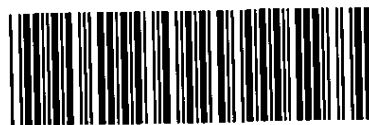

CAPPELLA NOVA
(A company limited by guarantee)

UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

TUESDAY



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CAPPELLA NOVA
(A company limited by guarantee)

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CAPPELLA NOVA
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2011**

Directors

W M Dick, Chairman
P F Foley
C R MacLean
I G Mitchell
N O'Regan
A Tavener
R J Tavener, Secretary

Company registered number

SCO 05380

Charity registered number

SC 101005

Registered office

1/R
172 Hyndland Road
Glasgow
G12 9HZ

Secretary

R J Tavener

Chairman

W M Dick

Accountants

French Duncan LLP
Chartered Accountants
375 West George Street
Glasgow
G2 4LW

Bankers

Bank of Scotland
174 Byres Road
Glasgow
G12 9SW

CAPPELLA NOVA
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2011

The Directors (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Cappella Nova (the Charity) for the year ended 31 July 2011. The Directors confirm that the Annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

• **CONSTITUTION**

The Charity, which is a recognised charity in Scotland, is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 27 July 1986.

• **METHOD OF APPOINTMENT OR ELECTION OF DIRECTORS**

The management of the Charity is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

• **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The company was incorporated and commenced operating in September 1986 as a Company limited by guarantee with a maximum liability of £1 per member and has no share capital. The Company has been granted charitable status and is registered with the Office of the Scottish Charity Regulator.

The members, who are also Directors for the purposes of company law, and Directors who served during the year were:

W M Dick
P F Foley
C R MacLean
I G Mitchell
N O'Regan
A Tavener
R J Tavener

The Charity has reviewed its policies relating to induction and training to comply with new guidelines and recommendations from the Office of the Scottish Charity Regulator. This has ensured that its policies are sufficient to meet the training needs of its Directors and staff and that the Charity continues to maintain the highest possible standards. During the year ending 31 July 2011, Michael Dick attended a course on Myers-Briggs and learning styles as part of a professional conference; Paul Foley delivered training on public sector reform as well as undertaking personal study on strategy and collaborative working; and Alan Tavener attended Enhancing your Wellbeing and Effectiveness as a Research Student training at the University of Strathclyde.

The Directors administer the charity. The Board meets 4 times a year. Two Directors are responsible for the day to day running of the charity.

The Directors have unlimited investment powers which are exercised in accordance with professional advice.

• **RISK MANAGEMENT**

CAPPELLA NOVA
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2011

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and Activities

• **POLICIES AND OBJECTIVES**

The objectives of the Charity 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 professional vocal ensemble together with presentation of choral and orchestral concerts.
- b) To commission the composition of musical works and to encourage artistic and creative innovation.
- c) To offer a wide range of training opportunities available without restriction to anybody who wants to enjoy the experience of group-singing and to develop their skills, from beginners upwards.
- d) To provide opportunities for emerging artists: performers and composers.

Details of the activities are detailed within activities for achieving objectives below

Acknowledgements

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; Miss Mary Baxter, Mrs Caroline McCaffrey, Miss Janet Jones and Miss Roberta Yule in respect of mailings; and Dr Jillian Galbraith in respect of Convenorship of the Scottish Plainsong Choir. The financial assistance of a range of organisations is gratefully acknowledged.

Sponsorship in kind

The ongoing provision of office facilities by the University of Strathclyde has contributed to the Company's continued solvency.

CAPPELLA NOVA
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2011

Achievements and performance

• **REVIEW OF ACTIVITIES**

The Charity has complied with the duty to have due regard to public benefit, and the Directors believe that the organisation conforms to these requirements. The Charity undertook a wide-ranging season of public concerts, community events, recordings and tours. 12 public performances and 74 public workshops were given in mainland Scottish locations, affording Members principally of the Scottish Public both the opportunity of discovering and appreciating non-mainstream musical repertoire and of developing musical and personal skills. The majority of the performances and workshops were undertaken on a collaborative basis with other organisations or venues in which risk was shared, and included an innovative multi-media work with visual artist and film-maker. A series of recording sessions also took place (for Cappella Nova's second CD of James MacMillan premieres, to be released in October 2011), affording Members of the Public worldwide the opportunity of discovering and appreciating new musical repertoire. The Charity continued to audition and nurture emerging talent, including affording performance opportunities to young composers

Financial review

• **RESERVES POLICY**

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at an adequate level. The Directors consider that in the event of a significant drop in funding, they will be able to continue the Company's current activities while consideration is given to ways in which additional funds may be raised.

Designated Funds

The principal designated fund is an ongoing balance carried forward from 2008 of £12,790 towards the replacement of the motor vehicle.

• **RESULTS**

The income for the charity for the year was £84,405 and costs amounted to £94,265 resulting in a deficit for the year of £9,860 (2010 surplus of £12,714). The effect of this has been to reduce net funds held to £22,341 from £32,201 in 2010.

Plans for the future

• **FUTURE DEVELOPMENTS**

Efforts will continue to be concentrated on developing collaborative projects with other organisations or venues, together with the recording of a third CD of the music of James MacMillan for Linn Records. The programme of Health and Wellbeing singing opportunities will be developed further, both in terms of events and research.

MEMBERS' LIABILITY

The members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors (who are also Directors of Cappella Nova for the purposes of company law) are responsible for

CAPPELLA NOVA
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2011

preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate 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 Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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.

This report was approved by the Directors on

and signed on their behalf, by:

 24.8.11

R J Tavener, Secretary

CAPPELLA NOVA
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2011**

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF CAPPELLA NOVA

I report on the financial statements of the Charity for the year ended 31 July 2011 which are set out on pages 8 to 17.

This report is made solely to the Charity's Directors, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the Charity's Directors those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Directors as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND EXAMINER

The Directors are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The Directors 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 financial statements 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 REPORT

My examination was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Directors 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.

CAPPELLA NOVA
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2011

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 Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with regulation 8 of the 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 financial statements to be reached.

Signed:

A J C Plumptre C.A.

Dated: *24th November 2011*

A J C Plumptre CA

375 West George Street
Glasgow
G2 4LW

CAPPELLA NOVA
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 JULY 2011

	Note	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	15,600	27,563	43,163	30,543
Investment income	3	-	34	34	28
Incoming resources from charitable activities	4	20,700	20,508	41,208	53,596
TOTAL INCOMING RESOURCES		36,300	48,105	84,405	84,167
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	-	12,796	12,796	16,197
Charitable activities	6	31,309	45,169	76,478	50,621
Governance costs	7	4,991	-	4,991	4,878
TOTAL RESOURCES EXPENDED		36,300	57,965	94,265	71,696
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		-	(9,860)	(9,860)	12,471
<i>Total funds at 1 August 2010</i>		<i>-</i>	<i>32,201</i>	<i>32,201</i>	<i>19,730</i>
TOTAL FUNDS AT 31 JULY 2011		-	22,341	22,341	32,201

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 10 to 17 form part of these financial statements.

CAPPELLA NOVA
(A company limited by guarantee)
REGISTERED NUMBER: SCO 05380

BALANCE SHEET
AS AT 31 JULY 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	9		1		1
CURRENT ASSETS					
Stocks	10	1,995		3,643	
Debtors	11	2,900		3,473	
Cash at bank		19,581		26,984	
		<u>24,476</u>		<u>34,100</u>	
CREDITORS: amounts falling due within one year	12	(2,136)		(1,900)	
NET CURRENT ASSETS			<u>22,340</u>		<u>32,200</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,341</u>		<u>32,201</u>
CHARITY FUNDS					
Unrestricted funds	13		<u>22,341</u>		<u>32,201</u>
			<u>22,341</u>		<u>32,201</u>

The Directors consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Charity as at 31 July 2011 and of its net resources expended for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the Charity.

The financial statements were approved by the Directors on 24/11/2011 and signed on their behalf, by:

N O'Regan

Noel O'Regan

A Tavener

A Tavener

The notes on pages 10 to 17 form part of these financial statements.

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 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 Creative Scotland (formerly Scottish Arts Council), Glasgow City Council and other charitable bodies relating to subsequent performing seasons are carried forward.

Grants received from Creative Scotland for composition commissions not finalised are carried forward until completion.

1.3 Resources expended

All expenditure is accounted for on an accruals basis, and is allocated between charitable expenditure and admission costs on a debit basis.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Accumulated funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors of which have been raised by the Charity for particular purposes in line with objectives of the Charity.

1.7 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.

1.8 VAT

VAT is deducted from all relevant expenditure, and reported separately within other costs. This expense relating to input VAT is irrecoverable by the Charity.

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

2. VOLUNTARY INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Donations and ticket sales	-	27,563	27,563	18,343
Grants	5,300	-	5,300	4,500
Government grants	10,300	-	10,300	7,700
Voluntary income	15,600	27,563	43,163	30,543

Analysis of other grants and donations

	2011 £	2010 £
Restricted funds		
John Lewis Partnership	2,000	2,000
Glasgow City Council	2,000	2,000
Creative Scotland	8,100	-
Creative Scotland Transitional Funding	200	2,700
Tricia Murphy Black	1,300	-
Binks Trust	2,000	-
Jennie S Gordon Memorial Foundation	-	3,000
Trusthouse Charitable Foundation	-	2,500
	15,600	12,200
Unrestricted funds		
The Plum Trust	10,000	5,000
Donations	2,006	394
Ticket sales	15,557	12,949
	27,563	18,343
Total	43,163	30,543

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

3. INVESTMENT INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Investment income	-	34	34	28

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Concert and other income	20,700	20,508	41,208	53,596

Analysis of concert income

	2011 £	2010 £
Grant funding from Creative Scotland	20,700	24,300
Royalties	1,889	546
Ticket sales, programmes and records	18,619	28,750
Total	41,208	53,596

5. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Concert expenditure	-	12,796	12,796	16,197

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

6. DIRECT COSTS

	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
Fundraising: Costs of concert	45,169	31,309	76,478	50,621
Activities undertaken directly				
			2011 £	2010 £
Unrestricted				
Artistic/administration fees			35,339	10,898
Printing tickets, programmes and publicity			2,670	414
Hire of halls, instruments and seating			1,295	361
Music, recordings and royalties			2,478	205
Vehicle expenses			1,100	489
Bank charges			-	12
			42,882	12,379
Restricted				
Artistic/administration fees			25,802	29,160
Printing tickets, programmes and publicity			1,950	4,706
Hire of halls, instruments and seating			945	1,279
Music, recordings and royalties			1,809	604
Vehicle expenses			803	578
			31,309	36,327
Irrecoverable VAT				
Irrecoverable VAT			2,287	1,915
Total			76,478	50,621

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

7. GOVERNANCE COSTS

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Artistic/administration fees	2,838	-	2,838	2,852
Accountancy fees	2,153	-	2,153	2,026
	<u>4,991</u>	<u>-</u>	<u>4,991</u>	<u>4,878</u>

8. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2011 £	2010 £
Accountancy fees	<u>2,153</u>	<u>2,026</u>

The undernoted amounts were paid to Directors during the year:

R J Tavener

	2011 £	2010 £
Artistic fee for participation in performances	2,551	2,854
As manager of the ensemble	5,667	9,000
Administration costs	1,807	480
Total	<u>10,025</u>	<u>12,334</u>

A Tavener

	2011 £	2010 £
Fee as conductor of the ensemble	-	2,600
Vehicle Expenses	234	1,154
Administration costs	1,139	1,055
Total	<u>1,373</u>	<u>4,809</u>

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

9. TANGIBLE FIXED ASSETS

	Motor vehicles £	Other fixed assets £	Total £
Cost			
At 1 August 2010 and 31 July 2011	24,823	1,648	26,471
Depreciation			
At 1 August 2010 and 31 July 2011	24,823	1,647	26,470
Net book value			
At 31 July 2011	-	1	1
At 31 July 2010	-	1	1

10. STOCKS

	2011 £	2010 £
Records and CDs	1,995	3,643

11. DEBTORS

	2011 £	2010 £
Trade debtors	2,900	3,473

**12. CREDITORS:
Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	136	-
Accruals and deferred income	2,000	1,900
	2,136	1,900

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

13. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Designated funds				
Motor vehicle replacement fund	12,790	-	-	12,790
Recording fund	10,000	10,326	(19,552)	774
International Promotion	3,300	-	(2,046)	1,254
	<u>26,090</u>	<u>10,326</u>	<u>(21,598)</u>	<u>14,818</u>
General funds				
Reserves	6,111	37,779	(36,367)	7,523
Total Unrestricted funds	<u>32,201</u>	<u>48,105</u>	<u>(57,965)</u>	<u>22,341</u>
Restricted funds				
Public Performance and Outreach	-	36,300	(36,300)	-
Total of funds	<u><u>32,201</u></u>	<u><u>84,405</u></u>	<u><u>(94,265)</u></u>	<u><u>22,341</u></u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Designated funds	26,090	10,326	(21,598)	14,818
General funds	6,111	37,779	(36,367)	7,523
	<u>32,201</u>	<u>48,105</u>	<u>(57,965)</u>	<u>22,341</u>
Restricted funds	-	36,300	(36,300)	-
	<u><u>32,201</u></u>	<u><u>84,405</u></u>	<u><u>(94,265)</u></u>	<u><u>22,341</u></u>

CAPPELLA NOVA
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Tangible fixed assets	-	1	1	1
Current assets	-	24,476	24,476	34,100
Creditors due within one year	-	(2,136)	(2,136)	(1,900)
	<u>-</u>	<u>22,341</u>	<u>22,341</u>	<u>32,201</u>