

101005
Registered number: SCO 05380
Charity number: SC 101005

CAPPELLA NOVA
(A company limited by guarantee)

UNAUDITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012



CAPPELLA NOVA
(A company limited by guarantee)

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CAPPELLA NOVA
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2012**

Directors

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

Company registered number

SCO 05380

Charity registered number

SC 101005

Registered office

1/R172 Hyndland Road, Glasgow, G12 9HZ

Secretary

R J Tavener

Chairman

W M Dick

Accountants

French Duncan LLP, 375 West George Street, Glasgow, G2 4LW

Bankers

Bank of Scotland, 174 Byres Road, Glasgow, G12 9SW

CAPPELLA NOVA
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2012

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 2012. 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 2012, Alan Tavener attended Scottish Mental Health First Aid training presented by the National Union of Students Scotland. Iain Mitchell took responsibility for drawing up guidelines on Cloud Computer for the European Committee of Bars and Law Societies and, as a Member of that Committee, responded to the European Commission's consultation on new data protection regulation. Calum MacLean participated in the Law Society of Scotland working group to devise Cloud Computing Guidance, creating and co-presenting training on cloud computing risk issues and presenting at conferences on Information Security risks generally, co-authored an e-learning programme for solicitors, and devised and presented over 40 hours of risk management training; in addition he completed an e-learning module on Conflicts of Interest.

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.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2012

• **RISK MANAGEMENT**

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 its 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 from beginner upwards who wants to enjoy the experience of group-singing and to develop their skills and, in the process, enhance their wellbeing.
- 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.

Achievements and performance

• **GOING CONCERN**

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

• **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 and tours. 9 public performances (including Cappella Nova's 30th anniversary concerts presented as a multi-media format with visual artist and film-maker) and 68 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. The Charity continued to audition and nurture emerging talent, including affording performance opportunities to young composers

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2012

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 a balance of £14,044 towards the replacement of fixed assets.

• **RESULTS**

The income for the charity for the year was £71,898 and costs amounted to £67,040 resulting in a surplus for the year of £4,857 (2011 deficit of £9,860). The effect of this has been to increase net funds held to £27,198 from £22,341 in 2011.

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 (combined with recorded premieres of works by John Tavener) for Linn Records. The programme of Health and Wellbeing singing opportunities will be developed further, both in terms of events and research, and additional opportunities will be created in collaboration with the University of Strathclyde's Centre for Lifelong Learning.

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.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors (who are also Directors of Cappella Nova for the purposes of company law) are responsible for 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 law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they 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 accounting 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 are sufficient to show and explain the charitable company's transactions and 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 6th 12 and signed on their behalf, by:

R J Tavener, Secretary



CAPPELLA NOVA
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2012**

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 2012 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.

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2012

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. Plumtree C.A.

Dated:

12 December 2012.

A J C Plumtree CA

375 West George Street
Glasgow
G2 4LW

CAPPELLA NOVA
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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 JULY 2012

	Note	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	3,000	11,861	14,861	27,606
Investment income	3	-	21	21	34
Incoming resources from charitable activities		13,190	43,825	57,015	56,765
TOTAL INCOMING RESOURCES		16,190	55,707	71,897	84,405
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	-	26,692	26,692	12,796
Charitable activities	6	12,126	22,833	34,959	76,478
Governance costs	7	4,064	1,325	5,389	4,991
TOTAL RESOURCES EXPENDED		16,190	50,850	67,040	94,265
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		-	4,857	4,857	(9,860)
<i>Total funds at 1 August 2011</i>		<i>-</i>	<i>22,341</i>	<i>22,341</i>	<i>32,201</i>
TOTAL FUNDS AT 31 JULY 2012		-	27,198	27,198	22,341

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
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REGISTERED NUMBER: SCO 05380

BALANCE SHEET
AS AT 31 JULY 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	9		1		1
CURRENT ASSETS					
Stocks	10	1,999		1,995	
Debtors	11	11,395		2,900	
Cash at bank		34,193		19,581	
		<u>47,587</u>		<u>24,476</u>	
CREDITORS: amounts falling due within one year	12	(20,390)		(2,136)	
NET CURRENT ASSETS			<u>27,197</u>		<u>22,340</u>
NET ASSETS			<u>27,198</u>		<u>22,341</u>
CHARITY FUNDS					
Unrestricted funds	13		<u>27,198</u>		<u>22,341</u>
			<u>27,198</u>		<u>22,341</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 complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Directors on 6 November 2012 and signed on their behalf, by:

N O'Regan

N O'Regan

A Tavener

A Tavener

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

CAPPELLA NOVA
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

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

All incoming resources are included in the Statement of financial activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.3 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

2. VOLUNTARY INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Donations	-	11,861	11,861	12,006
Grants	3,000	-	3,000	5,300
Government grants	-	-	-	10,300
Voluntary income	<u>3,000</u>	<u>11,861</u>	<u>14,861</u>	<u>27,606</u>

Analysis of other grants and donations

	2012 £	2011 £
Restricted funds		
John Lewis Partnership	-	2,000
Glasgow City Council	-	2,000
Creative Scotland	-	8,100
Creative Scotland Transitional Funding	-	200
Tricia Murphy Black	-	1,300
Binks Trust	-	2,000
Jennie S Gordon Foundation	3,000	-
	<u>3,000</u>	<u>15,600</u>
Unrestricted funds		
The Plum Trust	10,000	10,000
Donations	1,861	2,006
	<u>11,861</u>	<u>12,006</u>
Total	<u>14,861</u>	<u>27,606</u>

3. INVESTMENT INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Investment income	<u>-</u>	<u>21</u>	<u>21</u>	<u>34</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Concert and other income	13,190	43,825	57,015	56,764
Subtotal	13,190	43,825	57,015	56,764
Other incoming resources from charitable activities	-	-	-	1
	<u>13,190</u>	<u>43,825</u>	<u>57,015</u>	<u>56,765</u>

Analysis of concert income

	2012 £	2011 £
Grant funding from Creative Scotland (restricted)	13,190	20,700
Royalties	1,702	1,889
Ticket sales and programmes	38,205	31,378
Sale of Records and CD's	3,918	2,798
Total	<u>57,015</u>	<u>56,765</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Concert expenditure	-	26,692	26,692	12,796

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

6. DIRECT COSTS

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Fundraising: Costs of concert	22,832	12,127	34,959	76,478
Activities undertaken directly				
			2012 £	2011 £
Unrestricted				
Artistic/administration fees			13,246	35,339
Printing tickets, programmes and publicity			2,258	2,670
Hire of halls, instruments and seating			1,178	1,295
Music, recordings and royalties			1,303	2,478
Vehicle expenses			987	1,100
			18,972	42,882
Restricted				
Artistic/administration fees			9,204	25,802
Printing tickets, programmes and publicity			1,152	1,950
Hire of halls, instruments and seating			601	945
Music, recordings and royalties			666	1,809
Vehicle expenses			504	803
			12,127	31,309
Irrecoverable VAT				
Irrecoverable VAT			3,860	2,287
Total			34,959	76,478

7. GOVERNANCE COSTS

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Artistic/administration fees	2,739	-	2,739	2,838
Accountancy fees	1,325	1,325	2,650	2,153
	4,064	1,325	5,389	4,991

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

8. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2012 £	2011 £
Accountancy fees	2,650	2,153

The undernoted amounts were paid to Directors during the year:

R J Tavener

	2012 £	2011 £
Artistic fee for participation in performances	1,370	2,551
As manager of the ensemble	6,575	5,667
Administration costs	68	1,807
Total	8,013	10,025

A Tavener

	2012 £	2011 £
Vehicle Expenses	798	234
Administration costs	159	1,139
Total	957	1,373

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

9. TANGIBLE FIXED ASSETS

	Motor vehicles £	Other fixed assets £	Total £
Cost			
At 1 August 2011 and 31 July 2012	24,823	1,648	26,471
Depreciation			
At 1 August 2011 and 31 July 2012	24,823	1,647	26,470
Net book value			
At 31 July 2012	-	1	1
At 31 July 2011	-	1	1

10. STOCKS

	2012 £	2011 £
Records and CDs	1,999	1,995

11. DEBTORS

	2012 £	2011 £
Trade debtors	11,395	2,900

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

	2012 £	2011 £
Trade creditors	-	136
Accruals and deferred income	20,390	2,000
	20,390	2,136

CAPPELLA NOVA
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

13. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers In/out £	Carried Forward £
Designated funds					
Fixed Asset Replacement fund	12,790	-	-	1,254	14,044
Recording fund	774	-	(774)	-	-
International Promotion	1,254	-	-	(1,254)	-
	<u>14,818</u>	<u>-</u>	<u>(774)</u>	<u>-</u>	<u>14,044</u>
General funds					
Reserves	7,523	55,707	(50,076)	-	13,154
Total Unrestricted funds	<u>22,341</u>	<u>55,707</u>	<u>(50,850)</u>	<u>-</u>	<u>27,198</u>

The Motor Vehicle Replacement fund has been reviewed during the year. The Directors have decided to reallocate this fund to a Fixed Assets Replacement fund rather than a fund designated only for motor vehicles. In addition the balance on the International Promotion fund has also been transferred to the Fixed Asset Replacement fund.

Restricted funds

Public Performance and Outreach	-	16,190	(16,190)	-	-
Total of funds	<u>22,341</u>	<u>71,897</u>	<u>(67,040)</u>	<u>-</u>	<u>27,198</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers In/out £	Carried Forward £
Designated funds	14,818	-	(774)	-	14,044
General funds	7,523	55,707	(50,076)	-	13,154
	<u>22,341</u>	<u>55,707</u>	<u>(50,850)</u>	<u>-</u>	<u>27,198</u>
Restricted funds	-	16,190	(16,190)	-	-
	<u>22,341</u>	<u>71,897</u>	<u>(67,040)</u>	<u>-</u>	<u>27,198</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2012 £	Unrestrict ed funds 2012 £	Total funds 2012 £	Total funds 2011 £
Tangible fixed assets	-	1	1	1
Current assets	-	47,587	47,587	24,476
Creditors due within one year	-	(20,390)	(20,390)	(2,136)
	<u>-</u>	<u>27,198</u>	<u>27,198</u>	<u>22,341</u>