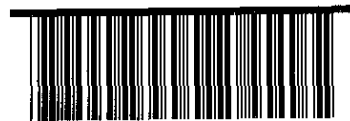


The National Youth Orchestras of Scotland Limited
(A company limited by guarantee
not having a share capital)
Company No. SC 66497
Charity No. SC 015482

Annual Report and Financial Statements

For the year ended 31 March 2002



SCT S5MH4FN6 0434
COMPANIES HOUSE 05/11/02

Hardie Caldwell

CHARTERED ACCOUNTANTS

Glasgow

The National Youth Orchestras of Scotland Limited

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CHARITY INFORMATION

Registered Company No: SC 66497

Recognised Scottish Charity: SC 015482

Members:

Maggi Allan (retired 10 May 2002)	Neil Meldrum
Raymond Brookes	Michael Pell
Dr Norman Cooper	Alex Perry
Helen Davidson	Alan Simpson
Timothy Laing	Graeme Wilson
Geoffrey Lord	

Council Members:

Chairman: Alan Simpson

1st Vice-Chairman: Helen Davidson

2nd Vice-Chairman: Dr Norman Cooper

Other Council members:

Maggi Allan (retired 10 May 2002)	Neil Meldrum
Raymond Brookes	Douglas Millar
Douglas Fairley	Elsbeth Orcharton (appointed 11 May 2001)
Timothy Laing	Michael Pell
Geoffrey Lord	Alex Perry
Councillor Maira Martin	Prof Gary Roach
Robert Manson	Tony Vogt
Lord MacLennan of Rogart	Graeme Wilson

Company Secretary: Richard Chester

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

CHARITY INFORMATION (CONT'D)

Solicitors:

Burness
Solicitors
242 West George Street
Glasgow
G2 4QY

Auditors:

Hardie Caldwell
Chartered Accountants
Savoy Tower
77 Renfrew Street
Glasgow
G2 3BY

CHAIRMAN'S STATEMENT

During the year a full range of projects was carried out by the National Youth Orchestras of Scotland including the National Youth Orchestra of Scotland, Camerata Scotland, National Children's Orchestra of Scotland, National Youth Jazz Orchestra of Scotland, training ensembles and project workshops. A much acclaimed concert was given in the Royal Concert Hall, Glasgow by both Camerata Scotland and the National Children's Orchestra of Scotland (NCOS) which was the first occasion that NCOS had performed in a major concert hall.

The level of activities undertaken by NYOS has only been possible thanks to the generous support of many organisations and individuals including the Scottish Arts Council, Local Authorities, Charitable Trusts, company sponsorships and Friends, including The Drumearn Fund.

Demand from students continues to be strong and the provision of further projects is constrained mainly by the lack of funds. Fundraising is therefore an important activity and efforts continue so that the range of projects can be maintained and developed further.

**Alan Simpson****Chairman**

COUNCIL MEMBERS' REPORT

The Council members present their report and the audited financial statements for the year ended 31 March 2002.

Constitution

The National Youth Orchestras of Scotland Limited (NYOS) is a company limited by guarantee and a recognised charity governed by its Memorandum and Articles of Association.

Principal activity and objects

The charitable company's principal activity during the year was to advance the music 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 charitable company is administered 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, and delegates responsibility for the day to day running of the charitable company to an administration team comprising a director and staff.

Financial position

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

Future Developments

NYOS is planning projects for The National Youth Orchestra of Scotland, The National Children's Orchestra of Scotland, Camerata Scotland and The National Youth Jazz Orchestra of Scotland in 2002 and 2003.

Concert tours in Europe will be considered and planned in 2003/2004.

The charitable company is developing its fundraising strategy to enable it to plan with confidence for the future.

NYOS will continue to engage with national and local politicians and education officers in all local authorities in Scotland to develop music making by children and young adults.

The work of Youth Music Scotland continues with NYOS convening meetings of specific interest to music teachers and educators in Scotland.

COUNCIL MEMBERS' REPORT (CONTINUED)**Members**

The members for the year were as follows:

Maggi Allan (retired 10 May 2002)
Raymond Brookes
Dr Norman Cooper
Helen Davidson
Timothy Laing
Geoffrey Lord

Neil Meldrum
Michael Pell
Alex Perry
Alan Simpson
Graeme Wilson

Council members

The Council members at the date of this report are listed on page 1

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

Maggi Allan (retired 10 May 2002)
Raymond Brookes
Douglas Fairley
Dr Norman Cooper
Helen Davidson
Timothy Laing
Geoffrey Lord
Councillor Maira Martin
Robert Manson
Lord MacLennan of Rogart

Neil Meldrum
Douglas Millar
Elspeth Orcharton (appointed 11 May 2001)
Michael Pell
Alex Perry
Professor Gary Roach
Alan Simpson
Tony Vogt
Graeme Wilson

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

Douglas Fairley
Robert Manson
Lord MacLennan of Rogart
Councillor Maira Martin
Professor Gary Roach

Policy on reserves

- (i) The reserve level is reviewed annually when the proposed budget for the year is considered. The current policy is to attempt to retain unrestricted reserves of £85,000. Council will continue to build up and maintain reserves to that level.
- (ii) Surplus cash flow during the year is deposited in suitable bank accounts. There are no investments.
- (iii) The only grants made by the organisation are to students in respect of assistance with course fees and/or travelling expenses. Following auditions, all successful applicants are advised that financial assistance could be available. Applications for assistance are reviewed and a decision made on the basis of need and the availability of support from other sources including Local Authorities.

COUNCIL MEMBERS' REPORT (CONTINUED)**Identification of major risks**

- (i) It is recognised that risk management is the responsibility of the Council. Council has examined the major areas of the Charity's operations, considered the major risks which may arise in these areas and is of the opinion that systems are in place to mitigate these risks to an acceptable level. The Executive Director and Senior Staff constantly monitor major risks associated with the organisation's activities, in particular compliance with legislation, health and safety, insurance cover, security of accounting and other records and report to Council.
- (ii) Detailed considerations of budget and programme management are delegated to the Finance and General Purposes Committee and all activity management to the Executive Director. The programme and budget for the following year is submitted to and considered in detail by Council and major risks identified at that time, together with any proposals for the mitigation of such risks during the year in question.
- (iii) The continuing main risk to the organisation is the non-availability of funds for the planned activities. The Executive Director presents a rolling programme covering at least the next three years to the Finance & General Purposes Committee at each of its regular meetings. This programme is then confirmed within the financial budget one year in advance and the associated fund raising requirements are determined at the time of budget consideration.
- (iv) Detailed Management Accounts are prepared for consideration by the Finance & General Purposes Committee on at least four occasions during the year and are examined monthly by the Director and Senior Staff.

Establishment of systems

The above procedures were in use during the accounting period covered by this report and have been in use for a number of years.

Statements of Council Members Responsibilities

Company law requires the Council members 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 surplus or deficit of the charitable company for that period. In preparing those financial statements, 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COUNCIL MEMBERS' REPORT (CONTINUED)

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 13 September 2002 and signed on its behalf



Alan Simpson

Chairman

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF THE NATIONAL YOUTH ORCHESTRAS OF SCOTLAND LIMITED**

We have audited the financial statements of The National Youth Orchestras of Scotland Limited for the year ended 31 March 2002 on pages nine to twenty. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages twelve and thirteen.

Respective responsibilities of Council members and auditors

The responsibilities of the Council members, who are also the charity trustees for the purposes of charity law, for preparing the Annual Report of the Council members and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Council Members Responsibilities on page six.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Annual Report of the Council Members is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Council members' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Annual Report and Accounts and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company'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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company as at 31 March 2002 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hardie Caldwell
Chartered Accountants
Registered Auditor
Savoy Tower
77 Renfrew Street
Glasgow G2 3BY



**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2002**

	Notes	£	2001 £
Income			
Turnover	2	389,533	354,528
Gift Aid		18,280	14,577
Other income	3	252,286	229,888
Interest received	8	4,115	3,940
Gross income		<u>664,214</u>	<u>602,933</u>
Expenditure			
Direct charitable expenditure	4	530,312	502,380
Management and administration	5	97,819	90,474
Total expenditure		<u>628,131</u>	<u>592,854</u>
Surplus for year		<u>36,083</u>	<u>10,079</u>
Balance at 1 April 2001		170,352	160,273
Surplus for year		36,083	10,079
Balance at 31 March 2002		<u>206,435</u>	<u>170,352</u>

Movements in funds are detailed in the Statement of Financial Activities.

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

During the above two financial years none of the charitable activities have changed.

The notes form part of these financial statements.

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2002**

	Unrestricted Funds £	Restricted Funds £	Total 2002 £	Total 2001 £
Incoming resources				
Donations and other voluntary receipts	300,871	2,500	303,371	248,121
Deferred income adjustment	(32,805)	-	(32,805)	(3,656)
Activities in furtherance of the charity's objects:				
Course fees	183,960	-	183,960	151,852
Deferred income adjustment	1,360	-	1,360	(6,389)
Concert and workshops	36,814	-	36,814	45,506
Deferred income adjustment	2,396	-	2,396	(2,396)
Activities for generating funds				
Sponsorship	130,093	-	130,093	158,374
Deferred income adjustment	18,060	-	18,060	(2,500)
Miscellaneous related income	15,811	-	15,811	10,350
Deferred income adjustment	1,039	-	1,039	(269)
Interest receivable	-	4,115	4,115	3,940
Total incoming resources	<u>657,599</u>	<u>6,615</u>	<u>664,214</u>	<u>602,933</u>
Resources expended				
Direct charitable expenditure				
Costs relating to the charity's objectives	526,305	4,007	530,312	502,380
Other expenditure				
Management and administration	97,819	-	97,819	90,474
Total resources expended	<u>624,124</u>	<u>4,007</u>	<u>628,131</u>	<u>592,854</u>
Net incoming / (outgoing) resources				
Before transfers	33,475	2,608	36,083	10,079
Transfers between funds (see below)	1,998	(1,998)	-	-
Net incoming / (outgoing) resources	<u>35,473</u>	<u>610</u>	<u>36,083</u>	<u>10,079</u>
Fund balances brought forward at 1/4/2001	109,823	60,529	170,352	160,273
Fund balances carried forward at 31/3/02	<u>145,296</u>	<u>61,139</u>	<u>206,435</u>	<u>170,352</u>
Transfer between funds:			2002	
Interest adjustment			£	
			<u>1,998</u>	

The notes form part of the financial statements.

BALANCE SHEET
AS AT 31 MARCH 2002

	Notes	£	£	2001 £
Fixed assets				
Tangible assets	9		154,866	<u>161,862</u>
Current assets				
Stocks	10	5,155		8,591
Debtors	11	58,794		46,465
Cash at bank and in hand	12	<u>162,072</u>		<u>93,586</u>
		226,021		148,642
Creditors: amounts falling due within one year	13	<u>(174,452)</u>		<u>(140,152)</u>
Net current assets			51,569	8,490
Total assets			<u>206,435</u>	<u>170,352</u>
Reserves				
Restricted funds	14		61,139	60,529
Unrestricted fund	15		<u>145,296</u>	<u>109,823</u>
			<u>206,435</u>	<u>170,352</u>

The financial statements on pages 9 to 20 were approved by the Council on 13 September 2002 and signed on its behalf.



Alan Simpson

Chairman



Dr Norman Cooper

Council Member

The notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002**

1) Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards. The financial statements are also set out to comply with the Statement of Recommended Practice - Accounting and Reporting by Charities and the Companies Act 1985. Accordingly the Income and Expenditure Account is an adaption of the formats laid down in the Companies Act 1985 to recognise the special nature of the charitable company's activities and in order to give information in a manner beneficial to the members as provided for in the Companies Act 1985, Schedule 4 Part 1.

The principal accounting policies adopted in the preparation of the financial statements are as follows.

Financial Reporting Standard Number 1

The charitable 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 charitable company.

Depreciation

Individual assets costing £500 or more are capitalised at cost.

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	-	2% straight line
Motor vehicles	-	25% straight line
Instruments and equipment	-	25% straight line
Computer equipment	-	25% straight line
Furniture and fittings	-	25% straight line

Incoming resources:

Incoming resources 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. All income of the charitable company is accounted for on an accruals basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)****1) Accounting policies (continued)*****Courses, etc***

Income from course fees, concert receipts and workshop receipts are included in incoming resources in the period in which the course or concert takes place.

Interest receivable

Interest is included when receivable by the charitable company.

Resources expended

Resources expended are included on an accruals basis, inclusive of any VAT that can not be recovered.

Expenditure

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

Leases

Rentals paid under operating leases are charged to income as incurred.

Taxation

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

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 income and expenditure account as they become payable.

Fund accounting

Funds held by the charitable company are either:

Unrestricted funds: these are funds, which can be used in accordance with the charitable objects at the discretion of the Council members.

Restricted funds: these are funds that can only be used for the particular restricted purpose as specified by the donor or when funds are raised for particular purposes.

Further explanation of the nature of each fund is included in the notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)**

2) Turnover

	£	2001 £
Sponsorship	148,153	155,874
Concert and workshop receipts	39,210	43,110
Course fees	185,320	145,463
Miscellaneous related income	16,850	10,081
	<u>389,533</u>	<u>354,528</u>

In the opinion of the trustees, the turnover of the charitable company attributable to geographical markets outside the UK amounted to £Nil, in respect of concerts held within the European Community (2001 - £13,956).

3) Other income

Other income includes grants and donations from Local Authorities, Trusts and the Scottish Arts Council.

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.

	£	2001 £
Staff costs	228,097	211,584
Accommodation and travel	96,348	106,123
Audition costs	10,572	10,202
Hall rental and costs	38,068	25,623
Miscellaneous related expenditure	12,319	16,692
Music hire, programmes, publicity, etc	37,614	34,437
New commissions	5,000	7,100
Tuition, artists and course staff fees	75,142	63,224
Bursaries paid	20,670	20,445
Workshop expenditure	6,482	6,950
	<u>530,312</u>	<u>502,380</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)**

5) Management and administration

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

		2001
	£	£
Audit and accountancy fees	3,500	3,000
Computer consultancy and support	4,736	2,577
Depreciation	7,616	6,685
Heating and lighting	1,116	1,134
Miscellaneous	25,988	14,736
Motor expenses	5,641	6,384
Postage and telephone	10,753	11,088
Rates and insurance	4,185	3,540
Repairs and renewals	501	714
Staff costs	16,055	15,604
Staff expenses	8,851	11,657
Stationery, etc	7,375	11,358
Uniforms	1,502	1,997
	<u>97,819</u>	<u>90,474</u>

6) Net operating surplus

This is stated after charging:		
Auditor's remuneration - audit	£ 3,450	£ 3,000
Operating lease expense: plant and other	1,596	798
Depreciation (owned assets see note 9)	<u>7,616</u>	<u>6,685</u>

No Council member received any remuneration or reimbursement of expenses during the year, (2001 - Nil).

7) Staff costs

	£	£
Salaries	214,658	199,860
Social security costs	19,738	18,467
Pensions	9,756	8,861
	<u>244,152</u>	<u>227,188</u>

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)**

7) Staff costs (continued)

The number of employees receiving emoluments in excess of £50,000 during the year was as follows:

	£	2001 £
£50,000 - £59,999	<u>1</u>	<u>1</u>

During the year the company paid £9,756 to retirement benefit pension schemes on behalf of its employees (2001 - £8,861). The sum paid in respect of the higher paid employee was £5,310 (2001: £5,049).

8) Interest received

	£	£
Bank interest received	<u>4,115</u>	<u>3,940</u>
Allocated:		
Bursary Fund	-	916
Reta Lila Howard Fund	1,463	1,848
Mackintosh Foundation Bursary Fund	69	63
Barry Morris Fund	86	150
Drumearn Fund	-	3,243
Joyce & Denis O'Riordan Fund	139	135
Celeste Fund	<u>360</u>	<u>292</u>
	2,117	6,647
Transfer	<u>1,998</u>	<u>(2,707)</u>
	<u>4,115</u>	<u>3,940</u>

£1,998 has been transferred to the Unrestricted Fund from the Restricted Funds after interest due at 3.5% (2001 : 4.5%) per annum, has been credited to the Restricted Funds based on opening balances. In 2001 £2,707 was transferred from Unrestricted Fund to Restricted Funds to cover interest due in that year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)

9) Tangible fixed assets

	Freehold property £	Motor vehicles £	Instruments and equipment £	Computer equipment £	Fixtures and fittings £	Total £
Cost						
At 1 April 2001	150,000	15,335	54,044	39,115	9,255	267,749
Additions	-	-	-	620	-	620
Disposals	-	-	-	-	-	-
At 31 March 2002	<u>150,000</u>	<u>15,335</u>	<u>54,044</u>	<u>39,735</u>	<u>9,255</u>	<u>268,369</u>
Depreciation						
At 1 April 2001	-	15,335	54,044	29,253	7,255	105,887
Charge for the year	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,616</u>	<u>1,000</u>	<u>7,616</u>
At 31 March 2002	<u>3,000</u>	<u>15,335</u>	<u>54,044</u>	<u>32,869</u>	<u>8,255</u>	<u>113,503</u>
Net book value						
At 31 March 2002	<u>147,000</u>	<u>-</u>	<u>-</u>	<u>6,866</u>	<u>1,000</u>	<u>154,866</u>
At 31 March 2001	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>9,862</u>	<u>2,000</u>	<u>161,862</u>

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

10) Stock

	£	2001 £
Stocks	<u>5,115</u>	<u>8,591</u>

11) Debtors

	£	£
Trade debtors	15,468	22,401
Income tax recoverable	12,111	3,700
Prepayments	24,797	11,236
Other debtors	<u>6,418</u>	<u>9,128</u>
	<u>58,794</u>	<u>46,465</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)**

12) Cash at bank and in hand

	£	2001 £
Current account	-	1,149
Bid deposit / fixed term accounts	160,460	90,780
Euro account	1,441	1,401
Cash in hand	171	256
	<u>162,072</u>	<u>93,586</u>

13) Creditors: amounts falling due within one year

	£	£
Trade creditors	14,343	8,272
Bank current account	13,392	-
Other taxes and social security costs	3,744	5,906
Accruals	10,841	3,792
Income in advance	132,132	122,182
	<u>174,452</u>	<u>140,152</u>

Income in advance relates to monies received during the year in respect of courses, etc not yet commenced, as at 31 March 2002, and is analysed as follows:-

	£	£
Course fees	51,570	52,930
Sponsorship	24,500	42,560
The Gannochy Trust	19,000	19,000
Miscellaneous related Income	361	1,400
Donations and other income	35,701	2,896
Workshop income	1,000	3,396
	<u>132,132</u>	<u>122,182</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)**

14) Restricted Funds

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

	Movement in funds			
	Balance at 1/4/01 £	Incoming resources incl interest transfer £	Expenditure, gains losses £	Balance at 31/3/02 £
Barry Morris Fund	2,457	86	(610)	1,933
Mackintosh Foundation Bursary Fund	1,973	2,069	(2,006)	2,036
Joyce & Denis O'Riordan Fund	3,985	139	(311)	3,813
The Reta Lila Howard Fund	41,822	1,463	(1,080)	42,205
Celeste Fund	10,292	860	-	11,152
	<u>60,529</u>	<u>4,617</u>	<u>(4,007)</u>	<u>61,139</u>

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

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

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

Interest at 3.5% (2001 : 4.5%) on the opening capital balance has been credited to all restricted funds in the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002 (CONTINUED)**

15) Unrestricted Fund

	£
Balance at 1 April 2001	109,823
Surplus for year	35,473
Balance at 31 March 2002	<u>145,296</u>

16) Analysis of net assets between funds

	Fixed assets £	Net current assets £	Net current liabilities £	Total £
Restricted funds				
Barry Morris Fund	-	1,933	-	1,933
Mackintosh Foundation Bursary Fund	-	2,036	-	2,036
Joyce & Denis O'Riordan Fund	-	3,813	-	3,813
The Reta Lila Howard Fund	-	42,205	-	42,205
Celeste Fund	-	11,152	-	11,152
	-	61,139	-	61,139
Unrestricted fund	154,866	164,882	(174,452)	145,296
	<u>154,866</u>	<u>226,021</u>	<u>(174,452)</u>	<u>206,435</u>

17) Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 March 2003

	2002 Plant and other	2001 Plant and other
Expiring between one and five years inclusive	<u>1,596</u>	<u>1,596</u>