



Alexander Sloan
Accountants and Business Advisers

Company Registration No. SC075443 (Scotland)

SCOTTISH BAROQUE ENSEMBLE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Charity Registration No. SC001539 (Scotland)



COMPANIES HOUSE
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SCOTTISH BAROQUE ENSEMBLE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Samantha Barber (Chair) Andrew Berridge Jeffrey Fergus Laura Ghio Rachel Gwyon Neil Kelly Stella Morse Jonathan Morton Lesley Paterson Tom Service Lesley Watt Nicolas Zekulin
Secretary	MacRoberts Corporate Services Limited
Charity number (Scotland)	SC001539
Company number	SC075443
Principal address	350 Sauchiehall Street Glasgow G2 3JD
Registered office	Capella (10th Floor) 60 York Street Glasgow G2 8JX
Key Management Personnel	Chief Executive - Jenny Jamison General Manager - Catherine Ferrell
Auditor	Alexander Sloan Accountants and Business Advisers 50 Melville Street Edinburgh EH3 7HF
Bankers	Handelsbanken 206 St Vincent Street Glasgow G2 5SG

SCOTTISH BAROQUE ENSEMBLE LIMITED

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SCOTTISH BAROQUE ENSEMBLE LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing documentation, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As per governing documentation, the objectives for which the company is established are to promote and present concerts of music in Scotland and elsewhere. Scottish Ensemble (trading name of Scottish Baroque Ensemble Limited) is a professional ensemble of leading string players, performing music to the highest international standard to as diverse an audience as possible. It presents regular concerts in Scotland's main cities, tours throughout the UK and abroad, records and broadcasts, and leads educational activities that seek to promote and enhance an understanding and appreciation of music by people of all ages and backgrounds. Its music making activities create public benefit both through the promotion of participation in and appreciation of the arts, and through the wider social and well-being outcomes that this appreciation and participation engender.

Vision and Mission Statements

2019-20 was the second year in Scottish Ensemble's ('SE's') 2018-21 Business Plan - *50 years: Innovation, Excellence and Relevance*, and also marked SE's 50th anniversary season. The objectives for the 2018-21 period are encapsulated in the following vision and mission statements:

Vision

Scottish Ensemble is a highly flexible music ensemble that inspires diverse audiences through its creative collaborations. Its artistic projects are widely celebrated at home and across the globe as outstanding, distinctive and boundary-pushing.

SE has an appetite for creating rich new partnerships across repertoire, genre, form and location; when people come to an SE performance, they expect to be taken on an imaginative, transformational musical journey. From performances with classical singers and instrumentalists to those with visual artists, choreographers, puppeteers and folk musicians, SE is committed to creating live experiences that engage a broad audience and make new artistic connections.

With roots in the classical tradition, SE now stands out as a sector-leading music organisation in both its operational and artistic models. Its musicians and managers are known as open and ambitious, and are willing to explore new areas of practice and to support others to realise compelling, exciting artistic ideas. As a result, SE is in demand across the world.

Access to SE's performances is significantly widened through an imaginative and integrated creative learning programme and the creation of high-quality digital content, enabling audiences to connect with the life-affirming power of collaborative music-making.

Mission

To create exhilarating musical experiences that forge new connections between people, places and ideas.

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ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

Activities to mark the milestone of Scottish Ensemble's 50th anniversary season ran throughout the year and across multiple business areas.

An ambitious artistic programme celebrating the versatile and collaborative nature that has been at the heart of SE's work since its foundation in 1969 paid heed to artistic highlights of the past and, more importantly, celebrated new commissions and boundary-pushing new collaborations that continued to position SE as an innovator and sector-leader in redefining the possibilities for classical music performance.

A successful Fund for the Future fundraising campaign accompanied the enhanced artistic programme and saw support from individuals increase threefold for the year. The support generated through this campaign will support SE to further develop its cross-artform practice, its work with young people, and its international connections over the next five years, with funds currently held in a Designated Fund (see page 33).

Continued leadership of Creative Europe project 'The Bridge' saw SE move to drive forward innovation in performance practice and audience development at a transnational level. While the culmination of this project – a festival in Glasgow – was postponed due to Covid-19, the network forged through this project has significantly increased SE's international connections and reputation.

Covid-19 saw all of SE's activities from mid-March 2020 cancelled or postponed. Despite these difficult closing circumstances, the 50th anniversary year still allowed SE to take some major steps forward in reputation, reach and resilience, as outlined below.

Collaborative Musical Adventures

Across this special year, SE reached over 9000 people across Scotland (despite the cancellation of 3 major tours), and a further 3000 abroad, with performances across three continents.

At home, artistic programming incorporated projects which referenced SE's past (for those audiences who had been following the group for its full five decades) with contemporary innovative ideas to intrigue new and diverse audiences. From a promenade concert exploring baroque music in both a church and a chamber-music salon across one evening, to a new contemporary opera that saw SE's musicians double as chorus and characters on stage, SE's work consistently broke new ground in the classical concert experience.

On the international circuit, 2019-20 provided SE with the opportunity to showcase some of its most successful cross-artform collaborations to a global audience, including during SE's first trip to Japan to open the Yokohama Otomatsuri Festival.

Revising commissioned works from the past as well as four major new commissions (by Aidan O'Rourke, Valgeir Sigurðsson, Mica Levi and Erkki-Sven Tüür – the latter two being part of The Bridge and yet to premiere due to Covid-19) also reinforced SE's long-term legacy in developing the string repertoire, an endeavour that has been part of the group's identity for the duration of its 50-year history.

With almost every project in the year receiving five star reviews, the anniversary season marked a significant milestone in the reputation and acclaim for SE's approach and projects.

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Touring of past work

In April 2019, SE returned to the USA for further performances of its flagship collaboration with Andersson Dance, *Goldberg Variations – ternary patterns for insomnia*, at Savannah Festival, Georgia, and at Krannert Center, Illinois. The work was again held up as an example of exceptional technical achievement on the parts of SE musicians, and as an effective means through which to shine new light on the classical canon.

"I cannot stress enough how impressive is the musical and physical feat of the Scottish Ensemble musicians delivering a flawless performance of Bach's masterworks even as they move about the stage. At no point is the music compromised in tone or tempo....In fact, it almost seemed like the path was opened to a more spirited and committed performance due to their symbiosis with the dancers. Perhaps this is a lesson that other classical music ensembles can take to heart"

Connect Savannah

The same production visited Germany in August 2019, for two dates at the Schleswig-Holstein Festival and SE further demonstrated its versatility during this multi-event festival, delivering a concert performance with Chris Stout and Catriona McKay on the final night of the trip.

Another of SE's major collaborations – *Anno* (an audio-visual production with composer/producer Anna Meredith and featuring artwork by her sister Eleanor) – received its international premieres, firstly in a music-only version as part of ROAM Festival in Rotterdam in May 2019. This performance coincided with industry conference Classical:NEXT where classical music professionals meet to explore and further innovation in the field, and as such gained exposure in an international sector context. Then, in September, SE was invited to perform *Anno* to open the Yokohama Otomatsuri festival in Japan. As part of a year of collaboration between the Scottish Government and Yokohama City, SE was delighted to represent contemporary Scottish culture on this prestigious stage. Support from the Scottish Government's Edinburgh Festivals' EXPO Fund, via the Made in Scotland Onward Touring Fund, made this visit possible, and generously built on the exposure *Anno* had received at the Made in Scotland 10th anniversary Showcase during the Edinburgh Festival Fringe in 2018.

A special Burns Night celebration in Baerum, Norway, in January 2020 – which saw SE perform alongside Chris Stout and Catriona McKay again to open Baerum Kulturhus' 'Meet Glasgow' season – completed SE's international trips in 2019-20, and was itself topped-off with a special SE ceilidh, bringing the Scottish spirit to an enthusiastic Norwegian audience.

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New projects

SE's 2018-21 Business Plan puts collaboration at the heart of its artistic model, particularly looking to redefine how classical concerts can be created by adopting and exploring practices from other art-forms and disciplines. In 2019-20, SE delivered three new projects that grew from this ethos. A fourth project due to fall at the end of the season was postponed due to the Covid-19 outbreak.

In this anniversary season, these collaborations each referenced a key area of SE's history, but did so within the framework of cutting-edge performance practice. As outlined below, venue choice, the role of musicians on stage, and the foregrounding of contemporary themes ensured these collaborations furthered SE's vision of being one of the most distinctive ensembles in Europe.

In 2019-20, SE delivered:

Baroque Take Two: In October 2019, SE was joined by baroque and early music specialist Jonathan Cohen, for a programme that explored the origins and settings of baroque music. SE began its life as Scottish Baroque Ensemble (which remains SE's legal name), and baroque repertoire continues to play an important role in programming today. A concert in two halves, audiences experienced one part of the programme in the grand vaulted atmosphere of cathedrals, and the other in an intimate, chamber-salon style venue a short walk away. Designed to allow different experiences of the baroque repertoire, and varying interactions with SE musicians, this promenade concert swept people into two contrasting atmospheres to heighten the experience of the concerto-grossi based programme, which featured works by Handel, Corelli, Locatelli and Vivaldi.

'In its playful experimentalism and its gentle sense of provocation, the Scottish Ensemble looks to be devoting almost as much creativity to the way it performs as it does to the performances themselves – and not for the first time.' *The Scotsman* (feature)

Elemental: celebrating SE's long tradition of collaborating with performers from the traditional Scottish music heritage, *Elemental* saw SE welcome fiddler/composer Aidan O'Rourke and his regular collaborator, pianist/composer Kit Downes, as soloists, composers, and curators. *Elemental* was a response to the climate crisis and humanity's changing relationship to natural landscapes. Featuring contemporary classical responses to the natural world by Tansy Davies, Ruth Crawford Seeger and Dave Fennessy, the programme was interwoven with folk duos performed by Aidan and Kit, and culminated in the performance of their new commission for fiddle, piano and string orchestra: 'There is no beginning'. This SE commission, supported by the PRS for Music Foundation, was inspired by Edwin Morgan's 1984 poem 'Slate', which depicts the volcanic trauma that forged Scotland's foundations. Connecting repertoire directly with urgent contemporary issues such as the climate emergency often sees SE connecting with a younger more diverse audience, and this tour was no exception. It also took an uncompromising contemporary classical programme out of the concert hall and instead into more urban performance venues such as Glasgow's SWG3 and Edinburgh's Assembly Roxy.

'one of the most thoughtful and coherent programmes of contemporary chamber music in recent history.....rarely has this land's musical community spoken as eloquently of an outward and forward looking approach to its roots and heritage.' *The Herald* ★★★★★

We Are in Time: the headline project for SE's anniversary year, *We Are in Time* stood out as an ambitious culmination of several years of cross-artform development. A chamber opera (paying heed to the fact SE's first ever performance was an intimate baroque opera), the co-creation with Stewart Laing's theatre company, Untitled Projects, was a complex blend of theatre, song, opera, concert, and medical exposé. Taking a heart transplant as its narrative starting point, vocal soloists Ruby Philogene and Jodie Landau movingly portrayed this most astounding of human transactions, while narrator/actor Alison O'Donnell gave a technical, precise account of the feat of science and medicine that lies behind it. SE's musicians took on the role of instrumental performers, vocal chorus and characters in the story, once again redefining the flexibility of classical music performers.

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Co-produced by Raw Materials, and presented in association with Perth Theatre, with significant support from Creative Scotland, this production visited Perth, Glasgow, Edinburgh and Inverness, and became the final live performances of SE's anniversary season, falling just before the impact of Covid-19 affected SE's output.

'[A] production that wears its substantial technical achievements lightly, and is, critically, full of heart.'
The Herald ★★★★★

'Valgeir Sigurðsson's score is a shimmering miasma of sound, occasionally punctuated by soaring lyricism from the voices or from the string players of the Scottish Ensemble, whose masterful playing, directed by Jonathan Morton, is fundamental to the piece's success... This is an impressive premiere, moving and strange, and it never loses sight of the fact that, as the chorus ultimately reminds us, we're all only human.'
The Times ★★★★★

'The cumulative effect is quite something – a work that weaves together contemporary classical music, philosophical ponderings and hard facts in a moving paean to a modern medical miracle.'
The Stage ★★★★★

'Sigurðsson's score is at once future-focused and atavistic, and the penultimate scene with the two strangers' voices blending together in life and death stuns the room into silence... it is an insightful, deeply moving and politically engaged piece of theatre. Pamela Carter's words are wry, beautiful and at times furious, very much a comment on our struggle to connect and survive, in a time of collective anxiety over our global health crises.'
The List ★★★★★

High quality classical performance

In addition to collaborative projects which see SE's classical heritage contrast and complement other musical or artistic forms, the group continues to provide more traditional classical concert performances, though this year even these had some innovative twists. 2019-20 concerts included:

- *Dance Music*: Guest Directed by Swedish violinist Malin Broman and featuring Dutch bassist Rick Stotijn, this uplifting concert performance combined Piazzolla's evocative *Four Seasons of Buenos Aires* with a set of 'dance music' – from Purcell, to Britten; Schulhoff to Veress. Broman is herself an adept cross-artform collaborator, and brought to this project some concert-choreography, which saw SE musicians move and reconfigure during the performance, bringing a physicality to the stage to enhance the music being performed.
- *Chamber Notes*: continuing SE's commitment to chamber music making, in August 2019 and February 2020 SE welcomed Guest Director Marianne Thorsen to lead the group in Mendelssohn and Enescu's Octets. High-octane virtuosity and vast emotional range characterise both these works, and audiences across the Highlands, Islands and SE's regular touring cities praised the individual talent of SE's exceptional string players.

'It's hard to imagine a warmer, more generous approach to music making than what the players delivered... The result was chamber music of the highest order: intimate, considered, gloriously stimulating'
The Herald ★★★★★

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- *For A Winter's Night*: SE's annual Concerts by Candlelight tour in December 2019 featured a playlist-style programme, taking audiences on a seamless journey through highlights of SE's history. From significant commissions, to audience favourites, to featured composers, this eclectic mix blended works by the likes of J.S. Bach, Henryk Górecki, Anna Meredith and John Tavener with an improvisation on an Indian Raga, an arrangement of a Shetland fiddle tune, and a new arrangement of 'In The Bleak Midwinter', captivating audiences across the country. This journey-based programming approach is likely to feature in future SE projects.

'this was an expertly constructed concert, with themes returning in fresh contexts, old and new colliding to eyebrow-raising effect...An inspirational evening, full of wonder.'

The Scotsman ★★★★★

'Festive events are very rarely as flawless as this one.'

The Herald ★★★★★

Residencies, Creative Learning and Participation

Integral to SE's Vision statement is a commitment to creative learning and participation work which enables the organisation to engage with and inspire more vulnerable audiences, support young players, and connect its musical work with well-being objectives.

SE's 2018-21 business plan includes a commitment to integrate a creative learning project into each cross-artform/cross-genre collaboration, taking the artistic theme of the project and sharing it with a group who might not usually have access to the main performance tour, or who could find added benefit through special targeted work. Three of the four planned projects were delivered before Covid-19 caused cancellations. These were:

- A 'Music in the home' series inspired by the *Baroque Take Two* tour, which looked at how putting music in different spaces or settings could affect the way it feels for listeners. With partners including Maryhill Integration Network, Sofar Sounds, Musicians in Exile and Refuweegee, in Glasgow a quartet of SE musicians delivered intimate community performances in local centres where the New Scots community meet, welcoming members of that community to contribute to the musical programme. In Dundee, the project took the form of intimate performances in care homes and community centres, delivered in partnership with Dundee City Council. By taking music into spaces where audiences were most comfortable, the project created a more relaxed and interactive environment which encouraged interaction and connections.
- A 'Creative Energy' series integrated into the *Elemental* tour. Both the performance tour and this project for school children looked at the natural forces that create and shape the world around us. In collaboration with Glasgow Science Centre and with support from the Institute of Physics, S1-2 pupils were introduced to science experiments that demonstrated different types of energy. The pupils then worked together with SE musicians to create group compositions which brought those energy concepts to life through music – using creativity to deepen learning and, through participation, offering young people a different means of unravelling and understanding complex ideas.
- 'Music and Healthcare' performances linked to the tour of *We Are in Time*. A quartet of SE musicians performed in children's hospitals in Glasgow and Edinburgh, bringing joy and diversion to young people facing a particularly difficult time in their lives.

Outside these specially devised projects, SE continued to plan work in partnership with a range of education, third sector and healthcare partners across Scotland. With a full week of activity cancelled in March 2020, SE's continued relationships in multiple regions across Scotland mainly focused around workshops for young string players in August (Mull) and October (Inverness) 2019.

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SE's Homeschool project (which sees the group work year-round with Hillhead High School and its feeder primaries) continued with: a session for teachers during an in-service day; delivery of the Creative Energy workshops listed above; performances in all feeder primaries to introduce the pupils to SE, its music and its instruments; and planning for further cross-curricular activities.

In January 2020, SE returned to the Royal Conservatoire of Scotland for its now annual Ensemble Week, empowering the next generation of young players in Scotland to further develop their technical musical skills, their understanding of professional chamber music making and their confidence and individuality. This year's project was led by Barbara Bultmann – Director of Ensemble Resonanz, one of The Bridge project's founding partners – who brought an international perspective and new influences to the students' development.

Covid-19 impact on performance programme

Covid-19 had a significant impact on the final months of the anniversary season, with major performances cancelled both in Scotland, the wider UK and internationally. These included:

- A collaboration with Dunedin Consort staging James MacMillan's *Seven Last Words from the Cross*, which may be rescheduled for spring 2021.
- A full week of creative learning activity which would have included participative workshops and performances in Glasgow, Inverness, Dundee and Aberdeen.
- Performances of SE's second project with Andersson Dance, *Prelude – skydiving from a dream*, a tour-de-force music and dance project which was set for its English premieres in Manchester and Newcastle.
- The first festival of The Bridge project – the Creative Europe collaboration led by SE. This would have seen SE hosting ensembles from Germany, Norway and Estonia in Glasgow; world premieres by Erkki-Sven Tüür and Mica Levi; a new commission for multi-level string players (beginners to professionals); pop-up performances across community spaces in the city; and a festival of innovative cross-genre performances. The associated industry network is being delivered digitally until such time as planning can recommence for live work.
- Sound Bites – the finale tour of the anniversary season, which would have seen SE collaborate with Social Bite (a charity with a mission to end homelessness) and a formerly Michelin-starred chef on a special feast of music and food for audiences in four cities.
- International dates in Poland and Germany with pianist and regular SE collaborator, Gabriela Montero.
- Touring to Scotland's Highlands and Islands in summer 2020.

Across its whole programme, both on stage and in off-platform projects such as those listed above, SE delivered an anniversary season simultaneously true to the group's founding ethos of accessible exceptional performances of music for strings and at the same time driven by the innovative spirit that sets SE apart in the sector today.

Over the past few years, support from Creative Scotland and SE's status as a Regularly Funded Organisation, as well as successful new fundraising campaigns, have increased SE's resilience and enabled strategic investments in new approaches that have allowed this milestone to be confidently celebrated and marked.

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Other business developments

In addition to the performance and creative learning activities outlined above, developments across other areas of SE's business continued apace in 2019-20.

- As mentioned elsewhere, a Fund for the Future campaign raised over £90,000. Fundraising also grew in other areas, with SE's highest ever income from Trusts and Foundations of over £125,000.
 - SE continued its commitment to its Equalities, Diversity and Inclusion Action Plan, which sets out objectives across internal policies, artistic programming, and external-facing communications to ensure all areas of SE's operations are informed by EDI objectives and tangible targets.
 - SE continues to be a leader in its sustainability work. SE is a founding member of the Centre for Contemporary Arts' Green Team, a founding member of a new Scottish Classical Music Sustainability Working Group set up in July 2020, and an active participant in conferences and sector meetings. SE's Green Champion is Development & Projects Manager, Scott Morrison. The major focus of SE's carbon management plan for 2019-20 was the prioritisation of sustainable domestic travel choices – including aiming for no internal UK flights; adapting schedules to allow train travel over coach where possible; and encouraging car pools. In 2019-20, SE's total emissions were 153,779 kgCO₂.
 - An estimated 8,369 kgCO₂ (c. 6% of total) came from power used and waste generated at SE's office in the Centre for Contemporary Arts.
 - The remaining 145,410 kgCO₂ of emissions (c. 94% of total) was generated by travel associated with SE's tours.
 - Of this, 134,484 kgCO₂ (c. 87% of total) was generated by flights and international engagements. This area of emissions fluctuates significantly each year, depending on the number of international projects SE undertakes. Going forward, environmental impact will be considered amongst a number of key strategic factors when accepting or seeking international dates.
 - 10,926 kgCO₂ (c. 7% of total) was generated by domestic tours.
- These figures were generated using www.claimexpenses.com and with the support of Creative Carbon Scotland.
- SE transferred its accountancy software from Sage to Xero to improve efficiency, particularly with regards to remote working and monitoring finances while on tour.

Staff changes

In February 2020, Rosie Davies left SE, following five years as Marketing & Design Manager. Alison Lewis was appointed into the newly titled post of Marketing & Communications Manager and joined the team in March 2020.

Elaine Craig reduced her hours throughout 2020 and left the company in April 2020 (following 4.5 years' association with SE, firstly in freelance tour management positions and latterly as Producer). Stuart Burns took up the part-time position of Producer in April 2020.

In June 2020 Susannah Mack left the position of Administrator & Marketing Assistant, and Isabel Tulloch retired after a long-standing role as a consultant Finance Manager to SE.

Board

There were no changes to SE's board membership in 2019-20, as no directors' terms came to an end within this period. Ensuring SE continues to follow best practice in good governance, an Independent Board Review (including a Skills Audit) was conducted in 2019, generating very positive feedback on SE's governance practices and board dynamic.

SE also ran a public Board Recruitment process in July 2020, which took account of the Skills Audit and which sought candidates with skills in digital technology, public policy (particularly in culture; arts & healthcare; and equalities, diversity and inclusion), fundraising and philanthropy; and those with networks in non-UK arts markets. As a result of this recruitment process, two new board members will be appointed at the 2020 AGM, with other retirements due within the same period. A third new lay director will be appointed in the first meeting of 2021.

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Extraordinary Circumstances and Business Continuity Plan

Like all sectors and organisations, SE's day-to-day operations were affected by the Covid-19 global pandemic (in addition to the performance cancellations mentioned above). SE's offices at the CCA were formally closed from 18 March 2020 to 10 August 2020, with staff members continuing to work from home apart from exceptional meetings at the point of writing. SE did not furlough staff, but paused recruitment after one staff member (Administrator & Marketing Assistant) and one freelance consultant (providing Accountancy Services) left the organisation in early summer 2020.

SE's Business Continuity Plan was once again successfully put into action during this period (learning having been gained by a previous out of office period in 2018 following a fire at Glasgow School of Art, neighbour to SE's premises at the Centre for Contemporary Arts). Internal controls were adapted to suit this period and from March 2020, SE's Directors met virtually every four-six weeks to support the Executive team and monitor risk.

FINANCIAL REVIEW

During the financial year, Scottish Ensemble's income totalled £1.07m of which c.36% represented statutory funding from Creative Scotland, Creative Europe and local authorities; 26% was generated via fundraising from trusts and individuals; 7% from Orchestra Tax Relief; and 31% from earned income. The charity spent £1.04 million during the financial year. The Statement of Financial Activities on page 16 shows an overall net incoming resources for the year of £26,919 (2019 – net outgoing resources of £34,832).

Reserves Policy

Scottish Ensemble has general unrestricted reserves of £146,765 (2019 - £158,137) as shown on the balance sheet on page 18, as well as a number of designated funds (and as shown in note 18 on page 33).

Scottish Ensemble's Reserves position reflects the need for forward resourcing for future projects, and a prudent approach in a climate where political and economic uncertainty may affect future public subsidy. These reserves also allowed the organisation to continue to innovate and invest in new digital models during the immediate aftermath of the COVID-19 outbreak.

The Development Fund was established in 2011 to support the Board's strategic plan for SE. This planned build-up of funds, for specifically defined projects, has enabled key strategic developments, including residency activity, recordings, international tours, cross-artform collaborations and most recently an ambitious anniversary season.

Looking ahead, the Development Fund will help to underpin new initiatives including digital innovation which may otherwise be deemed too ambitious in the context of a changed performing arts sector following COVID-19.

In addition, there are Restricted funds of £11,350 carried forward, covering a range of projects being undertaken for a number of different funders.

Reserves policy and going concern

SE's policy on reserves is to maintain all funds on cash deposit to ensure liquidity to meet ongoing obligations and commitments. This policy of low risk is reviewed on a regular basis.

The Trustees assess the risks facing the organisation quarterly and consequently review the level of free reserves held annually. Trustees recognise that reserves held must safeguard against unexpected loss of income, to enable the organisation to meet its financial obligations in relation to its charitable objectives. Trustees agree that minimum free reserves of £130,000, being the estimated costs of winding up the charity, are prudent in this financial climate. On that basis, the balance of free reserves at as at 31 March 2020 was £16,765 (2019 - £23,251) – a decrease of £6,486.

The Trustees have carefully considered the likely outcome for the next 12 months taking account of historic trends, performance since the balance sheet date and projections for 2020, particularly in light of the impact of Covid-19. The Trustees are satisfied that the charity remains a going concern and has adequate funds in place for its ongoing operations for a period of at least 12 months from the date of this report.

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Risk management

The Directors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Directors have examined the major risks to which the company might be exposed, and systems are in place to mitigate these risks. In addition to regular reviews by the Finance & General Purposes Committee, a formal annual review of the Risk Register is carried out by the Board.

Until March 2020, the most significant risks faced by the charity remained the securing of future core grants and maintaining a diverse range of funding streams. Following the outbreak of Covid-19, and the resulting impact on the arts sector, the Directors are now engaged in actions to mitigate the impact to SE of reduced audience confidence and potential reductions in box office income; reduction in international touring and income from the same; and the pressure to swiftly adapt business models.

Future Developments

At the point of writing, planning for 2020-21 continues to be severely affected by the COVID-19 pandemic. With venues across Scotland still closed, performances with audiences not yet sanctioned, and social distancing affecting financial viability of many parts of the sector, SE has tried to remain flexible and adjust planning timelines to maximise the chances of some live performance occurring in 2020.

A digital summer season will be followed by collaborations with the National Youth Orchestras of Scotland, singer Karen Cargill, Guest Director Max Baillie and his multi-genre group ZRI, as well as potential rescheduling of past cancelled projects. Every project this season, including the annual Concerts by Candlelight tour, will have live and digital versions planned to ensure output can continue even in the case of new restrictions.

Given the wider negative implications the pandemic has been shown to have on the public's mental health and well-being, SE's creative learning work will shift in focus to prioritise projects which specifically aim to ease anxiety and improve general mental health. This will incorporate digital performances with a well-being focus (including in partnership with Maggie's Centres and through corporate partnerships to support large teams working from home), well-being events for school pupils and teachers, and potentially virtual concerts in this vein for a ticketed general public.

Funding from the RPS Audience Fund will also see SE work to create a new filmic language for classical music – particularly pertinent at this time when digital consumption of the arts is sure to remain high.

It is extremely unlikely SE will deliver any international performances in the 2020-21 season, but plans for trips to South America, Europe and the USA are still firmly under discussion for 2021-22, ensuring SE's global reach continues to grow. International connections forged via The Bridge project will continue to expand, as the network element is currently being delivered digitally, with early meetings welcoming leaders of innovative ensembles from nine European nations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Scottish Baroque Ensemble Limited is constituted as a company limited by guarantee, registered in Scotland with registration number 75443. It does not have a share capital and its Memorandum and Articles of Association is dated 1 July 1981. The liability of members is limited.

Governing Body and Management

The company's governing body is its Board of Directors. The executive team is led by Chief Executive, Jenny Jamison, and General Manager, Catherine Ferrell.

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The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Samantha Barber (Chair)

Andrew Berridge

Jeffrey Fergus

Laura Ghio

Rachel Gwyon

Neil Kelly

Stella Morse

Jonathan Morton

Lesley Paterson

Tom Service

Lesley Watt

Nicolas Zekulin

Directors

The Company's Articles of Association require that there be not less than three, nor more than 18, Directors and that a majority in number of the Directors are persons who are neither Scottish Ensemble (SE) core performers nor employees of the Company.

Under the Articles of Association, Directors are required to retire every three years and are eligible for re-election for further periods of three years, subject to the overriding provision in the Company's Governance Guide and Code that cumulative periods of appointment will normally be for a maximum of 10 years.

The Governance Guide and Code makes detailed provision for the recruitment, nomination, appointment and induction of new Directors. In considering candidates for nomination or appointment, the Board has regard inter alia to any business or other specialist skills needed by, or which could be of benefit to, the Company.

As mentioned elsewhere in this report, in 2019, the Board engaged an external consultant to conduct an Independent Board Review. The resulting report indicated that SE's Board "in many cases could be held up as an example of best practice". The Directors are currently implementing the recommendations outlined in the report to further embed good practice across all governance areas.

SCOTTISH BAROQUE ENSEMBLE LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Statement of Trustees' responsibilities

The Trustees, who are also the Directors of Scottish Baroque Ensemble Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

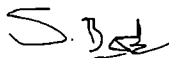
Auditor

In accordance with the company's articles, a resolution proposing that Alexander Sloan be reappointed as auditor of the charitable company will be put to the Annual General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Samantha Barber (Chair)

Trustee

Dated: 10 December 2020

SCOTTISH BAROQUE ENSEMBLE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF SCOTTISH BAROQUE ENSEMBLE LIMITED

Opinion

We have audited the financial statements of Scottish Baroque Ensemble Limited (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SCOTTISH BAROQUE ENSEMBLE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF SCOTTISH BAROQUE ENSEMBLE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SCOTTISH BAROQUE ENSEMBLE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF SCOTTISH BAROQUE ENSEMBLE LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

David Jeffcoat

15/12/2020

David Jeffcoat (Senior Statutory Auditor)
for and on behalf of Alexander Sloan

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Chartered Accountants
Statutory Auditor

Accountants and Business Advisers
50 Melville Street
Edinburgh
EH3 7HF

SCOTTISH BAROQUE ENSEMBLE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

Current financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes					
<u>Income and endowments from:</u>						
Donations	3	426,286	81,441	153,713	661,440	592,519
Income from charitable activities	4	382,300	-	21,600	403,900	401,455
Investment income	5	778	-	-	778	312
Other income	6	-	-	-	-	1,624
Total income		809,364	81,441	175,313	1,066,118	995,910
<u>Expenditure on:</u>						
Raising funds	7	44,048	-	-	44,048	41,882
Cost of charitable activities	8	804,375	22,313	168,463	995,151	988,860
Total resources expended		848,423	22,313	168,463	1,039,199	1,030,742
Net (outgoing)/incoming resources before transfers		(39,059)	59,128	6,850	26,919	(34,832)
Gross transfers between funds		27,687	(23,862)	(3,825)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(11,372)	35,266	3,025	26,919	(34,832)
Fund balances at 1 April 2019		158,137	152,000	8,325	318,462	353,294
Fund balances at 31 March 2020		146,765	187,266	11,350	345,381	318,462

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 20 to 36 form an integral part of these financial statements.

SCOTTISH BAROQUE ENSEMBLE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes				
<u>Income and endowments from:</u>					
Donations	3	529,694	-	62,825	592,519
Income from charitable activities	4	401,455	-	-	401,455
Investment income	5	312	-	-	312
Other income	6	1,624	-	-	1,624
Total income		933,085	-	62,825	995,910
<u>Expenditure on:</u>					
Raising funds	7	41,882	-	-	41,882
Cost of charitable activities	8	934,360	-	54,500	988,860
Total resources expended		976,242	-	54,500	1,030,742
Net (outgoing)/incoming resources before transfers		(43,157)	-	8,325	(34,832)
Net (expenditure)/income for the year/ Net movement in funds		(43,157)	-	8,325	(34,832)
Fund balances at 1 April 2018		201,294	152,000	-	353,294
Fund balances at 31 March 2019		158,137	152,000	8,325	318,462

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SCOTTISH BAROQUE ENSEMBLE LIMITED

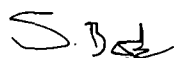
BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		604		4,886
Current assets					
Stocks	13	2,057		2,057	
Debtors	14	175,331		193,967	
Cash at bank and in hand		303,972		334,649	
		<u>481,360</u>		<u>530,673</u>	
Creditors: amounts falling due within one year	15	<u>(136,583)</u>		<u>(217,097)</u>	
Net current assets			<u>344,777</u>		<u>313,576</u>
Total assets less current liabilities			<u><u>345,381</u></u>		<u><u>318,462</u></u>
Income funds					
Restricted funds	17		11,350		8,325
Unrestricted funds - designated	18		187,266		152,000
Unrestricted funds - general			146,765		158,137
			<u><u>345,381</u></u>		<u><u>318,462</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 10 December 2020



Samantha Barber (Chair)
Trustee

Company Registration No. SC075443

The notes on pages 20 to 36 form an integral part of these financial statements.

SCOTTISH BAROQUE ENSEMBLE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(31,455)		26,613
Investing activities					
Purchase of tangible fixed assets		-		(1,007)	
Proceeds on disposal of tangible fixed assets		-		5,072	
Interest received		778		312	
Net cash generated from investing activities			778		4,377
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(30,677)		30,990
Cash and cash equivalents at beginning of year			334,649		303,659
Cash and cash equivalents at end of year			<u>303,972</u>		<u>334,649</u>

The notes on pages 20 to 36 form an integral part of these financial statements.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Scottish Baroque Ensemble Limited is a private company limited by guarantee incorporated in Scotland. The registered office is Capella (10th Floor), 60 York Street, Glasgow, G2 8JX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing documentation, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Covid-19 pandemic has created a degree of uncertainty and the Trustees have assessed its potential impact on the finances and future of the charity. Further disclosure is made in the Trustees' Report.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Raising Funds

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events together with those costs incurred in seeking donations, grants and legacies and investment management costs.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% straight line
Fixtures and fittings	10% reducing balance
Computer Equipment	33.3% straight line
Music	10% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is recognised as a charity by HM Revenue & Customs and is not liable for corporation tax on any surplus made on its charitable activities. No provision for corporation tax is made in the accounts.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

3 Donations

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations	92,953	81,441	98,100	272,494	115,119	38,955	154,074
Legacies	-	-	-	-	60,000	-	60,000
Creative Scotland - core funding	333,333	-	-	333,333	333,333	-	333,333
The Bridge - Creative Europe funding	-	-	31,713	31,713	-	-	-
Local authorities	-	-	23,900	23,900	21,242	23,870	45,112
	<u>426,286</u>	<u>81,441</u>	<u>153,713</u>	<u>661,440</u>	<u>529,694</u>	<u>62,825</u>	<u>592,519</u>

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Income from charitable activities

	2020 £	2019 £
Own promotions income	94,297	115,101
Engagement income	211,796	240,970
Orchestra/Theatre Tax Relief - current year claim	47,000	20,566
Orchestra/Theatre Tax Relief - resubmitted historic claims	30,285	-
Education and outreach income	9,050	13,750
CD sales and royalties	11,472	11,068
	<u>403,900</u>	<u>401,455</u>
Analysis by fund		
Unrestricted funds - general	382,300	401,455
Restricted funds	21,600	-
	<u>403,900</u>	<u>401,455</u>

5 Investment income

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	<u>778</u>	<u>312</u>

6 Other income

	Total 2020 £	Unrestricted funds general 2019 £
Net gain on disposal of tangible fixed assets	<u>-</u>	<u>1,624</u>

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Raising funds

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Marketing and fundraising	44,048	41,882
	<u>44,048</u>	<u>41,882</u>

8 Cost of charitable activities

	Total 2020 £	Total 2019 £
Staff costs	184,015	173,479
Depreciation and impairment	4,282	4,292
Project and activities costs	724,056	736,741
Premises costs	15,638	10,473
Running costs	27,335	28,283
Legal and professional	19,564	16,933
Accountancy costs	12,573	11,584
Interest and finance charges	2,068	2,125
Governance costs	5,620	4,950
	<u>995,151</u>	<u>988,860</u>
	<u>995,151</u>	<u>988,860</u>
Analysis by fund		
Unrestricted funds - general	804,375	934,360
Unrestricted funds - designated	22,313	-
Restricted funds	168,463	54,500
	<u>995,151</u>	<u>988,860</u>

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Trustees

During the year, three of Scottish Baroque Ensemble's core performers (2019: three) were Trustees and one regular freelance performer was a close relative of one of the Trustees. Fee payments totalling £81,434 (2019: £87,749) were made to these performers for their services as musicians during the period.

Payments of £151 (2019: £nil) were made to one (2019: nil) Trustee during the year for the reimbursement of travel expenses.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administrative	7	6

Employment costs

	2020 £	2019 £
Wages and salaries	166,772	158,234
Social security costs	12,228	12,040
Other pension costs	5,015	3,205
	184,015	173,479

During the year, total remuneration of £78,210 (2019: £73,245), which included wages and employer's national insurance and pension contributions, was paid in respect of key management personnel. Separately, three Trustees, who are not employees of the charity but are considered key management personnel, received performance fees of £79,056 (2019: £77,980) for the year.

There were no employees whose annual remuneration was £60,000 or more.

11 Net income/(expenditure) for the year

	2020 £	2019 £
Net income/(expenditure) for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	4,282	7,740
Profit on disposal of tangible fixed assets	-	(1,624)

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

12 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Computer Equipment £	Music £	Total £
Cost					
At 1 April 2019	39,781	6,943	12,756	3,678	63,158
Disposals	(39,781)	-	-	-	(39,781)
At 31 March 2020	-	6,943	12,756	3,678	23,377
Depreciation and impairment					
At 1 April 2019	39,781	6,644	8,169	3,678	58,272
Depreciation charged in the year	-	30	4,252	-	4,282
Eliminated in respect of disposals	(39,781)	-	-	-	(39,781)
At 31 March 2020	-	6,674	12,421	3,678	22,773
Carrying amount					
At 31 March 2020	-	269	335	-	604
At 31 March 2019	-	299	4,587	-	4,886

13 Stocks

	2020 £	2019 £
Stocks	2,057	2,057

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	3,527	36,513
Other debtors	2,228	-
Prepayments and accrued income	169,576	157,454
	175,331	193,967

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	3,004	7,082
Trade creditors	17,597	27,538
Accruals and deferred income	115,982	182,477
	136,583	217,097

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

16 Government grants

Deferred income represents £88,353 of the balance within accruals and deferred income at 31 March 2020 (£120,066 at 31 March 2019). This represents grant money from the European Commission Creative Europe fund towards The Bridge Project. Income is recognised as earned and in line with progress of the project. Funding was received up front during 2018/19 which was all accounted for as deferred income until the commencement of the project. In the year to 31 March 2020, £31,713 was released to Grant income, leaving a balance in deferred income at 31 March 2020 of £88,353.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 31 March 2020
	Balance at 1 April 2018	Income	Expenditure	Balance at 1 April 2019	Income	Expenditure		
	£	£	£	£	£	£	£	£
Creative Learning/Residencies	-	22,500	(20,500)	2,000	37,000	(39,000)	-	-
Fund for the future	-	3,825	-	3,825	-	-	(3,825)	-
Goldberg USA	-	2,500	-	2,500	-	(2,500)	-	-
Dundee	-	17,000	(17,000)	-	22,150	(22,150)	-	-
RCS week	-	600	(600)	-	-	-	-	-
Kuniko recording	-	400	(400)	-	-	-	-	-
Concerts by Candlelight Tour	-	1,000	(1,000)	-	-	-	-	-
Edinburgh Fringe	-	15,000	(15,000)	-	-	-	-	-
The Bridge	-	-	-	-	61,713	(51,713)	-	10,000
Anno in Japan	-	-	-	-	21,600	(21,600)	-	-
Chamber notes	-	-	-	-	500	(500)	-	-
Glasgow	-	-	-	-	16,000	(16,000)	-	-
Aberdeen	-	-	-	-	6,000	(6,000)	-	-
Inverness	-	-	-	-	1,350	-	-	1,350
Elemental	-	-	-	-	9,000	(9,000)	-	-
	-	62,825	(54,500)	8,325	175,313	(168,463)	(3,825)	11,350

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Restricted funds

(Continued)

Purposes of Restricted Funds

Creative Learning/Residencies

Funds received for projects incorporating education, outreach and performance activities in a range of Scottish regions.

Fund for the Future

Funds received for delivering initiatives outlined in Scottish Ensemble's Fund for the Future campaign, run during Scottish Ensemble's 50th anniversary year to support ongoing cross-artform projects, work with young people, and international collaboration over the next five years.

Goldberg USA

Funds reserved for performances of Scottish Ensemble's collaboration with Andersson Dance (Goldberg Variations - ternary patterns for insomnia) in the USA.

Dundee

Funds reserved for Scottish Baroque Ensemble activities taking place in Dundee.

RCS week

Funds reserved for five days spent coaching musicians at the Royal Conservatoire of Scotland.

Kuniko recording

Funds reserved for a recording project with percussionist Kuniko Kato.

Concerts by Candlelight Tour

Funds reserved for Scottish Ensemble's annual Concerts by Candlelight Tour.

Edinburgh Fringe

Funds reserved for performances of Anno (a collaboration with Anna Meredith) as part of the Made in Scotland showcase at the Edinburgh Festival Fringe.

The Bridge

Funds reserved for delivery of Creative Europe project "The Bridge" - a new international network and festival, led by Scottish Ensemble.

Anno in Japan

Funds reserved for the creation and premiere performances of a new audio visual commission by Anna and Eleanor Meredith.

Chamber Notes

Funds reserved for chamber music tours around Scotland.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Restricted funds

(Continued)

Glasgow

Funds reserved for activity taking place in Glasgow, and the associated support costs.

Aberdeen

Funds reserved for activity taking place in Aberdeen, and the associated support costs.

Inverness

Funds reserved for activity taking place in Inverness, and the associated support costs.

Elemental

Funds reserved for a four-date performance tour with Aidan O'Rourke and Kit Downes, focused around the premieres of a new commission by these guest collaborators.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

18 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Movement in funds					
	Balance at 1 April 2018	Transfers	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 31 March 2020
	£	£	£	£	£	£
Development fund - General	70,000	30,000	100,000	-	-	100,000
IT fund	2,000	-	2,000	-	-	2,000
Development fund - Anno recording and performance	30,000	(30,000)	-	-	-	-
Development fund - 50th Anniversary	50,000	-	50,000	-	-	-
The Bridge	-	-	-	-	(22,313)	22,313
Fund for the future	-	-	-	81,441	-	3,825
	<u>152,000</u>	<u>-</u>	<u>152,000</u>	<u>81,441</u>	<u>(22,313)</u>	<u>(23,862)</u>
						<u>187,266</u>

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

18 Unrestricted funds - designated

(Continued)

Purposes of Designated Funds

Development fund - General

Funds reserved for the future development of the Scottish Baroque Ensemble. The Development fund will be drawn upon as required to support the charity's strategic initiatives.

IT fund

Funds reserved for replacement of computer hardware.

Development fund - Anno Recording and performance

Funds reserved for an audio recording of Anno - a collaboration with Anna Meredith - and for live performances of the same project as part of the Made in Scotland Showcase at the Edinburgh Festival Fringe.

Development fund - 50th Anniversary

Funds reserved for performances during Scottish Ensemble's 50th anniversary season spanning 2019-20.

The Bridge

Funds reserved for delivery of Creative Europe project "The Bridge" - a new international network and festival, led by Scottish Ensemble.

Fund for the future

Funds reserved for delivering initiatives outlined in Scottish Ensemble's Fund for the Future campaign, run during Scottish Ensemble's 50th anniversary year to support ongoing cross-artform projects, work with young people, and international collaboration over the next five years.

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

19 Analysis of net assets between funds

	General Fund 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total 2020 £	General Fund 2019 £	Designated Funds 2019 £	Restricted Funds 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:								
Tangible assets	604	-	-	604	4,886	-	-	4,886
Current assets/(liabilities)	146,161	187,266	11,350	344,777	153,251	152,000	8,325	313,576
	<u>146,765</u>	<u>187,266</u>	<u>11,350</u>	<u>345,381</u>	<u>158,137</u>	<u>152,000</u>	<u>8,325</u>	<u>318,462</u>

SCOTTISH BAROQUE ENSEMBLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	10,134	11,705
Between two and five years	4,426	18,009
	<u>14,560</u>	<u>29,714</u>

21 Covid-19

In March 2020, the World Health Organisation declared the Covid-19 outbreak a pandemic. The long-term financial implications are not yet known but there has been significant disruption to Scottish Ensemble's operations in 2020/21, as disclosed in more detail in the Trustees' Report.

The Trustees have considered the period up to the date of approval of the financial statements and further disclosure on the impact of the ongoing consequences of the pandemic is noted in the Trustees' Report. The Trustees do not consider that any events have arisen after the balance sheet date which would indicate an impairment to assets held as at 31 March 2020.

22 Related party transactions

Other than the transactions noted in the Trustees' emoluments note (Note 9), there were no disclosable related party transactions during the year (2019 - none).

23 Cash generated from operations

	2020 £	2019 £
Surplus/(deficit) for the year	26,919	(34,832)
Adjustments for:		
Investment income recognised in statement of financial activities	(778)	(312)
Gain on disposal of tangible fixed assets	-	(1,624)
Depreciation and impairment of tangible fixed assets	4,282	4,292
Movements in working capital:		
(Increase)/decrease in stocks	-	225
Decrease/(increase) in debtors	18,636	(62,507)
(Decrease)/increase in creditors	(80,514)	121,371
Cash (absorbed by)/generated from operations	<u>(31,455)</u>	<u>26,613</u>

24 Analysis of changes in net funds

The charity had no debt during the year.