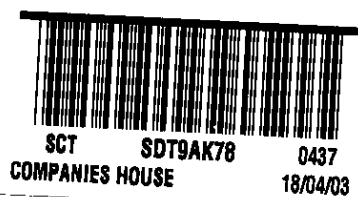


CAPPELLA NOVA

(a Company limited by Guarantee)

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST JULY, 2002**

Registered No. 101005



CAPPELLA NOVA**(a Company limited by Guarantee)**

DIRECTORS Lord Balfour of Burleigh (Chairman)
A Tavener
Mrs R J Tavener
N W Jones
I S S McGlashan
S G Colvin
W M Dick

SECRETARY Mrs R J Tavener

**REGISTERED
OFFICE** 1/R 172 Hyndland Road
Glasgow
G12 9HZ

BANKERS Bank of Scotland
168 Hyndland Road
Glasgow
G12 9HU

AUDITORS French Duncan
375 West George Street
Glasgow
G2 4LW

COMPANY NO. 101005

CHARITY NO. SCO05380

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report for the year ended 31st July, 2002.

Constitution

The Company was incorporated and commenced operating in September 1986 as a company limited by guarantee of £1 per member and has no share capital.

Objectives

The objectives of the Company are as follows:

- a) To promote the study, practice and knowledge of music in Scotland and other countries and other musical artistic and cultural purposes connected therewith and for these purposes to maintain and manage a choir(s) together with presentation of choral and orchestral concerts.
- b) To commission the composition of musical works.

Financial Information

The income of the Company for the year was £72,515 and costs amounted to £69,722 resulting in a surplus for the year of £2,793 (2001 – deficit £8,076).

Review of Activities

For its 20th Season, the Company undertook 17 public performances, of which 1 was for another organisation. As Vocal Ensemble in Residence at the University of Strathclyde, Cappella Nova continued workshop activity in association with the University, and oversaw its first Student Placement from the University's Applied Music course. The Scottish Plainsong Choir has gone from strength to strength as part of Cappella Nova's community remit, and has stimulated the formation of a similar, independent group in Aberdeen.

Future Developments

Plans are in hand to extend the scope of the Company's medieval ensemble, Canty.

Acknowledgements

Richard A Potter had tendered his resignation as a Director, and warm appreciation was accorded to him, particularly for his assistance with the successful grant application to the National Lottery Board and for identifying potential contacts in the business world. The continued smooth daily running of the Company by Manager Mrs R Tavener is gratefully acknowledged, as is the voluntary support given by Mr A Tavener in respect of book-keeping and Mrs P E Gibson in respect of mailings. Voluntary assistance has also been given by a number of individuals, particularly students of the University of Strathclyde, in respect of stewarding. The financial assistance of a range of organisations (see page 9) is gratefully acknowledged.

Sponsorship in Kind

The ongoing provision of office facilities by the University of Strathclyde and partial sponsorship of print by Campsie Communications Group have contributed to the Company's continued solvency.

DIRECTORS' REPORT *(continued)*

Taxation

The Company is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on income.

Directors

The names of the Directors of the Company who continue in office and served during the year appear on page 1.

After serving for almost eight years as a valued director of the charity, Richard A Potter resigned on 11 November 2001.

In accordance with the Articles of Association Alan Tavener retires by rotation and being eligible offers himself for re-election.

Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the surplus or deficit of the Company for that period. In preparing those accounts, the Directors 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; and
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reporting Accountants

A resolution to re-appoint French Duncan as reporting accountants for the ensuing year will be proposed at the Annual General Meeting.

On behalf of the Board



A Tavener
Director

26 March 2003

**ACCOUNTANTS' REPORT TO THE MEMBERS
ON THE UNAUDITED ACCOUNTS OF
CAPPELLA NOVA (a Company limited by Guarantee)**

We report on the accounts for the year ended 31st July 2002 set out on pages 5 to 12.

Respective responsibilities of directors and reporting accountants

As described on page 3, the directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- a. the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b. having regard only to, and on the basis of, the information contained in those accounting records:
 - i the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



FRENCH DUNCAN
***Chartered Accountants &
Reporting Accountants***

375 West George Street
Glasgow
G2 4LW

26 March 2003

CAPPELLA NOVA
(a Company limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST JULY, 2002

	<i>Note</i>	<i>Restricted Funds</i> 2002 £	2001 £
<i>Incoming Resources</i>			
Ticket sales, performance fees, etc.		14,419	21,195
Grants	3	28,625	28,100
Sponsorship and other grants and awards	4	10,119	6,712
Royalties		1,290	-
Interest receivable		256	504
Sale of records		2,068	3,873
Sales of programmes		865	567
Fund raising income		14,873	21,107
Total Incoming Resources		<u>72,515</u>	<u>82,058</u>
<i>Resources Expended</i>			
Direct Charitable Expenditure			
Concert Expenditure	6	57,243	73,157
Fund raising costs		8,834	12,844
Other Expenditure			
Administration costs	7	3,645	4,133
Total Resources Expended		<u>69,722</u>	<u>90,134</u>
Net incoming resources for year		2,793	(8,076)
Fund balances brought forward at 1st August, 2001		5,590	13,666
Fund Balances carried forward at 31st July, 2002		<u>8,383</u>	<u>5,590</u>

CAPPELLA NOVA
(a Company limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST JULY, 2002

	<i>Note</i>	2002 £	2001 £
Turnover	2	33,515	46,742
Revenue grants	3	28,625	28,100
Donations & other grants	4	<u>10,119</u>	<u>6,712</u>
		72,259	81,554
Concert Expenditure	6	(57,243)	(73,157)
Fund raising costs		<u>(8,834)</u>	<u>(12,844)</u>
Operating Surplus/(Deficit)		5,682	(4,447)
Bank Interest Receivable		<u>256</u>	<u>504</u>
		5,838	(3,943)
Other Expenses	7	<u>(3,645)</u>	<u>(4,133)</u>
Surplus/(Deficit)		<u>2,793</u>	<u>(8,076)</u>

All of the activities of the company are classed as continuing. There were no recognised gains or losses other than the results for the year as set out above.

CAPPELLA NOVA
(a Company limited by Guarantee)

BALANCE SHEET AS AT 31ST JULY, 2002

	<i>Note</i>	2002 £	2001 £
<i>Fixed Assets</i>			
Tangible assets	8	241	301
<i>Current Assets</i>			
Trade Debtors		449	425
Sundry debtors and prepayments	9	2,677	1,820
Stock of records		7,403	8,289
Cash at bank and on deposit		9,141	7,805
		<u>19,670</u>	<u>18,339</u>
<i>Creditors - Amounts falling due within one year</i>	10	<u>11,528</u>	<u>13,050</u>
Net Current Assets		<u>8,142</u>	<u>5,839</u>
Net Assets		<u>8,383</u>	<u>5,590</u>
Restricted Funds	11	<u>8,383</u>	<u>5,590</u>

For the year ended 31st July 2002 the company was entitled to exemption under section 249A (1) of the Companies Act 1985.

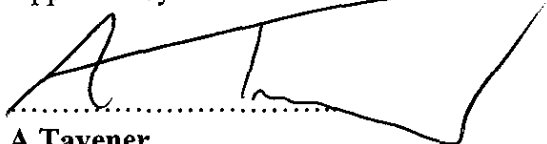
No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company 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 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Approved by the Board of Directors on 26 March 2003 and signed on its behalf by:


A Tavener
Director

CAPPELLA NOVA
(a Company limited by Guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY, 2002

1. ACCOUNTING POLICIES

a) *Basis of accounting*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and Statement of Recommended Practice – Accounting and Reporting by Charities (2000).

b) *Incoming resources*

Amounts raised from ticket sales, performance fees, donations, grants, sponsorship, etc. and advertising revenue are dealt with in the Accounts in the period in which they are received. Grants received from the Scottish Arts Council and Glasgow City Council relating to subsequent performing seasons are carried forward.

Grants received from the Scottish Arts Council for composition commissions not finalised are carried forward until completion.

c) *Depreciation*

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:-

Robes and furnishings	- 10% straight line
Motor vehicles	- 20% straight line

d) *Stock*

Stock is valued on the basis of the lower of cost and net realisable value.

e) *Taxation*

The charity is a company limited by guarantee and has charitable status under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

2. TURNOVER

	2002	2001
	£	£
Donations, ticket sales, fees	29,291	42,302
Sales of records	2,069	3,873
Sales of programmes	865	567
Royalties	1,290	-
	<u>33,515</u>	<u>46,742</u>

CAPPELLA NOVA
(a Company limited by Guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY, 2002 (continued)

3. GRANTS	2002	2001
	£	£
<i>Income:</i>		
Scottish Arts Council	25,625	24,000
Glasgow City Council	3,000	4,100
	<u>28,625</u>	<u>28,100</u>
 4. SPONSORSHIP AND OTHER GRANTS AND AWARDS	 2002	 2001
	£	£
Donations and Other Grants:		
Jennie S Gordon Memorial Foundation	3,000	3,000
Nancie Massey Charitable Trust	-	400
McGlashan Charitable Trust	1,000	1,000
John Lewis Partnership	2,000	2,000
Gannochy Trust	2,000	-
Sundry Donations	529	312
Hugh Fraser Foundation	500	-
Cruden Foundation	250	-
Gordon Fraser Charitable Trust	500	-
Sir James Miller (Edinburgh) Trust	250	-
Gift Aid	90	-
	<u>10,119</u>	<u>6,712</u>

5. RESOURCES EXPENDED

A Director of the Company acted as manager of the ensemble and remuneration for such work amounted to £10,000 (2001 - £12,490).

Administration costs include £1,528 (2001 - £950) in respect of accounting fees, including VAT thereon.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY, 2002 (*continued*)

6. CONCERT EXPENDITURE	2002	2001
	£	£
Artistic/Administrative fees	38,303	50,237
Printing tickets, programme	11,700	12,501
Hire of halls, instruments	4,455	2,845
Music, cassettes, royalties	965	2,553
Depreciation	60	5,021
Vehicle expenses	1,760	-
	<u>57,243</u>	<u>73,157</u>

This figure includes the undernoted paid to Directors

	£
(a) A Tavener - Fee as conductor of the ensemble	200
Expenses	858
Administration costs	1,612
	<u>2,670</u>
2001	<u>4,596</u>
(b) N W Jones - Artistic fee for participation in performances	1,556
Expenses	344
	<u>1,900</u>
2001	<u>2,835</u>
(c) Mrs R J Tavener - Artistic fee for participation in performances	2,791
Expenses	1,270
As manager of the ensemble	10,000
Administration Costs	136
	<u>14,197</u>
2001	<u>15,624</u>

There are no staff employed by the charity.

Mr A Tavener is due artistic fees for work carried out this year, but most of these have been permanently waived.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY, 2002 (*continued*)

7. OTHER EXPENSES	2002	2001
	£	£
Other expenses	1,517	2,633
Accountancy and audit fees	1,528	1,500
Provision for bad debts	600	-
	<u>3,645</u>	<u>4,133</u>
8. TANGIBLE FIXED ASSETS		
	<i>Robes & Furnishings</i>	<i>Motor Vehicle</i>
	£	£
<i>Cost:</i>		<i>Total</i>
As at 1st August, 2001	1,648	26,471
Additions	-	-
Disposals	-	-
As at 31st July, 2002	<u>1,648</u>	<u>26,471</u>
<i>Depreciation:</i>		
As at 1st August, 2001	1,347	26,170
Charge for the year	60	60
As at 31st July, 2002	<u>1,407</u>	<u>26,230</u>
<i>NBV:</i>		
At 31st July, 2002	<u>241</u>	<u>241</u>
At 31st July, 2001	<u>301</u>	<u>301</u>
9. SUNDRY DEBTORS AND PREPAYMENTS	2002	2001
	£	£
Advance payments	1,987	1,820
Sundry Debtor	1,139	-
	<u>3,126</u>	<u>1,820</u>

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY, 2002 (continued)

10. CREDITORS: Amounts falling due within one year	2002	2001
	£	£
Sundry creditors	1,528	1,500
Advance receipts	10,000	11,550
	<u>11,528</u>	<u>13,050</u>

11. RESTRICTED FUNDS

	Balance 1/8/01	Movement in funds Incoming Outgoing	Transfers	Balance 31/7/02
	£	£	£	£
General	5,590	72,515 (69,722)	-	8,383
	<u>5,590</u>	<u>72,515</u> <u>(69,722)</u>	<u>-</u>	<u>8,383</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net Current Assets	2002	2001
	£	£	£	£
Restricted funds	241	8,142	8,383	5,590
	<u>241</u>	<u>8,142</u>	<u>8,383</u>	<u>5,590</u>

13. GUARANTEE

The company is limited by guarantee. At 31st July, 2002 the Company had two members each providing a guarantee of £1 (2001 - two members each providing a guarantee of £1).