

Company Number: 818389

Charity Number: 312010

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000



HORWATH
CLARK WHITEHILL
Chartered Accountants

A member of Horwath International

25 New Street Square London EC4A 3LN
Telephone 020 7353 1577 Facsimile 020 7583 1720
www.horwathcw.com
DX 0014 London Chancery Lane



YEHUDI MENUHIN SCHOOL LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2000

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

Mstislav Rostropovitch

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 (Deceased 26 February 2000)

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)
Mr Noël Annesley (Appointed 29 June 2000)
Sir Peter Beale, KBE
- * The Hon. Mrs Zamira Menuhin Benthall
Sir Rodric Braithwaite GCMG (resigned 29 June 2000)
- * Mr John Chadwick
- * Mr Stephen J Cockburn
- * Mr Daniel Hodson
Mrs Margaret Hubicki, MBE (resigned 29 June 2000)
Sir Claus Moser KCB, CBE, FBE (Appointed 29 June 2000)
- * Mr Adam Ridley
Mr Mark Sheldon CBE
Mrs Anne Simor
Mr Graham Smallbone
Mr Ronald A Smith
Sir Alan Traill GBE (Appointed 29 June 2000)
Mrs Alison Willcocks (Resigned 29 June 2000)

* Members of the Executive and Finance Committee.

**YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000**

The Directors are elected at the Annual General Meeting. One third of the 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 Veal Wasborough Orchard Court Orchard Lane Bristol BF1 5DS	Linklaters One Silk Street London EC2Y 8HQ

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

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.

OBJECT

To provide a School in the United Kingdom where children from any part of the world with talents for music may obtain a musical and general education of the highest order.

GOVERNANCE

Responsibility for the overall management and organisation of the School rests with the Governors, who meet on a termly basis. They are supported in carrying out their responsibilities by the Executive and Finance Committee which meets a few weeks before each of the termly meetings of the Governors.

The task of running the School on a day to day basis is delegated to the Headmaster and his Senior Management Team.

REVIEW OF ACTIVITIES

The Governors are pleased to report that pupil numbers were 58 during the year to 31 August 2000. 45 pupils plus 3 3rd year Sixth Form pupils with UK resident status are supported through the Music & Ballet Scheme by the Department for Education. Pupils not eligible for the Scheme and whose parents cannot find a source for the fees have been supported through the School's bursary scheme, so that the School is accessible to talented children who wish to benefit from the specialised education whatever their family circumstances. The School's bursary funds produce investment income of approximately £27,500 and this, together with generous gifts from individuals and charitable trusts and fundraising events, enables the School to offer places to a number of young people each year.

Academic results again place the School near the top of the league tables which is especially pleasing as many of the pupils do not have English as their first language. The pupils have continued to take part in concerts and competitions in England and abroad with successes in the Menuhin Competition and the Tunbridge Wells Competition. Pupils again travelled to Switzerland to take part in the Menuhin Festival at Gstaad during the Summer holidays. A Gala concert was held at Lady Margaret Hall, Oxford, to benefit both Lady Margaret Hall and the School's bursary fund. The pupils were honoured to play with Fou Ts'ong and the concert was later broadcast on Classic FM. All the pupils who left the School in July 2000 gained entry to the conservatories of their choice.

The Governors were delighted and the School is honoured to have the support of Mstislav Rostropovitch as the new President and the pupils have been thrilled to work with him on his visits to the School.

During the year, maintenance work has continued, with further improvements to bedroom accommodation and the installation of security systems to the boarding areas and the outside of the School.

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

REVIEW OF ACTIVITIES (CONTINUED)

The School continues to reach out into the community through Jack-in-the Music-Box classes which introduce young children to music, the Young Strings teaching which provides after School violin tuition for local children, and through a project started at Stoughton Grange School, a primary School in Guildford, by Lord Menuhin which introduced their pupils to the violin. This project was continued to Rosie Warren-Green and the BBC after Lord Menuhin's death, resulting in a television programme shown at Easter 2000 which was acclaimed nationally.

The School has proceeded to develop plans for the Menuhin Memorial Hall and, following a competition, appointed architects Walters & Cohen to take the project forward. The proposed building will contain teaching studios, practice rooms and a performance/rehearsal space. Fundraising for the project has commenced and 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.

FINANCIAL RESULTS

The School's results indicate a satisfactory position for the year. The Balance Sheet total carried forward have increased to £4,718,416 from £4,577,485 in the previous year. £832,206 of this amount is represented by restricted and endowed funds held for specific purposes as detailed in notes 10A and 10B to the financial statements. The balance of the funds carried forward are unrestricted funds most of which have been designated for specific purposes by the Governors. The free reserves of the School, calculated as unrestricted funds less designated funds and tangible fixed assets, amount to £41,009.

RESERVES

As set out in notes 10 and 11 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 10C.

The Governors regularly review the level and nature of the reserve funds of the School. They recognise the need to hold free reserves amounting to one term's fees. However, this level of reserves will only be achieved gradually over the next few years.

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

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.

**YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000**

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.

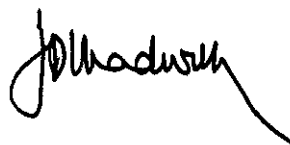
The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the School and to enable them to ensure that the financial statements comply with Company Law. They are also responsible for safeguarding the assets of the 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 21 November 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

Telephone: 020 7353 1577

Facsimile: 020 7583 1720

www.horwathcw.com

DX 0014 London Chancery Lane

**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 2000 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.

A handwritten signature in dark ink, appearing to read 'Horwath Clark Whitehill'.

Chartered Accountants
and Registered Auditors

21 November 2000

YEHUDI MENUHIN SCHOOL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 AUGUST 2000

	Unrestricted Funds School's Operation £	Funds School's Activities £	Endowment Funds £	Restricted Funds £	2000 £	1999 £
INCOMING RESOURCES						
Fees receivable	1,271,975	-	-	-	1,271,975	1,197,083
Bursaries income	-	40,000	-	51,942	91,942	131,213
Investment income (Note 2)	2,785	-	-	27,513	30,298	28,382
Bank interest	9,293	-	-	12,063	21,356	11,179
Concert receipts, festivals & events	-	16,847	-	-	16,847	13,781
Donations	17,868	10,105	-	94,489	122,462	84,414
Legacies	29,992	-	-	-	29,992	402,785
Childrens music income	11,220	-	-	-	11,220	10,328
Other income (Note 2)	2,370	329	-	-	2,699	2,655
Total Incoming Resources	1,345,503	67,281	-	186,007	1,598,791	1,881,820
RESOURCES EXPENDED						
Direct Charitable Expenditure						
Teaching	693,458	-	-	-	693,458	618,755
Welfare and catering	187,359	-	-	-	187,359	174,695
Premises	236,596	-	-	-	236,596	221,633
School support costs	133,115	-	-	-	133,115	131,606
Grants awards & prizes	-	33,965	-	695	34,660	13,194
Bursaries	-	40,000	-	77,556	117,556	132,157
	1,250,528	73,965	-	78,251	1,402,744	1,292,040
Other Expenditure						
Fund-raising & publicity	31,904	-	-	-	31,904	13,485
Management & administration of the charity	18,106	-	-	-	18,106	15,340
Finance & other costs	29	-	-	-	29	7,459
	50,039	-	-	-	50,039	36,284
Total Resources Expended (Note 5)	1,300,567	73,965	-	78,251	1,452,783	1,328,324
NET INCOMING RESOURCES	44,936	(6,684)	-	107,756	146,008	553,496

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 2000

	Unrestricted Funds School's Operation £	School's Activities £	Endowment Funds £	Restricted Funds £	2000 £	1999 £
NET INCOMING RESOURCES	38,252		-	107,756	146,008	553,496
Gains on investments						
Realised	-		2,292	-	2,292	5,562
Unrealised	-		(7,369)	-	(7,369)	44,634
Net Movement in Funds	<u>38,252</u>		<u>(5,077)</u>	<u>107,756</u>	<u>140,931</u>	<u>603,692</u>
Balances brought forward as previously reported	-		-	-	-	2,866,363
Prior year adjustment	-		-	-	-	<u>1,107,430</u>
Balances brought forward as restated	<u>3,847,958</u>		<u>639,898</u>	<u>89,629</u>	<u>4,577,485</u>	<u>3,973,793</u>
Balances carried forward	<u>3,886,210</u>		<u>634,821</u>	<u>197,385</u>	<u>4,718,416</u>	<u>4,577,485</u>

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

YEHUDI MENUHIN SCHOOL LIMITED
BALANCE SHEET
AS AT 31 AUGUST 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	6	3,435,828	3,453,160
Investments	7	<u>918,163</u>	<u>915,105</u>
		4,353,991	4,368,265
CURRENT ASSETS			
Stocks		2,395	825
Debtors	8	96,222	123,995
Cash at bank and in hand		<u>412,678</u>	<u>203,369</u>
		511,295	328,189
CREDITORS			
Amounts falling due within one year	9	<u>146,870</u>	<u>118,969</u>
NET CURRENT ASSETS		364,425	209,220
NET ASSETS		4,718,416	4,577,485
RESERVES			
Endowment Funds	10a	634,821	639,898
Restricted Funds	10b	<u>197,385</u>	<u>89,629</u>
		832,206	729,527
Unrestricted Funds			
Designated Funds	10c	409,373	416,057
General Reserve	10c	41,009	-
Fixed Asset Reserve	10c	<u>3,435,828</u>	<u>3,431,901</u>
		3,886,210	3,847,958
	11	<u>4,718,416</u>	<u>4,577,485</u>

Approved by the directors on 21 November 2000
and signed on their behalf by:

B R-D Fisher }
J Dhaduruk } 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 2000

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 2000

1. ACCOUNTING POLICIES (CONTINUED)

k) Depreciation

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 - Pianos and Keyboards	- over 10 years
Instruments - Strings	- no depreciation

String instruments are not depreciated as the quality of the instruments held is such that their likely useful life is in excess of 50 years.

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 1995. 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. The directors 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.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2000

2. INCOME	2000	1999
	£	£
a) Other income		
Audition fees	1,070	655
Sundry income	<u>1,629</u>	<u>2,000</u>
	2,699	2,655
b) Investment Income		
Rent receivable	2,785	9,860
Listed investments - UK	<u>26,825</u>	<u>16,893</u>
- Foreign	<u>688</u>	<u>1,629</u>
	30,298	28,382
3. RESOURCES EXPENDED		
Other expenditure includes:		
Auditors' remuneration:		
For audit	<u>5,500</u>	<u>5,250</u>
4. STAFF COSTS		
Wages and salaries	775,693	708,286
Social security costs	<u>55,404</u>	<u>50,404</u>
Pension contributions	<u>36,144</u>	<u>22,493</u>
	867,241	781,183

The average number of employees in the year was 35 (1999 - 35) of which 21 were teaching staff. Neither the Governors nor persons connected with them received any remuneration or reimbursement of expenses from the School.

The average number of staff receiving emoluments in excess of £40,000 were as follows:-

	No	No
£40,001 - £50,000	<u>1</u>	<u>-</u>

5. ANALYSIS OF TOTAL RESOURCES EXPENDED	Staff Costs	Other	Depreciation	2000 Total
	£	£	£	£
Direct Charitable Expenditure				
Teaching	632,036	45,154	16,268	693,458
Welfare and catering	109,037	74,116	4,206	187,359
Premises	39,724	149,432	47,440	236,596
School support costs	86,444	46,671	-	133,115
Grants awards & prizes	-	34,660	-	34,660
Bursaries	-	117,556	-	117,556
Other Expenditure				
Fund-raising & publicity	-	31,904	-	31,904
Management & administration of the charity	-	18,106	-	18,106
Finance & other costs	-	29	-	29
	<u>867,241</u>	<u>517,628</u>	<u>67,914</u>	1,452,783

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2000

5. ANALYSIS OF TOTAL RESOURCES EXPENDED (CONTINUED)	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>

6. FIXED ASSETS	Freehold buildings £	Freehold land £	Musical instruments £	Furniture and academic equipment £	Motor vehicles £	Total £
COST OR VALUATION						
1 September 1999	2,334,514	175,000	1,131,245	178,914	52,373	3,872,046
Additions	37,510	-	13,572	-	-	51,082
Disposals	-	-	(500)	-	-	(500)
31 August 2000	<u>2,372,024</u>	<u>175,000</u>	<u>1,144,317</u>	<u>178,914</u>	<u>52,373</u>	<u>3,922,628</u>
DEPRECIATION						
1 September 1999	156,506	-	47,919	178,912	35,549	418,886
Charge	47,440	-	16,268	-	4,206	67,914
Disposals	-	-	-	-	-	-
31 August 2000	<u>203,946</u>	<u>-</u>	<u>64,187</u>	<u>178,912</u>	<u>39,755</u>	<u>486,800</u>
NET BOOK VALUE						
At 31 August 2000	<u>2,168,078</u>	<u>175,000</u>	<u>1,080,130</u>	<u>2</u>	<u>12,618</u>	<u>3,435,828</u>
<i>At 31 August 1999</i>	<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>

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 2000

7. INVESTMENTS	2000	1999
	£	£
Equity Investments		
Market value at 1 September 1999	547,972	402,430
Additions	62,640	123,235
Disposals at opening market value	(23,172)	(22,325)
Unrealised (losses)/gains	(7,369)	44,632
Market value at 31 August 2000	580,071	547,972
Historic cost at 31 August 2000	259,620	245,053
Summary of investments		
Cash held for re-investment	88,092	117,131
Investment property	250,000	250,000
Bursary endowments	580,071	547,974
	918,163	915,105
8. DEBTORS		
Income Tax recoverable	24,564	21,818
Fees and recharges receivable	40,918	52,141
Other debtors	18,216	9,404
Prepayments	12,524	10,632
Legacies	-	30,000
	96,222	123,995
9. CREDITORS		
Fees received in advance	35,270	25,634
Taxation and social security costs	15,384	14,908
Accruals and deferred income	91,303	73,427
Loan from the Friends of Yehudi Menuhin School	-	5,000
Other creditors	4,913	-
	146,870	118,969

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2000

10A ENDOWMENT FUNDS

	Balances Brought forward £	Investment Gains £	Balances Carried forward £
Bursary Endowments			
Esso/Westminster	26,573	551	27,124
Eta Herbst	333,110	(3,623)	329,487
Cholmondeley	161,182	(1,753)	159,429
Sherman	16,118	(176)	15,942
Jeanty Raven	3,012	79	3,091
Madame Phyllis Baker Scholarship	50,000	-	50,000
Fermoy Masterclass	26,864	(293)	26,571
Distributable Awards			
Sir Ronald Harris	10,039	-	10,039
Brackenbury	13,000	138	13,138
	639,898	(5,077)	634,821

10B RESTRICTED FUNDS

	Balance B/fwd £	Incoming Resources £	Resources Expended £	Transfers £	Balance c/fwd £
Jeanty Raven	198	129	(327)	-	-
Miller Smiths Scholarship	837	-	-	-	837
Fermoy masterclass	1,142	1,304	(1,304)	-	1,142
Sir Ronald Harris	2,210	607	(160)	-	2,657
Brackenbury	947	433	(535)	-	845
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	15,109	749	-	-	15,858
Esso/Westminster	-	855	(855)	-	-
Eta Herbst	-	16,180	(16,180)	-	-
Cholmondeley	-	7,830	(7,830)	-	-
Sherman	-	782	(782)	-	-
Kissin Award	44,241	3,102	(910)	-	46,433
Yehudi Menuhin Memorial Fund	6,591	99,496	-	-	106,087
Madame Phyllis Baker Scholarship	2,431	2,598	(5,029)	-	-
Paloma O'Shea	3,002	-	-	-	3,002
Bursary Fund	7,529	31,038	(19,435)	-	19,132
Mr & Mrs D Katz Bursary	-	20,904	(20,904)	-	-
	89,629	186,007	(78,251)	-	197,385

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2000

10C UNRESTRICTED FUNDS

	Balance b/fwd £	Incoming resources £	Resources expended £	Transfers £	Balance c/fwd £
Income Fund	23,972	7,605	(9,972)	-	21,605
Student aid	15,523	16,847	(23,013)	-	9,357
Prize Fund	1,024	-	-	-	1,024
Wallace Curzon	700	2,500	(890)	-	2,310
White House Art Fund	1,554	329	(90)	-	1,793
Computer Fund	803	-	-	-	803
Yehudi Menuhin Instruments	113,100	-	-	-	113,100
Property, Tunbridge Wells	250,000	-	-	-	250,000
Louis Kentner Bursaries	-	40,000	(40,000)	-	-
	9,381	-	-	-	9,381
	<u>416,057</u>	<u>27,281</u>	<u>(33,965)</u>	<u>-</u>	<u>409,373</u>
General Reserve	-	1,345,503	(1,300,567)	(3,927)	41,009
Fixed Assets	<u>3,431,901</u>	<u>-</u>	<u>-</u>	<u>3,927</u>	<u>3,435,828</u>
	<u>3,847,958</u>	<u>1,372,784</u>	<u>(1,334,532)</u>	<u>-</u>	<u>3,886,210</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 £15,858 were held separately at 31 August 2000.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2000

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 Curzon

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

White House Art Fund

This includes monies earmarked by the Governors 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.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Permanent Endowment £	Expendable Endowment £	Restricted Funds £	Unrestricted Funds £	Total £
Tangible Fixed Assets	-	-	-	3,435,828	3,435,828
Investments	584,821	50,000	33,342	250,000	918,163
Net current assets	-	-	164,043	200,382	364,425
Total Net Assets	584,821	50,000	197,385	3,886,210	4,718,416

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 AUGUST 2000

12. PENSION COMMITMENTS

The School participates in the Governments' Teachers Pension Defined Benefits Scheme, for its teaching staff. The pension liability is the responsibility of the Teachers Pension.

The last Report by the Government Actuary covered the period 1 April 1991 to 31 March 1996. The valuation statement as at 31 March 1996 showed a balance of liability to be met by employers' supplementary contributions of £3,960 million. The Report recommends a normal contribution of 13.4%, 6% to be paid by the teachers and 7.4% by the employer. The new normal rate operated from 1 April 2000. A supplementary report dated March 2000 specifies that the deficiency which could be eliminated by supplementary employer's contributions of 0.4% from 1 April 2000 to 31 March 2002, and of 1.35% from 1 April 2002 to 31 March 2004.

The School's contributions represent a minor proportion of the payments into the scheme. The superannuation charge represents contributions payable to the fund of £19,238 (1999: £19,789).

The School also runs a scheme for non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £12,316 (1999 £16,906).