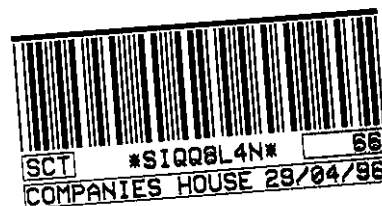

REPORT AND ACCOUNTS

North East of Scotland
Music School Limited

Registered Number 58254

30 JUNE 1995

JP



North East of Scotland Music School Limited
(A company limited by guarantee and not having a share capital)

REPORT OF THE COUNCIL OF MANAGEMENT

The council of management submit their report for the year ended 30 June 1995.

MEMBERS OF THE COUNCIL OF MANAGEMENT

Marchioness of Aberdeen and Temair (Chairman)

Mr I Anderson

Mr R Howie

Mr T H Johnston

Miss B McFarlane

Mrs A D Parkinson

In addition, an advisory committee exists comprising of members of the company other than the members of the council of management.

ACCOUNTS

The council of management submit the audited accounts of the company for the year ended 30 June 1995.

ACTIVITIES

During the year the company provided a centre where suitably talented musicians have received tuition not otherwise available to them.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Council

D. K. Hatelly

D K Hatelly
Secretary

15 April 1996

ERNST & YOUNG

North East of Scotland Music School Limited

STATEMENT OF MEMBERS OF THE COUNCIL OF MANAGEMENT'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the members of the council of management to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the members of the council of management are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The members of the council of management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS
to the members of North East of Scotland Music School Limited

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of members of the council of management and auditors

As described on page 2 the members of the council of management are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company'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 accounts are free from material misstatement, 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 30 June 1995 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Aberdeen

15 April 1996

North East of Scotland Music School Limited

INCOME AND EXPENDITURE ACCOUNT

for the year ended 30 June 1995

	<i>Notes</i>	<i>1995</i> £	<i>1994</i> £
Fees and other income		19,908	16,933
Grants and donations		28,005	32,274
Income tax recovered on covenanted donations		67	133
		<u>47,980</u>	<u>49,340</u>
Teaching fees and expenses		42,641	39,780
Administration expenses		6,428	3,374
		<u>49,069</u>	<u>43,154</u>
		(1,089)	6,186
Interest receivable	4	3,737	3,479
Surplus on realised investment		323	782
		<u>2,971</u>	<u>10,447</u>
SURPLUS FOR THE YEAR		<u><u>2,971</u></u>	<u><u>10,447</u></u>

North East of Scotland Music School Limited

BALANCE SHEET

at 30 June 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	5	3,313	2,604
Investments	6	33,977	37,954
		<u>37,290</u>	<u>40,558</u>
CURRENT ASSETS			
Cash at bank and in hand		41,873	35,931
Income tax recoverable		115	-
Sundry debtors and prepayments		7,905	7,623
		<u>49,893</u>	<u>43,554</u>
CREDITORS: amounts falling due within one year		<u>1,385</u>	<u>1,285</u>
NET CURRENT ASSETS		<u>48,508</u>	<u>42,269</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>85,798</u>	<u>82,827</u>
Deferred income		<u>4,500</u>	<u>4,500</u>
		<u>81,298</u>	<u>78,327</u>
RESERVES			
Income and expenditure account	7	5,298	2,327
Trust fund	8	1,000	1,000
Development fund	9	75,000	75,000
		<u>81,298</u>	<u>78,327</u>

A. D. Parkinson

A D Parkinson

T. H. Johnston

T H Johnston

)
)
) Members of Council of Management
)

15 April 1996

North East of Scotland Music School Limited

NOTES ON THE ACCOUNTS

at 30 June 1995

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Fixed assets

Tangible fixed assets are stated at cost less grants and specific donations. Equipment is not depreciated, instruments are depreciated by an amount equal to hiring charges received.

Deferred income

Grants and deposited covenants relating to future periods are treated as deferred income.

2. EMOLUMENTS

The members of the council of management do not receive any remuneration.

3. TAXATION

The company is exempt from corporation tax as a charity.

4. INTEREST RECEIVABLE

	1995 £	1994 £
Investment income (gross)	2,237	2,426
Bank interest	1,500	1,053
	<u>3,737</u>	<u>3,479</u>

5. TANGIBLE ASSETS

	Equipment £	Instruments £	Total £
Cost, less grant and donations:			
At 30 June 1994	595	2,009	2,604
Additions	709	-	709
	<u>1,304</u>	<u>2,009</u>	<u>3,313</u>
At 30 June 1995			
Depreciation:			
At 30 June 1994	-	-	-
and at 30 June 1995	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net book value:			
At 30 June 1995	<u>1,304</u>	<u>2,009</u>	<u>3,313</u>
At 30 June 1994	<u>595</u>	<u>2,009</u>	<u>2,604</u>

North East of Scotland Music School Limited

NOTES ON THE ACCOUNTS

at 30 June 1995

6. INVESTMENTS

	1995 £	1994 £
Listed in the UK at cost	9,987	13,964
Unlisted at cost	23,990	23,990
	<u>33,977</u>	<u>37,954</u>

The market value of listed investments at 30 June 1995 was £10,407 (1994 - £13,954).

7. INCOME AND EXPENDITURE ACCOUNT

	1995 £	1994 £
Balance at 30 June 1994	2,327	1,880
Surplus for the year	2,971	10,447
	<u>5,298</u>	<u>12,327</u>
Transfer to development fund (note 9)	-	10,000
Balance at 30 June 1995	<u>5,298</u>	<u>2,327</u>

8. TRUST FUND

This fund is held in trust by the School and has been invested in unlisted investments. Income from the investment is applied to assist towards payment of fees for a promising young Aberdeen pupil.

9. DEVELOPMENT FUND

	1995 £	1994 £
Balance at 30 June 1994	75,000	65,000
Transfer from income and expenditure account (note 7)	-	10,000
Balance at 30 June 1995	<u>75,000</u>	<u>75,000</u>