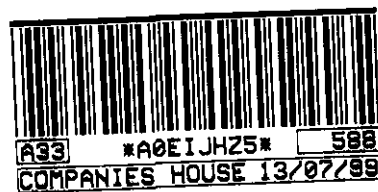


AMSCORDI LIMITED
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 1998



J. B. TITCHENER & Co.
REGISTERED AUDITORS
27 ELDON SQUARE,
READING, BERKSHIRE.

AMSCORDI LIMITED

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AMSCORDI LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 OCTOBER 1998

The directors submit their report together with the accounts for the year ended 31 October 1998. This report is prepared in accordance with the Charities Act 1993 and the Statement Of Recommended Practice "Accounting for Charities" issued by the Charity Commissioners for England and Wales in October 1995 and approved by The Accounting Standards Board.

Directors Responsibilities

Company law requires us as directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing these accounts, we are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Follow approved accounting standards subject to any material departures disclosed and explained in the financial statements; and

Prepare the accounts on the going concern basis, unless it is inappropriate to presume the Company will continue in business.

We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable us to ensure that the financial statements comply with applicable legislation which include the provisions of the Companies Act 1985. We are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities.

Objects and General Information About The Charity

Amscordi Limited was incorporated on 9 September 1975. The Charity Registration Number is 270204 and the Company Registration Number is 1226660.

The objects of the Charity as set out in the Memorandum Of Association are to educate the public in the arts and specifically music, by providing classes and tuition for young musicians and accommodation in connection therewith; to offer scholarships and grants to students and to charge fees; to co-operate with other organisations in these aims, accepting donations and subscriptions from bodies and individuals.

AMSCORDI LIMITED
REPORT OF THE DIRECTORS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

Objects and General Information About The Charity (cont)

The company runs two major seminars per annum and arranges various concerts each year for the public and for The Friends of IMS organisation.

The Charity is managed through its' Board of Directors with such additional assistance as the Board sees fit to invite.

Review Of The Year

During the year the Charity's expenditure on its charitable objects was £167,941 (1997: £181,961). The charity made no grants to third parties during the year.

The Charity's total income for the year was £164,445 (1997 £174,542). Receipts from the Masterclass Seminar increased as a result of the Charity charging registration fees. The Charity did not however charge participants for the Open Chamber Music seminar. Income from concerts for the year amounted to £13,544 (1997 - £16,941). The Friends of IMS contributed £22,000 (1997 £16,000) in additional income from ticket sales at various concerts and appeals run on behalf of the Charity. Other donations declined significantly to £48,347 (1997: £60,709). Administrative and Charitable expenditure both fell as a consequence of the directors careful control of overhead costs.

The audited accounts for the year ended 31 October 1998 are shown on pages 6 to 16. The Statement Of Financial activities on page 5 shows the incoming resources available to the Charity to the extent of which the funds have been spent. This, together with the Balance Sheet on page 7 shows the current market value of the Charity's unrestricted funds, is £8,502 (1997: £3,160) from which it will generate income to meet its future obligations and activities. The Charity held £4,127 (1997 - £143) in net cash and bank balances at 31 October 1998 and in Directors' opinion the unrestricted funds continue to be sufficient to pursue their charitable activities in the future.

AMSCORDI LIMITED
REPORT OF THE DIRECTORS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

Directors

Lord M Birkett
JM Bowers OBE
D Cairns
JNC Gaisman QC
Mrs T Gaisman MBE
AT Hopkinson (resigned 20 May 1998)
BA Hugh-Jones
CL Kauffman (resigned 20 May 1998)
G McCabe
Mrs J Rosenfeld
Mrs AA Skeggs
PJ Thorogood (resigned 20 May 1998)

The present Directors and changes in Directors during the year are as shown above. The Charity's Articles of Association do not require directors to retire by rotation.

Secretary

JNC Gaisman QC

Registered Office

32 Grafton Square
London
SW4 0DB

Company Status

The Company is Limited by Guarantee and has charitable status.

Bankers

National Westminster Bank PLC,
24 Sloane Square,
London.
SW1 8AZ.

AMSCORDI LIMITED
REPORT OF THE DIRECTORS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)


Auditors

JB Titchener & Co,
Registered Auditors/Chartered Certified Accountants,
27 Eldon Square,
Reading,
Berkshire,
RG1 4DP.

The auditors, J.B.Titchener & Co have indicated their willingness to accept re-appointment under Section 385 (2) of the Companies Act 1985.

The Directors Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and Statement of Recommended Practice No 1 - Accounting by Charities.

ON BEHALF OF THE BOARD


..... Date 24.1.99
JN GAISMAN - SECRETARY

AMSCORDI LIMITED

REPORT OF THE AUDITORS TO THE DIRECTORS OF AMSCORDI LTD

We have audited the financial statements on page 6 to 16 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

Respective Responsibilities Of Directors and Auditors

As described on page 1, the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit, on those 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 an examination, on a test basis, of evidence relevant to amounts and disclosures in the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed. We have been appointed as Auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act.

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 misstatements, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 October 1998 and of its deficit for the year ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies. The financial statements also give a true and fair view of the Charity's incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

J.B.TITCHENER & CO
Registered Auditors

27 Eldon Square
Reading
Berkshire
RG1 4DP

Date *10th June 1999*



AMSCORDI LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 1998

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	1998	1998	1998	As Restated 1997
Income and Expenditure		£	£	£	£
Incoming Resources					
Seminar Fees		67,043	-	67,043	67,654
Concert Income		13,544	-	13,544	16,941
Income from the Friends of IMS		22,000	-	22,000	16,000
Covenant Income		1,951	-	1,951	1,169
Sundry Income		8,395	-	8,395	8,518
Piano Hire Income		3,068	-	3,068	3,532
Donations Received		48,347	-	48,347	60,709
Interest Received		97	-	97	19
		164,445	-	164,445	174,542
Resources Expended:					
Direct Charitable Expenditure	15	113,140	8,838	121,978	129,480
Management and Administration of the Charity	16	45,963	-	45,963	52,481
Total Resources Expended		159,103	8,838	167,941	181,961
Net Incoming/(Outgoing) Resources For The Year		5,342	(8,838)	(3,496)	(7,419)
Net Movement In Funds					
Fund Balances Brought Forward at 1 November 1997		3,160	75,049	78,209	85,628
Fund Balances Carried Forward at 31 October 1998		8,502	66,211	74,713	78,209

The Charity's income and expenses all relate to continuing activities.

The annexed notes form part of these financial statements.

AMSCORDI LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1998

	Note	1998 £	1997 £ As Restated
Turnover	2	105,655	104,127
Net Operating Expenses	3	108,891	111,077
Operating (Deficit) / Surplus	4	<u>(3,236)</u>	<u>(6,950)</u>
Other Interest Receivable and Similar Income		97	19
Interest payable And Similar Charges	5	357	488
Deficit On Ordinary Activities For The Financial Year		<u>(3,496)</u>	<u>(7,419)</u>
Retained Surplus Brought Forward		78,209	85,628
Retained Surplus Carried Forward		<u>74,713</u>	<u>78,209</u>

The Company's income and expenses all relate to continuing activities.

The only recognised gain or loss for the year was the deficit for the financial year of £3,496.
(1997 - Deficit £7,149)

The annexed notes form part of these financial statements.

AMSCORDI LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 1998**

	1998	1997
	£	£
		As Restated
Surplus/(Deficit) for the year	(3,496)	(7,419)
Total recognised gains and (losses) relating to the year	<u>(3,496)</u>	<u>(7,419)</u>
Prior year adjustments	(6,905)	-
Total gains and (losses) recognised since the last financial statements	<u><u>(10,401)</u></u>	<u><u>(7,419)</u></u>

AMSCORDI LIMITED
BALANCE SHEET
AS AT 31 OCTOBER 1998

	Note	1998 £	1997 £ As Restated
Fixed Assets			
Tangible Assets	7	71,873	79,888
Current Assets			
Debtors	8	21,572	11,432
Cash At Bank and In Hand		<u>4,127</u>	<u>1,088</u>
		<u>25,699</u>	<u>12,520</u>
Creditors			
Amounts Falling Due Within One Year	9	<u>21,301</u>	<u>11,777</u>
Net Current Assets		4,398	743
Creditors			
Amounts Falling Due After More Than One Year	10	(1,558)	(2,422)
Net Assets		<u>74,713</u>	<u>78,209</u>
Income Funds			
Unrestricted		8,502	3,160
Restricted	11	66,211	75,049
Accumulated Fund	12	<u>74,713</u>	<u>78,209</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the Board on 11 May 1999
ON BEHALF OF THE BOARD

Tessa Gaisman
T GAISMAN MBE - DIRECTOR

Date 7 June 1999

The annexed notes form part of these financial statements.

AMSCORDI LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 1998

1. Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Statements are set out below and have remained unchanged from the previous year, and have been consistently applied within the same accounts.

Cash Flow Statement

The company qualifies as a small company and advantage has therefore been taken of the exemption provided by financial reporting Standard No 1 not to prepare a Cash Flow Statement.

Basis Of Preparation Of Financial Statements

The financial statements have been prepared under the historical cost convention.

The effect of events in relation to the year ended 31 October 1998 which occurred before the date of approval of the financial statement by the Board of Directors, have been included in the statements to the extent required to show a true and fair state of affairs at 31 October 1998 and of the results for the year ended on that date.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Pianos	- 10% per annum on cost
Furniture and Equipment	- 10% per annum on cost
Music Library	- 15% per annum on cost
Bed Linen	- 20% per annum on cost

Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

AMSCORDI LIMITED
NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

2. Turnover and Other Operating Income

The company's turnover represents the value of goods and services supplied to those attending seminars and concerts during the year.

Other operating income includes non trading receipts including donations and covenant income which have been grossed up by the value of related tax credits where these are applicable at present.

3. Net Operating Expenses	1998	1997
	£	£
		As Restated
Administrative Expenses	167,584	181,473
Other Operating Income	58,693	70,396
	<u>108,891</u>	<u>111,077</u>

4. Operating Profit	1998	1997
	£	£

Operating deficit is stated after charging/(crediting):

Hire of other assets - operating leases	-	498
Depreciation and amortisation of owned assets	9,450	9,302
Depreciation of assets held under hire purchase and finance lease agreements	407	407
Auditors remuneration	<u>2,200</u>	<u>2,000</u>

5. Interest Payable And Similar Charges	1998	1997
	£	£

Included in this category are:-

Finance Charges Payable - Finance Leases and Hire Purchase	<u>357</u>	<u>472</u>
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AMSCORDI LIMITED
NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

6. Salaries and Related Costs

	1998	1997
The costs of employing staff during the year were as follows:-	£	£
Wages and Salaries	12,668	15,003
Social Security	1,266	1,156
	<u>13,934</u>	<u>16,159</u>

There was only 1 employee during the two years shown above.

7. Tangible Fixed Assets

	Bed Linen	Pianos	Furniture and Equipment	Music Library	Total
	£	£	£	£	£
Cost					
At 1 November 1997	3,313	104,385	16,603	3,830	128,131
Additions	-	-	1,842	-	1,842
Disposals	-	-	-	-	-
At 31 October 1998	<u>3,313</u>	<u>104,385</u>	<u>18,445</u>	<u>3,830</u>	<u>129,973</u>
Depreciation					
At 1 November 1997	3,312	29,756	11,346	3,829	48,243
Charge For The Year	-	8,838	1,019	-	9,857
Eliminated On Disposals	-	-	-	-	-
At 31 October 1998	<u>3,312</u>	<u>38,594</u>	<u>12,365</u>	<u>3,829</u>	<u>58,100</u>
Net Book Value					
At 31 October 1998	<u>1</u>	<u>65,791</u>	<u>6,080</u>	<u>1</u>	<u>71,873</u>
At 31 October 1997	<u>1</u>	<u>74,629</u>	<u>5,257</u>	<u>1</u>	<u>79,888</u>

Included in the total net book value of tangible fixed assets held at 31 October 1998 was £2,850 in respect of assets held under finance leases and hire purchase contracts.

AMSCORDI LIMITED
NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

8. Debtors	1998	1997
	£	£
		As Restated
Trade Debtors	2,565	-
Income Tax Recoverable	13,167	7,798
Prepayments and Accrued Income	2,103	2,560
Amount owed by the IMS Endowment Fund	-	1,000
Other Debtors	3,737	74
	<u>21,572</u>	<u>11,432</u>

9. Creditors - Amounts Falling Due Within One Year	1998	1997
	£	£
Bank Overdraft	-	948
Obligations Under finance Leases And Hire		
Purchase Contracts	860	745
Trade Creditors	1,388	1,304
Amount owed to the IMS Endowment Fund	2,025	-
Other Creditors	11,003	723
Accruals and Deferred Income	6,025	8,057
	<u>21,301</u>	<u>11,777</u>

10. Creditors - Amounts Falling Due After One Year	1998	1997
	£	£
Other Creditors	<u>1,558</u>	<u>2,422</u>

Obligations Under Finance Leases And Hire Purchase Contracts

Amounts Payable:	1998	1997
	£	£
Within Two To Five Years	1,558	2,422
After Five Years	-	-
	<u>1,558</u>	<u>2,422</u>

Obligations under finance leases and hire purchase contracts are secured.

AMSCORDI LIMITED
NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

11. Income Funds

	1998 £	1997 £
At 1 November 1997		
- as previously reported	85,114	92,263
- prior year adjustment (see below)	(6,905)	(6,635)
- As Restated	<u>78,209</u>	<u>85,628</u>
Deficit for the year	(3,496)	
- As previously reported	-	(7,149)
- Adjustment in 1997 year	-	(270)
At 31 October 1998	<u><u>74,713</u></u>	<u><u>78,209</u></u>

The comparative figures in the financial statements have been restated to include the prior year adjustment.

The adjustment represents the removal of donations made to a bank account belonging to another charity, which had been treated as income of Amscordi limited in 1996 and 1997.

12. Restricted Funds

	Balance 01-Nov 1997 £	Movement in Resources Incoming 97/98 £	Outgoing 97/98 £	Balance 31-Oct 1997 £
Grants for Piano Purchases	<u>75,049</u>	-	(8,838)	<u>66,211</u>

13. Analysis Of Net Assets Between Funds

	Tangible Fixed Assets £	Net Current Assets £	Total £
Restricted Funds			
For The Purchase Of Pianos	65,786	425	66,211
Unrestricted Funds	6,087	2,415	8,502
	<u>71,873</u>	<u>2,840</u>	<u>74,713</u>

AMSCORDI LIMITED
NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

14. Grants and Donations

Donations and Covenants Received included the following sums in excess of £3,000 (excluding tax credits):

	1998
	£
Hambros Trust	3,500
JNC Gaisman	7,000
Iveagh Trust	3,450
Sackler Underwood Trust Fund	6,650

15. Direct Charitable Expenditure

	1998	1998	1998	1997
	£	£	£	£
	Unrestricted	Restricted	Total	As Restated
	Fund	Fund		Total
Seminar accommodation	27,088	-	27,088	28,827
Piano care, hire and transport	9,599	-	9,599	10,554
Food, drink, cleaning and kitchen expenses	32,323	-	32,323	29,372
Musicians fees and expenses	31,525	-	31,525	38,698
Artistic and programming	10,950	-	10,950	8,500
directors remuneration				
Music library	517	-	517	-
Insurance	1,138	-	1,138	1,321
Bad debts	-	-	-	3,334
Depreciation charges	-	8,838	8,838	8,874
	113,140	8,838	121,978	129,480

AMSCORDI LIMITED
NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31 OCTOBER 1998 (CONT)

16. Management And Administration Charges

	1998 £	1998 £	1998 £	1997 £
	Unrestricted Fund	Restricted Fund	Total	As Restated Total
Salaries	12668	-	12,668	15,003
Employer's NIC	1266	-	1,266	1,156
Administrative Assistance - London	678	-	678	-
Office accomodation cost	-	-	-	1,361
Telephone	1789	-	1,789	2,045
Postage and stationery	9657	-	9,657	8,777
Operating lease charges	-	-	-	498
Travel and transport	9340	-	9,340	11,607
Entertaining	-	-	-	801
Advertising	2058	-	2,058	2,830
Accountancy fees	3530	-	3,530	3,451
Auditors' remuneration	2200	-	2,200	2,000
Legal and professional fees	-	-	-	63
Sundry expenses	665	-	665	539
Depreciation charges	1019	-	1,019	835
Bank Charges	736	-	736	1027
Bank Interest	-	-	-	8
Interest on overdue tax	-	-	-	8
Hire Purchase Interest	357	-	357	472
	45,963	-	45,963	52,481

17. Related party transactions

At 31 October 1998 the IMS Endowment Fund, a registered charity was owed £2,025 by Amscordi Limited.

The two charities have directors in common and The IMS Endowment Fund's objects are to directly support those of Amscordi Limited.

18. Transactions with directors

The administration of the company is run from the home of 2 of the directors, Mr and Mrs J Gaisman QC. There is no charge to the company from the directors.

**THE FOLLOWING PAGES ARE FOR THE INFORMATION
OF THE DIRECTORS ONLY**

THEY DO NOT FORM PART OF THE STATUTORY ACCOUNTS

AMSCORDI LIMITED
INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDED 31 OCTOBER 1998

	1998 £	1997 £
Turnover		
Seminar Fees	67,043	67,654
Concert Income	13,544	16,941
Income from the Friends of IMS	22,000	16,000
Piano Hire income	<u>3,068</u>	<u>3,532</u>
	105,655	104,127
Other Operating Income	<u>58,693</u>	<u>70,396</u>
	164,348	174,523
Overhead Expenses	<u>167,584</u>	<u>181,473</u>
Operating Surplus/(Deficit)	(3,236)	(6,950)
Other Interest Receivable and Similar Income	<u>97</u>	<u>19</u>
	(3,139)	(6,931)
Interest Payable and Similar Charges	<u>357</u>	<u>488</u>
Deficit on Ordinary Activities Before Taxation	<u><u>(3,496)</u></u>	<u><u>(7,419)</u></u>

AMSCORDI LIMITED
SCHEDULE TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 1997

	1998 £	1997 £
Other Operating Income		
Covenant income	1,951	1,169
Sundry income	8,395	8,518
Donations received	48,347	60,709
	<u>58,693</u>	<u>70,396</u>
Other Interest Receivable and Similar Charges	<u>97</u>	<u>19</u>
Interest Payable and Similar Charges		
Bank interest	-	8
Interest on overdue tax	-	8
Finance leases and hire purchase interest	357	472
	<u>357</u>	<u>488</u>

AMSCORDI LIMITED
SCHEDULE OF OVERHEAD EXPENSES
FOR THE YEAR ENDED 31 OCTOBER 1998

	1998	1997
Administrative Expenses	£	£
Wages and salaries		
Salaries	12,668	15,003
Employer's NIC	1,266	1,156
Programming Director - H.B.	7,525	7,500
Scheduler - S.A.	425	500
Artistic director	3,000	-
Administrative Assist	678	500
Piano care and transport		
For internal use	7,989	7,881
For hire	1,610	2,673
Seminar accommodation	27,088	28,827
Telephone	1,789	2,045
Postage and stationery	9,657	8,777
Food, drink, cleaning and kitchen expenses	32,323	29,372
Musicians fees and expenses	31,525	38,698
Music library	517	-
Insurance	1,138	1,321
Operating lease charges	-	498
Travel and transport	9,340	11,607
Entertaining	-	801
Advertising	2,058	2,830
Office accommodation costs	-	1,361
Accountancy fees and bookkeeping	3,530	3,451
Auditors' remuneration	2,200	2,000
Legal and professional fees	-	63
Sundry expenses	665	539
Depreciation charges	9,857	9,709
Bad debts	-	3,334
	<u>166,848</u>	<u>180,446</u>
Financial Expenses		
Bank charges	736	1027
	<u>736</u>	<u>1027</u>
Overhead Expenses	<u>167,584</u>	<u>181,473</u>