

Company Number: 818389

Charity Number: 312010

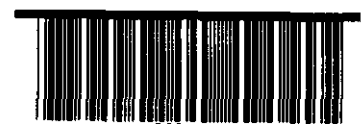
YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 1999

HORWATH
CLARK WHITEHILL

Chartered Accountants

A member of Horwath International

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YEHUDI MENUHIN SCHOOL LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 1999

Status and Administration

The Yehudi Menuhin School Limited, a company limited by guarantee and a registered charity, was founded in 1963. The registered charity number is 312010.

Office
Millfield
Stoke D'Abernon
Cobham
Surrey
KT11 3QQ

Patron
Her Royal Highness The Duchess of Kent GCVO

President
The Lord Menuhin, OM, KBE (Deceased 12 March 1999)
Mstislav Rostropovitch (Appointed 9 July 1999)

Vice Presidents
Elizabeth, Duchess of Hamilton & Brandon OBE, DL
The Lord Rayne
Sir Ian Hunter MBE
A N Hollis OBE, DFC
Dr A F Verney

DIRECTORS

The Directors of the Company who are also the charity Trustees and the Governors of the School and who served during the year are:

Mrs Barbara R D Fisher OBE (Chairman)

Sir John Burgh, KCMG, CB (Vice Chairman)
Sir Peter Beale, KBE
The Hon. Mrs Zamira Benthall
Sir Rodric Braithwaite GCMG
Mr John Chadwick
Mr Stephen J Cockburn
Mr Daniel Hodson
Mrs Margaret Hubicki, MBE
The Lord Menuhin, OM, KBE (Deceased 12 March 1999)
Mr Adam Ridley
Mr Mark Sheldon CBE
Mrs Anne Simor
Mr Graham Smallbone
Mr Ronald A Smith
Mrs Alison Willcocks

**YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 1999**

The Directors are elected at the Annual General Meeting. Two Directors are appointed by the Secretary of State for Education for a term of two years. One third of the other Directors retire at each Annual General Meeting and maybe re-elected.

PROFESSIONAL ADVISERS AND KEY PERSONNEL

Headmaster:	Nicolas Chisholm MA (CANTAB)	
Director of Music:	Malcolm Singer	
Bursar:	Mrs Elaine R Balmer	
Auditors:	Horwath Clark Whitehill 25 New Street Square London EC4A 3LN	
Bankers:	Barclays Bank plc Walton and Staines Business Centre PO Box No.193 8/12 Church Street Walton on Thames Surrey KT12 2YW	
Insurance Brokers:	Holmwoods Rockwood House 9-17 Perrymount Road Haywards Heath West Sussex RH16 3DU	
Investment Managers:	Capel Cure Sharp The Registry Royal Mint Court London EC2N 4EY	Barclays Stockbrokers Tay House 300 Bath Street Glasgow G2 4JQ
Solicitors	Wilkinsons 3 Bridge Street Leatherhead Surrey	Linklaters One Silk Street London EC2Y 8HQ

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 1999

The governors have pleasure in presenting their report and financial statements for the year ended 31 August 1999.

REGISTERED CHARITY

The school is registered as a charity under registration number 312010, and as a company limited by guarantee, registration number 818389.

ACTIVITIES

The activity of the school is to act as a boarding school for boys and girls from any part of the world with talents for music, educating them to a high standard so that they can progress in their musical training to a conservatoire or university. It is the school's policy to attain the highest academic levels and to train the pupils in their music to exceptional performance levels.

REVIEW OF ACTIVITIES

The school is once again pleased to report that numbers increased to 57 during the year to 31 August 1999 and expects to have 58 pupils in the next academic year. Pupils who are not supported through the Music & Ballet Scheme and whose parents are not able to find a source for the fees have been supported through our Bursary Scheme, so that talented children who wish to benefit from our specialised education may do so. Our bursary funds produce investment income of approximately £15,000 and this, together with generous gifts from individuals and charitable trusts and fundraising events, enables us to offer places to a number of young people each year.

Academic results continue to place the school near the top of league tables. The pupils have continued to take part in concerts and competitions in various parts of the world, including events in London and Paris conducted by Lord Menuhin before his untimely death in March 1999. The pupils of the school were honoured to be able to play at Lord Menuhin's funeral and memorial services. All the pupils who left the school in July 1999 gained entry to the conservatoires of their choice.

The school itself has, during the last three years, raised approximately £1.5 million through private sponsorship which has been used to build Harris House for boarding accommodation and the White House for offices and classrooms. These new buildings have enabled the school to provide enhanced facilities for living, teaching and recreation, as well as to provide space for classes for introducing young children to music through Jack-in-the Box. During the holidays in the summer of 1999 the school started on phased improvements to the girls' bedroom accommodation.

The school has embarked on a project to raise funds to build a music teaching block containing a performance/rehearsal space and teaching and practice rooms to be known as the Yehudi Menuhin School Memorial Hall. Funds will also continue to be raised from private sources for bursaries for pupils in need of assistance with fees.

The governors and staff are committed to continuing Lord Menuhin's aim that pupils will leave the school not only as dedicated and excellent musicians who will use their music to inspire and enrich the lives of others, but also as friendly, thinking individuals well equipped to contribute fully to the international community.

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 1999

FINANCIAL RESULTS

The school's results indicate a very satisfactory position for the year. Total funds carried forward have increased to £4,577,485 from £3,973,793 in the previous year. £729,527 of this amount is represented by restricted and endowed funds held for specific purposes as detailed in notes 12A and 12B to the financial statements. The balance of the funds carried forward are unrestricted funds which have been designated for specific purposes by the Governors.

There has been a large increase in total incoming resources for the year of £522,627. £402,785 of this amount was received in the form of legacies. In addition the school was very successful in raising funds to cover the cost of bursaries which are not already funded by the school's bursary endowments. This has resulted in a £86,963 increase in bursary income in comparison with the previous year. There has been a small increase in total expenditure compared with the previous year.

INVESTMENT POWERS

These are governed by the Memorandum and Articles which permit the funds to be invested in any security, other investment or property situated anywhere in the world.

RESERVES

As set out in notes 12 and 13 to the financial statements, the reserves are split between those available for the day to day requirements of the school and those restricted or designated for specific purposes. Most of the Endowment Funds are represented by specific investments and the remainder is in undesignated bank balances. Designated Funds, to the extent that they are not represented by expenditure on new school buildings are detailed in note 12c.

The directors are of the opinion that the school's assets are sufficient to meet its current obligations.

YEAR 2000

The governors have assessed the risks and uncertainties relating to the Millennium Bug and have found that the relevant issues have been addressed and the school's systems are compliant. They are in the process of writing to suppliers to gain further assurance.

THE SINGLE EUROPEAN CURRENCY

The Council of Management has considered the effect upon the charity of the Single European Currency (the Euro). The school does not currently have any dealings in the Euro, and have no places to deal in Euro's in the foreseeable future.

PRIOR YEAR ADJUSTMENT

A prior year adjustment of £1,107,430 has been made in respect of a change in accounting policy regarding fixed assets and to include an investment property not previously recognised in the financial statements. Full details can be seen in notes 7 and 8 to the financial statements.

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 1999

RESPONSIBILITIES OF THE GOVERNORS

Company Law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School and of the surplus or deficit of the School for that period. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.*

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the School and to enable them to ensure that the financial statements comply with Company Law. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to reappointed Horwath Clark Whitehill as auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors at its meeting on 2 MARCH 2000
and signed on its behalf by:

B R-D Fisher

**HORWATH
CLARK WHITEHILL**

Chartered Accountants

A member of Horwath International

25 New Street Square

London

EC4A 3LN

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**REPORT OF THE AUDITORS TO THE MEMBERS OF
THE YEHUDI MENUHIN SCHOOL LIMITED**



We have audited the financial statements on pages 7 to 18 which have been prepared under the accounting policies set out on pages 10 and 11.

Respective Responsibilities of The directors and auditors

As described on page 5 the directors who also act as the trustees for the charitable activities of The Yehudi Menuhin School Limited are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the School'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 mis-statement, 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.

Unqualified Opinion

In our opinion the financial statements give a true and fair view of the state of the School's affairs at 31 August 1999 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

6 March 2000

Chartered Accountants
and Registered Auditors

YEHUDI MENUHIN SCHOOL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 AUGUST 1999

	Unrestricted Funds School's Operation £	School's Activities £	Endowment Funds £	Restricted Funds £	1999 £	As Restated 1998 £
INCOMING RESOURCES						
Fees receivable	1,197,083	-	-	-	1,197,083	1,084,056
Bursaries income	-	7,500	-	123,713	131,213	44,250
Investment income (Note 3)	9,860	-	-	18,522	28,382	28,576
Bank interest	8,847	-	-	2,332	11,179	9,060
Concert receipts, festivals & events	-	10,779	-	3,002	13,781	2,491
Donations	14,823	7,683	-	61,908	84,414	121,622
Legacies	166,450	236,335	-	-	402,785	54,843
Childrens music income	10,328	-	-	-	10,328	10,172
Other income (Note 3)	1,335	1,320	-	-	2,655	4,123
Total Incoming Resources	1,408,726	263,617	-	209,477	1,881,820	1,359,193
RESOURCES EXPENDED						
Direct Charitable Expenditure						
Teaching	617,134	1,621	-	-	618,755	575,747
Welfare and catering	174,695	-	-	-	174,695	154,850
Premises	221,633	-	-	-	221,633	190,957
School support costs	131,606	-	-	-	131,606	126,529
Grants awards & prizes	-	11,824	-	1,370	13,194	26,004
Bursaries	-	-	-	132,157	132,157	137,046
	1,145,068	13,445	-	133,527	1,292,040	1,211,133
Other Expenditure						
Fund-raising & publicity	13,485	-	-	-	13,485	27,675
Management & administration of the charity	15,340	-	-	-	15,340	20,501
Finance & other costs	7,459	-	-	-	7,459	629
	36,284	-	-	-	36,284	48,805
Total Resources Expended (Note 6)	1,181,352	13,445	-	133,527	1,328,324	1,259,938
NET INCOMING RESOURCES	227,374	250,172	-	75,950	553,496	99,255

The notes on pages 10 to 18 form part of these financial statements

YEHUDI MENUHIN SCHOOL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
YEAR ENDED 31 AUGUST 1999

	Unrestricted Funds School's Operation £	School's Activities £	Endowment Funds £	Restricted Funds £	1999 £	As Restated 1998 £
NET INCOMING RESOURCES	477,546		-	75,950	553,496	99,255
Gains on investments						
Realised	-		5,562	-	5,562	35,136
Unrealised	-		44,634	-	44,634	15,370
Net Movement in Funds	<u>477,546</u>		<u>50,196</u>	<u>75,950</u>	<u>603,692</u>	<u>149,761</u>
Balances brought forward as previously reported	2,262,982		589,702	13,679	2,866,363	2,716,602
Prior year adjustment (Note 8)	<u>1,107,430</u>		<u>-</u>	<u>-</u>	<u>1,107,430</u>	<u>1,107,430</u>
Balances brought forward as restated	<u>3,370,412</u>		<u>589,702</u>	<u>13,679</u>	<u>3,973,793</u>	<u>3,824,032</u>
Balances carried forward	<u>3,847,958</u>		<u>639,898</u>	<u>89,629</u>	<u>4,577,485</u>	<u>3,973,793</u>

The notes on pages 10 to 18 form part of these financial statements

YEHUDI MENUHIN SCHOOL LIMITED
BALANCE SHEET
AS AT 31 AUGUST 1999

	Notes	1999 £	£	As Restated 1998 £
FIXED ASSETS				
Tangible assets	7	3,453,160		3,235,473
Investments	9	<u>915,105</u>		<u>652,430</u>
			4,368,265	3,887,903
CURRENT ASSETS				
Stocks		825		-
Debtors	10	<u>123,995</u>		<u>115,706</u>
Cash at bank and in hand		<u>203,369</u>		<u>108,990</u>
			328,189	224,696
CREDITORS				
Amounts falling due within one year	11	<u>118,969</u>		<u>138,806</u>
NET CURRENT ASSETS			209,220	85,890
NET ASSETS			4,577,485	3,973,793
RESERVES				
Endowment Funds	12a	639,898		589,702
Restricted Funds	12b	<u>89,629</u>		<u>13,679</u>
			729,527	603,381
Unrestricted Funds				
Designated Funds	12c	416,057		291,387
General Reserve	12c	-		93,552
Fixed Asset Reserve	12c	<u>3,431,901</u>		<u>2,985,473</u>
			3,847,958	3,370,412
	13	<u>4,577,485</u>		<u>3,973,793</u>

Approved by the directors on 2 MARCH 2000
and signed on their behalf by:

B. R. D. Fisher)
Adam Dotsey) Directors

The notes on pages 10 to 18 form part of these financial statements

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 1999

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities.

b) Fees receivable and similar income

Fees receivable comprises tuition fees charged to pupils and net scholarships and bursaries funded, from restricted and external funds.

c) Bursary Funds

The School receives some of its income primarily for the provision of scholarships, bursaries and prizes. These amounts are held within restricted funds.

d) Donations and Legacies

Donations and legacies received for the general purposes of the School are credited to the School's Funds. Donations and legacies subject to specific wishes of the donors are carried to the relevant restricted fund.

e) Resources expended

Expenditure is classified under the two principal categories of Direct Charitable Expenditure and Other Expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Direct Charitable Expenditure comprises direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising and publicity costs are those incurred in attracting students and seeking voluntary contributions for the School. Management and administration costs are those incurred in connection with the management of the School's assets, organisational administration and compliance with constitutional and statutory requirements.

f) Value Added Tax

The School is not registered for value added tax. All expenditure is therefore included under the expense headings to which it relates inclusive of any value added tax.

g) Taxation

The School is a registered Charity and is exempt from taxation on income arising from and expended on its charitable activities.

h) Pension Costs

The School makes payments to defined contribution pension schemes on behalf of qualifying employees. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the School's assets.

i) Land and Buildings

Land and buildings are carried in the balance sheet at their cost less depreciation as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred.

j) Stocks

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

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

1. ACCOUNTING POLICIES (CONTINUED)

k) Depreciation (also see note 2)

Depreciation is provided on the cost or valuation of assets, over the estimated useful life of the assets. The rates of depreciation are as follows:

Freehold Buildings	- 2% on cost
Furniture and Equipment	- written off in year of acquisition
Motor Vehicles	- 25% reducing balance
Instruments - Piano's and Keyboards	- over 10 years
Instruments - Strings	- no depreciation

l) Translation of Foreign Currencies

Transactions in foreign currencies are converted into sterling at the rates ruling on the dates of the transactions. Assets and liabilities at the year end which are denominated in foreign currency are translated at the rates ruling at the balance sheet date.

m) Investments

Investments are included in the financial statements at market value, with the exception of a property at Tunbridge Wells, with any surplus or deficit on revaluation shown as unrealised gains or losses on the face of the Statement of Financial Activities.

The School's 8/32th share of an investment property at Tunbridge Wells has been included at probate value in the accounts. The school was given the share in Rusthall Manor estate, Tunbridge Wells under the will of Mrs Griselda Kentner who died on 10 March 1985. The school is entitled to a 25% share of both the capital and income of the estate.

There are no restrictions in the will which prevent the school from realising its share of the estate. However, the directors do not think it is either appropriate or practical to sell their share of the property as the remainder of the property is held by certain members of Lord Menuhin's family. They have stated that it is their intention to retain ownership of their share of the property.

In the opinion of the directors it is not possible to arrive at a market value for the School's share of the property given that it represents a minority share in a larger property which is not itself available to be sold. Accordingly, the School's share of the estate has been included in these accounts at £250,000, at 8/32th of its original probate value.

n) Governments Grants Receivable

Government grants received in respect of pupils fees are included within income in the year to which they relate.

2. CHANGE IN ACCOUNTING POLICY

The depreciation accounting policy for string instruments has been changed during the year in order to give a fairer representation of the life of such assets.

Previously the depreciation accounting policy for string instruments was that they were fully written off in the year of acquisition.

However string instruments of the quality held by the school are more likely to have a useful life of at least 50 years.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

2. CHANGE IN ACCOUNTING POLICY (Continued)

Due to this change in accounting policy a prior year adjustment has been made to restate these assets. More details of the prior year adjustment can be seen on note 8 on page 14 to the financial statements.

3. INCOME	1999	1998
	£	£
a) Other Income		
Audition fees	655	600
Sundry income	<u>2,000</u>	<u>3,523</u>
	<u>2,655</u>	<u>4,123</u>
b) Investment Income		
Rent receivable	9,860	1,518
Listed investments - UK	16,893	21,928
- Foreign	<u>1,629</u>	<u>5,130</u>
	<u>28,382</u>	<u>28,576</u>

4. RESOURCES EXPENDED

Other expenditure includes:
Auditors' remuneration:
For audit

<u>5,250</u>	<u>5,100</u>
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5. STAFF COSTS

Wages and salaries	708,286	639,330
Social security costs	50,404	47,148
Pension contributions	<u>22,493</u>	<u>18,191</u>
	<u>781,183</u>	<u>704,669</u>

The average number of employees in the year was 35 (1998 - 33) of which 25 were teaching staff. Neither the governors nor persons connected with them received any remuneration or reimbursement of expenses from the school. There were no employees with emoluments exceeding £40,000.

6. ANALYSIS OF TOTAL RESOURCES EXPENDED	Staff Costs	Other	Depreciation	1999 Total
	£	£	£	£
Direct Charitable Expenditure				
Teaching	575,762	27,024	15,969	618,755
Welfare and catering	96,469	72,619	5,607	174,695
Premises	26,807	147,776	47,050	221,633
School support costs	82,145	49,461	-	131,606
Grants awards & prizes	-	13,194	-	13,194
Bursaries	-	132,157	-	132,157
Other Expenditure				
Fund-raising & publicity	-	13,485	-	13,485
Management & administration of the charity	-	15,340	-	15,340
Finance & other costs	-	7,459	-	7,459
	<u>781,183</u>	<u>478,515</u>	<u>68,626</u>	<u>1,328,324</u>

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

6. ANALYSIS OF TOTAL RESOURCES EXPENDED (CONTINUED)	Staff Costs £	Other £	Depreciation £	1998 Total £
Direct Charitable Expenditure				
Teaching	531,129	32,024	12,594	575,747
Welfare and catering	79,164	68,208	7,478	154,850
Premises	18,290	127,991	44,676	190,957
School support costs	76,086	50,443	-	126,529
Grants awards & prizes	-	26,004	-	26,004
Bursaries	-	137,046	-	137,046
Other Expenditure				
Fund-raising & publicity	-	27,675	-	27,675
Management & administration of the charity	-	20,501	-	20,501
Finance & other costs	-	629	-	629
	<u>704,669</u>	<u>490,521</u>	<u>64,748</u>	<u>1,259,938</u>

7. FIXED ASSETS	Freehold buildings £	Freehold land £	Musical instruments £	Furniture and academic equipment £	Motor vehicles £	Total £
COST OR VALUATION						
1 September 1998	2,166,055	175,000	159,690	175,185	52,373	2,728,303
Prior year adjustment	-	-	857,430	-	-	857,430
Additions	168,459	-	114,125	3,729	-	286,313
Disposals	-	-	-	-	-	-
31 August 1999	<u>2,334,514</u>	<u>175,000</u>	<u>1,131,245</u>	<u>178,914</u>	<u>52,373</u>	<u>3,872,046</u>
DEPRECIATION						
1 September 1998	113,185	-	31,950	175,183	29,942	350,260
Charge	43,321	-	15,969	3,729	5,607	68,626
Disposals	-	-	-	-	-	-
31 August 1999	<u>156,506</u>	<u>-</u>	<u>47,919</u>	<u>178,912</u>	<u>35,549</u>	<u>418,886</u>
NET BOOK VALUE						
At 31 August 1999	<u>2,178,008</u>	<u>175,000</u>	<u>1,083,326</u>	<u>2</u>	<u>16,824</u>	<u>3,453,160</u>
At 31 August 1998	<u>2,052,870</u>	<u>175,000</u>	<u>985,170</u>	<u>2</u>	<u>22,431</u>	<u>3,235,473</u>

Included within musical instruments are string instruments with a value of £970,530. These have been included at insurance valuation as the governors were unable to quantify the cost of these assets.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

8. PRIOR YEAR ADJUSTMENT

The comparative figures have been restated in respect of the following:

1. An investment property has been included at probate value of £250,000, which was not previously included in the financial statements.
2. String instruments have been included in fixed assets at a valuation of £857,430. These assets were originally taken to reserves or not included as they were gifts to the School.

As a result of this there is a total prior year adjustment of £1,107,430 which has the effect of increasing the current year's reserves to £4,577,485 and £3,973,793 in the preceeding year.

9. INVESTMENTS

	1999 £	1998 £
Equity Investments		
Market value at 1 September 1998	402,430	651,021
Additions	123,235	-
Disposals at opening market value	(22,325)	(263,961)
Uplift to market value at year end	44,632	15,370
Market value at 31 August 1999	<u>547,972</u>	<u>402,430</u>
Historic cost at 31 August 1999	<u>245,053</u>	<u>245,053</u>
Summary of investments		
Cash held for re-investment	117,131	-
Investment property	250,000	250,000
Bursary endowments	547,974	402,430
	<u>915,105</u>	<u>652,430</u>

10. DEBTORS

Income Tax recoverable	21,818	3,970
Fees and recharges receivable	52,141	50,316
Other debtors	9,404	313
Prepayments	10,632	11,107
Legacies	30,000	50,000
	<u>123,995</u>	<u>115,706</u>

11. CREDITORS

Fees received in advance	25,634	31,180
PAYE and NIC	14,908	14,504
Accruals	73,427	87,122
Loan from the Friends of Yehudi Menuhin School	5,000	6,000
	<u>118,969</u>	<u>138,806</u>

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

12A ENDOWMENT FUNDS

	Balances Brought forward £	Investment Gains £	Balances Carried forward £
Bursary Endowments			
Esso/Westminster	23,944	2,629	26,573
Eta Herbst	304,748	28,362	333,110
Cholmondeley	147,459	13,723	161,182
Sherman	14,746	1,372	16,118
Jeanty Raven	2,500	512	3,012
Madame Phyllis Baker Scholarship	50,000	-	50,000
Fermoy Masterclass	24,577	2,287	26,864
Distributable Awards			
Sir Ronald Harris	10,039	-	10,039
Brackenbury	11,689	1,311	13,000
	589,702	50,196	639,898

12B RESTRICTED FUNDS

	Balance b/fwd £	Incoming Resources £	Resources Expended £	Transfers £	Balance c/fwd £
Jeanty Raven	-	198	-	-	198
Miller Smiths Scholarship	837	-	-	-	837
Fermoy masterclass	841	851	(550)	-	1,142
Sir Ronald Harris	2,209	121	(120)	-	2,210
Brackenbury	1,191	456	(700)	-	947
Albert Cowie	1,165	-	-	-	1,165
Sane Peace	227	-	-	-	227
Elsie and Leo Cross Trust	3,500	-	-	-	3,500
SD Whitehead	500	-	-	-	500
Piano appeals fund	3,209	11,900	-	-	15,109
Esso/Westminster	-	904	(904)	-	-
Eta Herbst	-	10,558	(10,558)	-	-
Cholmondeley	-	5,109	(5,109)	-	-
Sherman	-	511	(511)	-	-
Louis Kentner	-	40,000	(40,000)	-	-
Kissin Award	-	44,241	-	-	44,241
Yehudi Menuhin Memorial Fund	-	6,591	-	-	6,591
Madame Phyllis Baker Scholarship	-	2,431	-	-	2,431
Paloma O'Shea	-	3,002	-	-	3,002
Bursary Fund	-	61,511	(53,982)	-	7,529
Mr & Mrs D Katz Bursary	-	21,093	(21,093)	-	-
	13,679	209,477	(133,527)	-	89,629

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

12C UNRESTRICTED FUNDS

	Balance b/fwd £	Incoming resources £	Resources expended £	Transfers £	Balance c/fwd £
Income Fund	23,972	-	-	-	23,972
Student aid	13,891	10,779	(9,147)	-	15,523
Prize Fund	1,024	-	-	-	1,024
Wallace Curzon	2,500	2,500	(4,300)	-	700
White House Art Fund	-	370	-	1,184	1,554
Computer Fund	-	549	-	254	803
Yehudi Menuhin Instruments	-	113,100	-	-	113,100
Property, Tunbridge Wells	250,000	-	-	-	250,000
Bursaries	-	9,381	-	-	9,381
	<u>291,387</u>	<u>136,679</u>	<u>(13,447)</u>	<u>1,438</u>	<u>416,057</u>
General Reserve	93,552	1,535,664	(1,181,350)	(447,866)	-
Fixed Assets	<u>2,985,473</u>	<u>-</u>	<u>-</u>	<u>446,428</u>	<u>3,431,901</u>
	<u>3,370,412</u>	<u>1,672,343</u>	<u>(1,194,797)</u>	<u>-</u>	<u>3,847,958</u>

ENDOWMENT FUNDS

These are funds where the governors are required to hold the capital and are not entitled to convert it to income. Income arising from these funds is included within restricted funds and is spent in line with the wishes of the donor.

Bursary Endowment Funds

These funds arise from legacies, grants and donations made for the specific purpose of providing bursaries to students; the recipients and amounts of bursaries are determined by the Headmaster and Governors.

Fermoy Masterclass

This endowment from Lady Fermoy is to fund Masterclasses by visiting teachers for pupils at the School.

Distributable Awards

These represent donations given to provide awards to students.

RESTRICTED FUNDS

Piano Appeals Fund

This represents amounts donated to fund the purchase of pianos and other keyboard instruments. In addition to the musical instruments, the unexpended cash funds of £15,109 were held separately at 31 August 1999.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

UNRESTRICTED FUNDS

Income Fund

This includes income from quoted investments and investment deposits from which awards and bursaries are granted at the discretion of the Headmaster and Governors.

Student Aid

These funds have principally derived from the efforts of students, i.e. concerts and recitals, and is designated to be used for the benefit of students, rather than the School generally.

Prize Fund

The prize fund represents money set aside to pay for prizes at the school's discretion.

Wallace Curzan

The Wallace Curzan fund represents monies set aside for the purposes of making awards to pupils.

White House Art Fund

This includes monies earmarked by the Governor's for buying works of Art for displaying in the White House.

Computer Fund

This is a fund set aside for the future purchase of computers for the use of the school.

Yehudi Menuhin Instruments

Contained within this fund are some musical instruments which were gifted by Lord Menuhin to the school for the general use of the pupils.

Property, Tunbridge Wells

This fund contains the above property which, at the discretion of the trustees, is being held in a separate fund.

Fixed Asset Fund

The fixed asset fund represents reserves earmarked by the governors to establish a fund equal the amount spent on tangible fixed assets by the school. When sufficient general funds are available the fund will equal the net book value of tangible fixed assets on the Balance Sheet.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Permanent Endowment	Expendable Endowment	Restricted Funds	Unrestricted Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	-	-	-	3,453,160	3,453,160
Investments	589,898	50,000	25,207	250,000	915,105
Net current assets	-	-	64,422	144,798	209,220
Total Net Assets	589,898	50,000	89,629	3,847,958	4,577,485

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 1999

14. PENSION COMMITMENTS

The school participates in the Governments' Teachers Pension Defined Benefits Scheme, for its teaching staff.

The last Report by the Government Actuary covered the period 1 April 1986 to 31 March 1991. A report has been prepared to 31 March 1996. However, it is not yet publicly available. The valuation statement as at 31 March 1991 showed a balance of liability to be met by employers' supplementary contributions of £1,252 million. The Report recommends a normal contribution of 13.2%, 6% to be paid by the teachers and 7.2% by the employer. The new normal rate operated from 1 July 1997.