

Edinburgh Society of Musicians Limited
Company Limited by Guarantee
Unaudited Financial Statements
31st July 2012



Charity Number SC003525

CONDIE & CO
Chartered Accountants
10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

Edinburgh Society of Musicians Limited Company Limited by Guarantee

Financial Statements

Year Ended 31st July 2012

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Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Trustees Annual Report

Year Ended 31st July 2012

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31st July 2012.

Reference and Administrative Details

Registered Charity Name	Edinburgh Society of Musicians Limited
Charity Registration Number	SC003525
Company Registration Number	SC014648
Principal Address	3 Belford Road Edinburgh EH4 3BL
Registered Office	3 Belford Road Edinburgh EH4 3BL

The Trustees

The trustees who served the charity during the year were as follows:

Beverly Gray	
John Wilmett (President)	
Graham Bodenham (Treasurer)	
Colin Kingsley	
Peter Bolland	
Lisa Brodzinska	
Shand Hutchison	
David Hughson	
Salvatore Tomasino	
Phillip Hutton	
Gregor Robertson	
Mairi Bagnell (Minute Secretary)	
Mr S Brogan	(Appointed 5th November 2011)
Mr J Bryden	(Appointed 5th November 2011)
Kathleen Dyne (Minute Secretary)	(Resigned 5th November 2011)

Secretary	Graham Bodenham
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Bankers	Clydesdale Bank 20 Hanover Street Edinburgh EH2 2QW
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Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year Ended 31st July 2012

Structure, Governance and Management

The Society is a company limited by guarantee and is governed by its Memorandum and Articles of Association. It is governed by an executive committee known as the Council.

The Council members are directors of the Society and are elected at the yearly annual general meeting. New trustees are appointed by the existing trustees. Their duties are explained to them in full and they are provided with a copy of OSCR guidance for charity trustees.

Operational decisions are made at monthly Council meetings and carried out by relevant members of the Council. Strategic decisions are made annually by the general membership at the annual general meeting.

Risk Factors

The Committee has assessed the major risks to which the Society is exposed and is satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and Activities

The main objective of the Society and its principal activity is to promote and encourage the study, practice and knowledge of the arts, particularly the art of music in Edinburgh and the surrounding district. In furtherance of that objective it organises, manages, promotes and produces concerts and recitals of music, making arrangement either in conjunction with local Societies and organisations or on its own initiative. It thus provides opportunities for fostering relations between members of the public, members of the Society and musicians to further public appreciation of music. To achieve this aim it provides a platform for performers, whether to members or invited guests to give recitals to assembled members at evening meetings from October to June.

In addition, support is offered to the children, widows or widowers and/or adherents of the musical community in Edinburgh and Scotland who require assistance either as the result of an emergency or for continued musical development. This is done through its Benevolent Fund. Dispersion of funds from the Benevolent Fund is proposed and agreed by the Council.

The Society depends on the volunteer work of its Council members to maintain its activities.

Achievements and Performance

The activities of the society have been much as usual in this last year. Doors-open day and the visit of the Tunnel Trust concert have taken place as usual, and both were a great success. We continue to provide a platform for professionals, budding professionals and amateurs, and the standard and variety of concerts remains enviable. Performers enjoy coming here from all over the world; we had Harry Winstanley's friend from California, Antonio Iturrioz and he gave us an extra occasion when we saw the film he had made on Godowsky. We had our outside concert, organise partly to allow access to those who cannot climb our stairs, in Canongate Kirk, at which George Wilson played a delightful programme of baroque music.

The usual number of tenants continues to use the rooms for their usual purposes, generating income for us. A photograph of Beverly Gray has been created and hung in the premises in recognition of her stints as President.

This has been a successful year, that we continue to offer a first class service to our patrons and tenants, and that the future of the society is in firm hands.

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year Ended 31st July 2012

Financial Review

The Society recorded net income for the year of £7,423 compared to net expenditure in the previous year of £684. The improvement in results was mainly due to the increased income from use of room hire this year as the premises were open for the full year.

The Society holds investments with a view to generating income from them to distribute for charitable purposes and also to gain longer term growth in value. During the year, investment income generated £631 (2011 - £339) and the market value of the investments at the balance sheet date decreased from £22,033 to £20,624.

The total funds at 31 July 2012 were £291,561 compared to £285,547 in the previous financial year.

Reserves Policy

General funds amounting to £269,618 (2011 - £262,195) include an unrestricted general income fund of £246,012 (2011 - £238,590) which shall be applied towards the day to day running of the Society and the general capital fund of £23,606 (2011 - £23,606) which shall be applied towards the eventual cost of replacing the property.

There is an investment revaluation reserve amounting to £6,180 (2011 - £7,588) which brings investments in line with the market value.

A restricted income fund amounting to £15,763 (2011 - £15,763) shall be applied for the purpose of affording temporary relief to members, widows or orphans of the musical Society resident in Scotland.

The Committee aims to maintain general reserves at a level sufficient to meet any significant property repairs or other obligations which might arise.

Investment Policy

It is currently the Council's policy to achieve as high a rate of interest as possible from its funds in order to generate sufficient working capital to repair and maintain the building and musical instruments. It does not currently have a policy for working capital growth through investment of funds. The building is rented out to suitable clients in order to maintain revenue funds to meet running costs.

Plans for Future Periods

The Society will continue its concert series for this year and for as many years in the future as possible.

Responsibilities of the Trustees

The trustees (who are also the directors of Edinburgh Society of Musicians Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year Ended 31st July 2012

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees 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. The trustees 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.

Signed on behalf of the trustees



Graham Bodenham
Treasurer

3rd November 2012

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees and Members of Edinburgh Society of Musicians Limited

Year Ended 31st July 2012

I report on the accounts of the charity for the year ended 31st July 2012 set out on pages 9 to 16.

Respective Responsibilities of Trustees and Independent Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

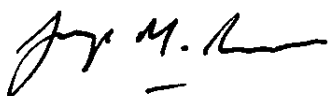
Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 seeks explanations from the 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 accounts.

Independent Examiner's Statement

In the course of 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 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have 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.



George Primrose
CONDIE & Co
Independent Examiner

10 Abbey Park Place
Dunfermline
Fife
KY12 7NZ

6th November 2012

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year Ended 31st July 2012

	Note	Total Funds 2012 £	Total Funds 2011 £
Incoming Resources			
Incoming resources from generating funds:			
Voluntary income	2	721	710
Activities for generating funds	3	8,868	10,264
Investment income	4	793	558
Incoming resources from charitable activities	5	2,446	2,511
Total Incoming Resources		12,828	14,043
Resources Expended			
Costs of generating funds:			
Costs of generating voluntary income	6	(1,030)	(3,781)
Charitable activities	7	(2,950)	(9,788)
Governance costs	8	(1,425)	(1,158)
Total Resources Expended		(5,405)	(14,727)
Net Income/(Expenditure) for the Year		7,423	(684)
Other Recognised Gains and Losses			
Gains on revaluation of investment assets		–	4,440
Net Movement in Funds		7,423	3,756
Reconciliation of Funds			
Total funds brought forward		285,547	281,791
Total Funds Carried Forward		292,970	285,547

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 13 form part of these financial statements.

Edinburgh Society of Musicians Limited Company Limited by Guarantee

Balance Sheet

31st July 2012

	Note	2012 £	2011 £
Fixed Assets			
Tangible assets	10	73,315	73,614
Investments	11	20,624	22,033
		<u>93,939</u>	<u>95,647</u>
Current Assets			
Stocks	12	50	30
Debtors	13	1,325	3,250
Cash at bank and in hand		197,608	188,611
		<u>198,983</u>	<u>191,891</u>
Creditors: Amounts Falling due Within One Year	14	<u>(1,361)</u>	<u>(1,991)</u>
Net Current Assets		197,622	189,900
Total Assets Less Current Liabilities		<u>291,561</u>	<u>285,547</u>
Funds			
Restricted income funds	15	15,763	15,763
Unrestricted income funds	16	275,798	269,784
Total Funds		<u>291,561</u>	<u>285,547</u>

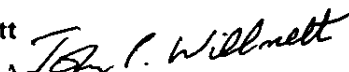
The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the members of the committee on the 3rd November 2012 and are signed on their behalf by:

John Willmetts
President



Graham Bodenham
Treasurer



Company Registration Number: SC014648

The notes on pages 8 to 13 form part of these financial statements.

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31st July 2012

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Cash Flow Statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Incoming Resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the society becomes entitled to the resource. Similarly income from investments and from rental income is included in the statement of financial activities in the year in which it is receivable.

Investment Income

Investments are included at market value as of the date of the balance sheet and are held in order to provide an investment return for the society.

Gains and losses on the disposal of, or increase or decrease in market value of investments are credited or charged to the General Income Fund.

Resources Expended

All expenditure is included on an accruals basis. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the society to the expenditure.

The Society is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Costs incurred specifically to generate funds are allocated for that purpose; other costs, including grants made but excluding independent examiners and accountancy fees, are considered to be support costs; independent examiners and accountancy fees are considered to be governance costs.

Fixed Assets

All fixed assets are initially recorded at cost or valuation. There are no uncapped fixed assets.

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31st July 2012

1. Accounting Policies *(continued)*

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. Voluntary Income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Donations			
Donations (including gift aid)	<u>721</u>	<u>721</u>	<u>710</u>

3. Incoming Resources from Activities for Generating Funds

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Bar trading	574	574	583
Charges for use of room	<u>8,294</u>	<u>8,294</u>	<u>9,681</u>
	<u>8,868</u>	<u>8,868</u>	<u>10,264</u>

4. Investment Income

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Income from UK listed investments	631	631	339
Bank interest receivable	<u>162</u>	<u>162</u>	<u>219</u>
	<u>793</u>	<u>793</u>	<u>558</u>

5. Incoming Resources from Charitable Activities

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Membership subscriptions (including gift aid)	<u>2,446</u>	<u>2,446</u>	<u>2,511</u>

Edinburgh Society of Musicians Limited

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Notes to the Financial Statements

Year Ended 31st July 2012

6. Costs of Generating Voluntary Income

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Rates and insurance	505	505	695
Repairs and renewals	850	850	2,003
Heat and light	(325)	(325)	1,083
	<u>1,030</u>	<u>1,030</u>	<u>3,781</u>

7. Costs of Charitable Activities by Fund Type

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Rates and insurance	685	685	695
Repairs and renewals	850	850	2,003
Heat and light	(325)	(325)	1,083
Telephone	324	324	317
Printing, stationery and postage	812	812	687
Miscellaneous	14	14	17
Depreciation	299	299	351
Bar trading	291	291	135
Disposal of piano	-	-	4,500
	<u>2,950</u>	<u>2,950</u>	<u>9,788</u>

8. Governance Costs

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Accountancy fees	<u>1,425</u>	<u>1,425</u>	<u>1,158</u>

9. Staff Costs and Emoluments

No salaries or wages have been paid to employees, including the members of the committee, during the year.

Edinburgh Society of Musicians Limited

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Notes to the Financial Statements

Year Ended 31st July 2012

10. Tangible Fixed Assets

	Heritable Property £	Musical Instruments £	Fixtures & Fittings £	Total £
Cost				
At 1st August 2011 and 31st July 2012	<u>12,000</u>	<u>59,623</u>	<u>11,879</u>	<u>83,502</u>
Depreciation				
At 1st August 2011	–	–	9,888	9,888
Charge for the year	–	–	<u>299</u>	<u>299</u>
At 31st July 2012	<u>–</u>	<u>–</u>	<u>10,187</u>	<u>10,187</u>
Net Book Value				
At 31st July 2012	<u>12,000</u>	<u>59,623</u>	<u>1,692</u>	<u>73,315</u>
At 31st July 2011	<u>12,000</u>	<u>59,623</u>	<u>1,991</u>	<u>73,614</u>

Heritable Property at 3 Belford Road, Edinburgh was valued by the District Valuer on 28 January 1970 at £12,000. In the trustees opinion the current market value of the property is in the region of £370,000.

Depreciation has not been provided on Heritable Property or Musical Instruments as in the opinion of the trustees these assets have a useful life in excess of fifty years and the market value is considered to be in excess of the net book value.

11. Investments

Movement in market value

	2012 £	2011 £
Market value at 1st August 2011	22,033	17,593
Net gains on revaluations in the year ended 31st July 2012	<u>(1,409)</u>	<u>4,440</u>
Market value at 31st July 2012	<u>20,624</u>	<u>22,033</u>
Historical cost at 31st July 2012	<u>14,083</u>	<u>14,083</u>

Analysis of investments at 31st July 2012 between funds

	Total Funds 2012 £	Total Funds 2011 £
Other investments		
UK Listed Investments	<u>20,624</u>	<u>22,033</u>

Edinburgh Society of Musicians Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31st July 2012

12. Stocks

	2012	2011
	£	£
Stock	<u>50</u>	<u>30</u>

13. Debtors

	2012	2011
	£	£
Trade debtors	1,311	3,236
Other debtors	<u>14</u>	<u>14</u>
	<u>1,325</u>	<u>3,250</u>

14. Creditors: Amounts falling due within one year

	2012	2011
	£	£
Other creditors	<u>1,361</u>	<u>1,991</u>

15. Restricted Income Funds

	Balance at 1 Aug 2011 and at 31 Jul 2012
	£
Benevolent Fund	<u>15,763</u>

There have been no movements on restricted funds during the year ended 31st July 2012.

The Benevolent Income Fund shall be applied for the purpose of affording temporary relief to Members of the Musical Society resident in Scotland or the widows or orphans of such Members.

Edinburgh Society of Musicians Limited

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Notes to the Financial Statements

Year Ended 31st July 2012

16. Unrestricted Income Funds

	Balance at 1 Aug 2011 £	Incoming resources £	Outgoing resources £	Balance at 31 Jul 2012 £
Investment Revaluation Reserve	7,588	(1,408)	-	6,180
General Funds	262,196	12,847	(5,425)	269,618
	<u>269,784</u>	<u>11,439</u>	<u>(5,425)</u>	<u>275,798</u>

The Investment Revaluation Reserve reflects the movement in market value of the investments.

General Funds amounting to £269,618 (2011 - £262,196) include an Unrestricted General Income Fund of £246,012 (2011 - £238,590) which shall be applied towards the day to day running of the Society and the General Capital Fund of £23,606 (2011 - £23,606) which shall be applied towards the eventual cost of replacing the property.

17. Analysis of Net Assets Between Funds

	Tangible fixed assets £	Investments £	Net current assets £	Total £
Restricted Income Funds:				
Benevolent Fund	-	-	15,763	15,763
Unrestricted Income Funds	<u>73,315</u>	<u>20,624</u>	<u>181,859</u>	<u>275,798</u>
Total Funds	<u>73,315</u>	<u>20,624</u>	<u>197,622</u>	<u>291,561</u>

18. Transactions With the Trustees

No trustees received any remuneration or expenses during the year (2011 - £nil).

19. Related Party Transactions

During the year, GB Professional Audio, a business operated by the treasurer, Graham Bodenham, provided stationery to the Society amounting £nil (2011 - £211) which was paid for by the Society during the year.

No other trustees or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2011 - £nil).

20. Company Limited by Guarantee

The Society is a company limited by guarantee and therefore has no share capital.