

The National Youth Orchestras of Scotland Limited
(formerly The National Youth Orchestra of Scotland Limited)

(A company limited by guarantee
not having a share capital)

Company No. SC 66497

Charity No. SC 015482

Accounts

For the year ended 31 March 2000



Hardie Caldwell

CHARTERED ACCOUNTANTS

Glasgow

	Page
Charity information	1
Chairman's statement	2
Council members' report	3 - 4
Statement of council members' responsibilities	5
Auditors' report	6
Income and expenditure account	7
Balance sheet	8
Notes to the accounts	9 - 16

CHARITY INFORMATION

Registered Company No:	SC 66497
Recognised Scottish Charity:	SC 015482
Chairman:	Alan Simpson
1st Vice-Chairman:	Helen Davidson
2nd Vice-Chairman:	Dr Norman Cooper
Other Council Members:	
Maggi Allan	Neil Meldrum
Raymond Brookes	Douglas Millar
Edward Friel	Michael Pell
Timothy Laing	Alex Perry
Geoffrey Lord	Ian Smith
Councillor Maira Martin	Tony Vogt
Robert Manson	Graeme Wilson
Registered Office:	13 Somerset Place Glasgow G3 7JT
Bankers:	The Royal Bank of Scotland plc Glasgow Charing Cross West Branch 9 Clifton Place Glasgow G3 7JU
Solicitors:	Morison Bishop Erskine House 68 Queen Street Edinburgh EH2 4NN
Auditors:	Hardie Caldwell Chartered Accountants Savoy Tower 77 Renfrew Street Glasgow G2 3BY

CHAIRMAN'S STATEMENT

During the year The National Youth Orchestras of Scotland Limited continued to develop its programme of student projects, including symphony, chamber, children's and jazz orchestras, training ensembles and education workshops. Each of the orchestras gave concerts of a high standard, attended everywhere by enthusiastic audiences.

The generous assistance given by principal project sponsors LASMO, Scottish Hydro-Electric and Bank of Scotland is a valuable and essential element in the continuing high quality of music which all the orchestras deliver.

The main support from government for The National Youth Orchestras of Scotland Limited has been transferred from the Scottish Executive Education Department to the Scottish Arts Council and the involvement of the SAC is much appreciated. The support of Local Authorities, Charitable Trusts, Sponsors and Friends is vital for the work of NYOS to continue.

The interest and assistance given by our patron, the Earl of Wessex, during the year has been very welcome including his hosting of a major fundraising event at the Palace of Holyroodhouse.

The conditions for fundraising are becoming increasingly difficult and major efforts are now under way to secure additional sponsorship and grants so that the full range of activities can continue.



Alan Simpson

Chairman

COUNCIL MEMBERS' REPORT

The council members present their report and the audited accounts for the year ended 31 March 2000.

Principal activity and objects

The charity's principal activity during the year was to advance the musical education and training of young persons resident in Scotland by participation as orchestra and ensemble members under the supervision of professional conductors and tutors.

Organisational structure

The charity is run by a council comprised of members appointed from time to time by invitation from the existing council members. The council selects sub-committees to deal with matters of music and finance, who themselves delegate responsibility for the day to day running of the company to an administration team comprising a director and staff.

Change of name

Subsequent to 31 March 2000, the charity changed its name from National Youth Orchestra of Scotland Limited to The National Youth Orchestras of Scotland Limited. This change of name was certified by the Registrar of Companies for Scotland on 26 June 2000.

Financial position

The results for the year, financial position of the charity and recommended transfer to reserves are as shown in the annexed accounts.

It is recognised that a deficit of £29,311 arose during the year however, the council members are confident about obtaining sufficient funding to cover future activities.

The council is constantly aware of the need to secure funding in anticipation of future projects and manage the cash resources of the charity in a judicious manner. The balance of reserves held reflects this position. The council considers the assets of each Fund to be adequate and held in a sufficiently available form to enable them to cover each Fund's current obligations.

Future Developments

Training courses will be held for all four orchestras during the Easter and Summer period of the year 2000.

The National Youth Orchestra of Scotland will tour to Holland and Germany in August 2000 giving a performance in the Konzerthaus, Berlin as part of the Symphonic Variations of Europe concert series arranged by the European Federation of National Youth Orchestras.

The number of projects for The National Children's Orchestras of Scotland are being developed over the next two years.

NYOS is developing plans to consider future property requirements to continue offering rehearsal projects in the years ahead. A feasibility study is being considered to establish the needs of NYOS and potential partners.

COUNCIL MEMBERS' REPORT (CONTINUED)**Council members**

The council members at 31 March 2000 are listed on page 1.

The council members in office during the year were as follows:

Maggi Allan	Robert Manson (appointed 25/2/00)
Raymond Brookes	Councillor Maira Martin (appointed 28/1/00)
Dr Norman Cooper	Neil Meldrum
Helen Davidson	Douglas Millar (appointed 28/1/00)
Edward Friel	Michael Pell
Iain Harrison CBE (retired 19/11/99)	Alex Perry
Councillor Margaret Howe (retired 28/1/00)	Alan Simpson
Dr Iain Laing (retired 19/11/99)	Ian Smith
Timothy Laing	Tony Vogt (appointed 25/2/00)
Geoffrey Lord	Graeme Wilson

The following council members retire at the forthcoming Annual General Meeting and are eligible for re-election:

Raymond Brookes
Geoffrey Lord
Alex Perry

Ian Smith
Graeme Wilson

The details of financial matters are considered by a Finance and General Purposes Committee, while music considerations are discussed by a Music Committee.

Auditors

A resolution confirming the re-appointment of Hardie Caldwell, Chartered Accountants, as auditors will be put to the forthcoming annual general meeting.

Approved by the Council on 8 September 2000 and signed on its behalf



Alan Simpson

Chairman

STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

Company law requires the council members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those accounts, the council members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will continue in existence.

The council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT

TO THE MEMBERS OF THE NATIONAL YOUTH ORCHESTRAS OF SCOTLAND LIMITED

We have audited the accounts on pages 7 to 16 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

Respective responsibilities of council members and auditors

As described on page 5 the charity's council members are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

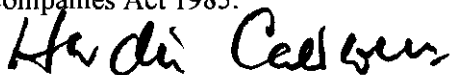
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the council members in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

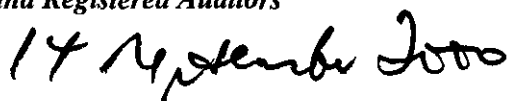
In our opinion the accounts give a true and fair view of the state of the charity's affairs as at 31 March 2000 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hardie Caldwell

Chartered Accountants

and Registered Auditors



Savoy Tower
77 Renfrew Street
Glasgow
G2 3BY

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2000**

	Notes	£	1999 £
Income			
Turnover	2	362,194	343,541
Deeds of covenant		9,128	9,159
Other income	3	214,868	196,602
Interest received	8	3,701	7,402
Gross income		<u>589,891</u>	<u>556,704</u>
Expenditure			
Direct charitable expenditure	4	331,174	341,540
Management and administration	5	288,028	277,256
Total expenditure		<u>619,202</u>	<u>618,796</u>
Deficit for year		<u>29,311</u>	<u>62,092</u>
Balance at 1 April 1999		189,584	251,676
Deficit for year		(29,311)	(62,092)
Balance at 31 March 2000		<u>160,273</u>	<u>189,584</u>

Movements in funds are detailed in notes 16 and 17.

No recognised gains or losses were made other than those detailed above.

None of the company's activities were acquired or discontinued during the above two financial years.

The notes on pages 9 to 16 form part of these accounts.

BALANCE SHEET
AS AT 31 MARCH 2000

	Notes	£	£	1999 £
Fixed assets				
Tangible assets	9		155,871	<u>163,690</u>
Current assets				
Stocks	10	18,740		10,246
Debtors	11	62,651		35,837
Cash at bank and in hand	12	<u>124,979</u>		<u>134,746</u>
		206,370		<u>180,829</u>
Creditors: amounts falling due within one year	13	<u>(201,968)</u>		<u>(127,518)</u>
Net current assets			4,402	53,311
Total assets less current liabilities			<u>160,273</u>	<u>217,001</u>
Deferred income	14		-	(27,417)
			<u>160,273</u>	<u>189,584</u>
Reserves				
Restricted funds	16		147,721	138,291
Unrestricted funds	17		<u>12,552</u>	<u>51,293</u>
			<u>160,273</u>	<u>189,584</u>

The accounts on pages 7 to 16 were approved by the Council on 8 September 2000 and signed on its behalf


 Alan Simpson

Chairman


 Dr Norman Cooper

Council Member

The notes on pages 9 to 16 form part of these accounts.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

1) **Accounting policies**

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and Statement of Recommended Practice - Accounting by Charities.

The company has taken advantage of the exemption from preparing a cashflow statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover comprises the value of receipts, exclusive of value added tax, from sponsorship, courses, concerts and other services derived directly from the principal activity of the charity.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

The rates of depreciation charged in the year were as follows:

Heritable property	-	None
Motor vehicles	-	25% straight line
Instruments and equipment	-	25% straight line
Computer equipment	-	25% straight line
Furniture and fittings	-	25% straight line

The company has not complied with Financial Reporting Standard 15, in that depreciation has not been charged on the heritable property. For the purposes of an impairment review, a valuation of heritable property was obtained. This detailed an open market value of £150,000, being equal to the carrying amount of the asset.

Given this valuation the decision not to depreciate was accepted as any charge made in respect of depreciation would have been immaterial.

Grants and donations

Grants and donations are treated as income of the year in which they are received with an appropriate adjustment for receipts in respect of future years or specific projects.

Lottery funding

Lottery funding is amortised over the estimated useful life of the assets to which it relates.

Expenditure

Expenditure is allocated between direct charitable, management and administration by reference to the duties of each member of staff and related costs.

Taxation

The company is a recognised Scottish charity and enjoys the benefits of exemption from corporation tax commensurate with that status.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

1) Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Pensions

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2) Turnover

	£	1999 £
Turnover	362,194	343,541

In the opinion of the trustees, none of the turnover of the company is attributable to geographical markets outside the UK (1999 - Nil).

3) Other income

Other income includes grants and donations from Local Authorities, Trusts and the SEED.

4) Direct charitable expenditure

Direct charitable expenditure includes accommodation and travel for orchestras, tuition and professional fees, music hire and programmes, hall rental and associated costs and costs of auditions.

5) Management and administration

Management and administration includes staff costs and costs of occupancy and operation of the office of NYOS.

6) Net operating deficit

This is stated after charging:	£	£
Auditor's remuneration - audit	3,300	3,300
- other	4,100	-
Depreciation (owned assets see note 9)	12,988	15,743

No council member received any remuneration or reimbursement of expenses during the year, (1999 - Nil).

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)**

7) Staff costs

	£	1999 £
Salaries	193,547	183,668
Social security costs	17,235	17,203
Pensions	10,990	8,252
	<u>221,772</u>	<u>209,123</u>

The average weekly number of employees during the year was as follows:

	No.	No.
Administrative (Full-time)	8	7
Administrative (Part-time)	1	1
Teaching (Full-time)	1	1
	<u>10</u>	<u>9</u>

The number of employees receiving emoluments in excess of £40,000 during the year was as follows:

	£	£
£50,000 - £60,000	<u>1</u>	<u>1</u>

During the year the company paid £10,990 to retirement benefit pension schemes on behalf of its employees (1999 - £8,252).

8) Interest received

	£	£
Bank interest received	<u>3,701</u>	<u>7,402</u>
Allocated:		
Bursary Fund	750	726
Rita Lila Howard Fund	1,814	1,200
Mackintosh Foundation Bursary Fund	45	55
Barry Morris Fund	181	253
Drumearn Fund	2,991	3,876
Joyce & Dennis O'Riordan Fund	140	180
Jazz Project	300	-
General Fund	-	1,112
	<u>6,221</u>	<u>7,402</u>
Transfer	<u>(2,520)</u>	<u>-</u>
	<u>3,701</u>	<u>7,402</u>

£2,520 has had to be transferred from the Unrestricted Fund to the Restricted Funds to cover the interest due at 4.5% (1999: 6%) per annum, on the Restricted Funds opening balances.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

9) **Tangible fixed assets**

	Freehold property £	Motor vehicles £	Instruments and equipment £	Computer equipment £	Fixtures and fittings £	Total £
<i>Cost</i>						
At 1 April 1999	150,000	15,335	54,044	25,270	5,255	249,904
Additions	-	-	-	669	4,500	5,169
At 31 March 2000	<u>150,000</u>	<u>15,335</u>	<u>54,044</u>	<u>25,939</u>	<u>9,755</u>	<u>255,073</u>
<i>Depreciation</i>						
At 1 April 1999	-	15,335	43,622	22,152	5,105	86,214
Charge for the year	-	-	8,481	3,307	1,200	12,988
At 31 March 2000	<u>-</u>	<u>15,335</u>	<u>52,103</u>	<u>25,459</u>	<u>6,305</u>	<u>99,202</u>
<i>Net book value</i>						
At 31 March 2000	<u>150,000</u>	<u>-</u>	<u>1,941</u>	<u>480</u>	<u>3,450</u>	<u>155,871</u>
At 31 March 1999	<u>150,000</u>	<u>-</u>	<u>10,422</u>	<u>3,118</u>	<u>150</u>	<u>163,690</u>

All of the fixed assets are held for the purpose of furthering the direct charitable activities of the company.

10) **Stock**

	£	1999 £
Stocks	<u>18,740</u>	<u>10,246</u>

11) **Debtors**

	£	£
Trade debtors	39,534	17,891
Income tax recoverable	1,623	1,934
Prepayments	18,634	10,267
Other debtors	2,860	5,745
	<u>62,651</u>	<u>35,837</u>

12) **Cash at bank and in hand**

	£	£
NYOS 21 current account	-	1,200
NYOS 21 high interest account	-	14,357
Bid deposit accounts	124,000	119,000
Euro account	869	-
Cash in hand	110	189
	<u>124,979</u>	<u>134,746</u>

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)**

13) Creditors: amounts falling due within one year

	£	1999 £
Trade creditors	33,248	-
Bank current account	35,837	38
VAT	2,230	505
Accruals	23,681	9,587
Income in advance	106,972	112,181
Other taxes and social security costs	-	5,207
	<u>201,968</u>	<u>127,518</u>

Income in advance relates to monies received during the year in respect of courses, etc not yet commenced and other income where the expenditure for which the money was granted to cover has not yet been incurred.

14) Deferred income

Deferred income relates to Lottery Funding, which was provided to assist with the purchase of musical instruments, computer equipment and to assist with the Jazz Project. The funding relating to the purchase of musical instruments is being released to income and expenditure over the estimated useful lives of the assets involved. The funding relating to the Jazz Project is being released to income and expenditure over the period of the project.

	£	£
Balance at 1 April 1999	27,417	15,456
Funding received	1,730	58,000
Released during year	<u>(29,147)</u>	<u>(46,039)</u>
Balance at 31 March 2000	<u>-</u>	<u>27,417</u>

The following instruments were purchased with Lottery Funding:

Instrument	Serial number
Fox Contrabassoon	401
Selmer Bass Clarinet Mark I	F0354
Howarth S20c Cor Anglais	E0187
Yamaha Piccolo YPC62	35065

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

15) Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total 2000 £	Total 1999 £
Incoming resources				
Activity sponsorship	149,829	-	149,829	87,515
Course fees	143,868	-	143,868	138,920
Lottery funding	-	1,730	1,730	58,000
Concert and workshop receipts	55,641	-	55,641	67,434
Miscellaneous income and recoveries	14,026	-	14,026	31,071
Other income including donations	162,540	24,887	187,427	198,602
Income from deeds of covenant	9,128	-	9,128	9,159
Interest received	-	3,701	3,701	7,402
Income in advance adjustment	3,209	2,000	5,209	(22,066)
Deferred income adjustment	8,084	19,333	27,417	(11,961)
Total incoming resources	<u>546,325</u>	<u>51,651</u>	<u>597,976</u>	<u>564,076</u>
Resources expended				
Direct charitable expenditure				
Costs relating to the charity's objectives	476,234	57,019	533,253	534,876
Other expenditure				
Management and administration	94,034	-	94,034	91,292
Total resources expended	<u>570,268</u>	<u>57,019</u>	<u>627,287</u>	<u>626,168</u>
Net outgoing resources before transfers	(23,943)	(5,368)	(29,311)	(62,092)
Transfers between funds	(14,798)	14,798	-	-
Net outgoing resources	<u>(38,741)</u>	<u>9,430</u>	<u>(29,311)</u>	<u>(62,092)</u>
Fund balances brought forward at 1/4/99	51,293	138,291	189,584	251,676
Fund balances carried forward at 31/3/00	<u>12,552</u>	<u>147,721</u>	<u>160,273</u>	<u>189,584</u>

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)**

16) Restricted Funds

The funds of the charity include restricted funds comprising the following unexpended balances of donations held on trust to be applied for specific purposes:

	Movement in funds			
	Balance at 1/4/99 £	Incoming resources incl transfers £	Expenditure, gains losses £	Balance at 31/3/00 £
Bursary Fund	16,668	6,150	(2,449)	20,369
Barry Morris Fund	4,032	181	(875)	3,338
Mackintosh Foundation Bursary Fund	1,008	2,045	(1,637)	1,416
Drumearn Fund	66,476	15,978	(10,402)	72,052
Joyce & Dennis O'Riordan Fund	3,130	140	(270)	3,000
The Rita Lila Howard Fund	40,310	1,814	(1,078)	41,046
Celeste Fund	-	6,500	-	6,500
	<u>131,624</u>	<u>32,808</u>	<u>(16,711)</u>	<u>147,721</u>
Jazz Project	6,667	33,641	(40,308)	-
	<u>138,291</u>	<u>66,449</u>	<u>(57,019)</u>	<u>147,721</u>

The Bursary Fund was set up in 1980 with funding from the Carnegie United Kingdom Trust to assist certain members of the Orchestra in meeting course fees, travelling expenses, etc. Over the years the Fund has been augmented by donations from various other sources.

The Barry Morris Fund represents a donation made specifically to provide financial assistance to young bassoon players.

The Mackintosh Foundation Bursary Fund was established to award bursaries to members of The National Youth Jazz Orchestra of Scotland.

The Drumearn Fund was set up to support senior and further education students.

The Joyce & Dennis O'Riordan Fund was established to allocate bursaries to students from the Edinburgh area.

The Rita Lila Howard Fund was established to generate income to provide bursaries to members of The National Children's Orchestra of Scotland.

The Jazz Project Fund was in respect of Lottery Funding received from the Scottish Arts Council towards the cost of developing and presenting new music for the National Youth Jazz Orchestra of Scotland. This project was concluded in the year under review.

The Celeste Fund is monies received to be expended on the acquisition of a celeste for the orchestra.

Interest at 4.5% (1999: 6%) on the opening capital balance has been credited to all restricted funds in the year.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

17) General Fund

	£
Balance at 1 April 1999	51,293
Deficit for year	(38,741)
Balance at 31 March 2000	<u>12,552</u>

18) Analysis of net assets between funds

	Fixed assets £	Net current assets £	Net current liabilities £	Total £
Restricted funds				
Bursary Fund	-	20,369	-	20,369
Barry Morris Fund	-	3,338	-	3,338
Mackintosh Foundation Bursary Fund	-	1,416	-	1,416
Drumearn Fund	-	72,052	-	72,052
Joyce & Dennis O'Riordan Fund	-	3,000	-	3,000
The Rita Lila Howard Fund	-	41,046	-	41,046
Celeste Fund	-	6,500	-	6,500
	-	147,721	-	147,721
Unrestricted funds	155,871	58,649	(201,968)	12,552
	<u>155,871</u>	<u>206,370</u>	<u>(201,968)</u>	<u>160,273</u>