France. Income from Festival ticket sales is used to meet both the cost of food and drink provided during the Festival to ticket holders themselves and to meet other miscellaneous Festival expenses.

11. Other Sales Income

Other sales income comprises rental of tents by some visitors to the Queille Festival, sales (at cost) of surplus beverage supplies bought in for the Queille Festival and other miscellaneous items.

12. Festival expenses

The total expenses of the Festival comprise payments to performers and directly-related production costs ("Queille Festival Production Costs"), and the miscellaneous expenses associated with mounting the Festival and providing food and drink to festival participants ("Queille Festival Expenses").

13. General Grants

The Trust made the following charitable grants from its General Fund in the year ended 30 September, 2005:

British Heart Foundation	£150.00
St Paul's Poro (Zanzibar)	£150.00
Royal Academy of Music	£550.00
The Gabrieli Trust	£1,500.00
The Grimstone Foundation	£2,000.00

The grant to The Grimstone Foundation, of which a Trustee is also a trustee, was in connection with the Tsunami Memorial Event that was held at the 2005 Festival.

14. Valuation of stock holdings

At the close of the accounting period, the Trust held shares in a number of listed companies: Enition plc, Felix Group plc and Optimistic Entertainment plc. All such shares are held in the Unrestricted Endowment Fund and marked to market at the time of donation and at each year end. During the year the Trustees disposed of a portion of the Trust's holding of Felix Group shares for £77,519. The proceeds of these disposals were applied by the Trustees as Voluntary Income towards expenditure incurred in the course of the charitable activities of the Trust, the production of the Queille Festival in 2005 and to provide for funds required for the production of the next Queille Festival in 2007 in advance of expected donations and ticket sales.

15. Expenditure on Fixed Assets

Some Queille Festival Production Costs are for the purchase of equipment and production items which will be used again in forthcoming festivals. The Trustees consider it is prudent to write off this expenditure as it is incurred.

16. Foreign Exchange

Much of the Festival Expenses and Festival Production costs and some ticket sales are incurred and donations are received in Euros. The Trust made an exchange loss of £70.41.

17. Other Incoming Resources and Other Resources Expended

In order to establish the Trust and have it qualify for Charitable Status with the Charity Commissioners, it was necessary first to establish a bank account and deposit funds therein. One of the Trustees provided this seed funding prior to the grant of Charitable Status and the accumulation of the Trust's own resources. This loan has not yet been repaid and is recorded as a Creditor of the Trust.

18. Debtors and Creditors

Debtors relate to a Gift Aid repayment from HMRC of £4,104 made after the year-end. Creditors include a grant paid, the cheque for which has not yet been cashed; the Independent Examiner's Fee; and repayments due to a Trustee (see Notes 3 and 17).

19. Prior Year

Because these are the opening accounts for the Trust, no prior year figures are available.

Independent Examiner's Report to the Trustees of The Queille Trust

I report on the accounts of the Trust for the year ended 30 September 2005.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43 (7)(b) of the Act, whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- (2) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



LI PING YAN MAAT

44C Gunter Grove, London SW10 0UJ

15th July 2006