

ENTERPRISE MUSIC SCOTLAND LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
30 SEPTEMBER 2011

Charity Number SC020803



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COMPANIES HOUSE

THE A9 PARTNERSHIP LIMITED

Chartered Accountants
Abercorn School
Newton
Broxburn
EH52 6PZ

**ENTERPRISE MUSIC SCOTLAND LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

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**ENTERPRISE MUSIC SCOTLAND LIMITED
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name Enterprise Music Scotland Limited

Charity number SC020803

Company registration number SC141360

Trustees Roy Alexander
Keith Bruce
Jean Campbell
Thomas Chadwick (Chairman)
Julian Clayton
John Craig
Anne Cumberland
John Davidson
John Hearne
Neil Hoyle
Ann Napier
Hilary Payne
Christine Tait

Secretary Roy Alexander

Independent examiner Victoria R Walsh, CA
Abercorn School
Newton
Broxburn
EH52 6PZ

Bankers Bank of Scotland Plc
1 Mid Stocket Road
Aberdeen
AB15 5JL

Solicitors Burnett and Reid
15 Golden Square
Aberdeen
AB10 1PQ

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2011

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 30 September 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Roy Alexander
Keith Bruce
Jean Campbell
Thomas Chadwick (Chairman)
Julian Clayton
John Craig
Anne Cumberland
John Davidson
John Hearne
Neil Hoyle
Ann Napier
Hilary Payne
Christine Tait

INTRODUCTION

Enterprise Music Scotland Limited aims to represent and support the work of music clubs, art guilds and other bodies with similar interests. The main source of income is Creative Scotland. The company in turn makes grants to music societies and groups throughout Scotland with the aim of encouraging concerts and recitals of classical music.

LEGAL STATUS

Enterprise Music Scotland Limited is a company registered in Scotland and Limited by Guarantee. It was established in 1992. Enterprise Music Scotland Limited is also a registered charity.

OBJECTIVES

The objective and principal activity of the company is to advance the education of the public in, and to stimulate the performance of live music in Scotland. The company helps to fund the performance of various kinds of music but it is principally involved in classical chamber music.

ORGANISATION

The membership the company is made up of organisations dedicated to the promotion of music in Scotland. The Board of Directors consists of representative directors nominated by the member organisations and co-opted directors nominated by the Board.

In addition to regular meetings of the whole Board of Trustees, there are various sub-committees of the Board members which meet to run specific activities of the organisation's work in conjunction with the Executive Manager and her support staff.

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2011

ACHIEVEMENTS AND PERFORMANCE

In the year ended 30 September 2011, 70 music clubs were supported with 474 concerts to be promoted with a total audience of 50,450 and 50% of these are from rural areas. The support for these clubs continues to be very satisfactory.

Enterprise Music Scotland continues to receive substantial investment from Creative Scotland for its chamber music activities. Given the current economic situation, we are very fortunate to have this continuing support for our mainstream work. In addition we have enjoyed additional grant funding for the Chamber Music day which was held nationally on 24 September 2011 and for an International Chamber Music Conference to be held in Glasgow in May 2012.

The Trustees are keen to encourage an expansion in the activities of EMS. Our activities in the education of children have again expanded and the Residency Project progresses in a satisfactory manner. Pure Brass who participated in the St Magnus Festival in Orkney in June are just completing their residency and The Sutherland Duo are now in their second year. The Maxwell String Quartet have recently been selected as the latest participants in the Residency Project.

Early in 2011, EMS were approached by Creative Scotland to see if we would be prepared to manage grant applications to a separately funded Tradarts Fund for traditional music, drama and storytelling, and we have recently taken on this work as a pilot project.

The Board continues to examine its own development and management on a regular basis. The Executive Committee met on four occasions during the year as did the full Board.

FINANCIAL CONTROLS

The finances of the organisation are controlled by the Executive Committee consisting of four members of the Board. Monthly management accounts are maintained and presented at every Board meeting. The Board continues to monitor possible risks facing the company and has procedures to manage them. The Board has retained sufficient financial reserves to enable the short-term continuation of activities, or an organised run-down of activities, should our main source of funding be unexpectedly withdrawn.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Enterprise Music Scotland Limited for the purposes of company law) are responsible for preparing the Trustees Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for

**ENTERPRISE MUSIC SCOTLAND LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2011

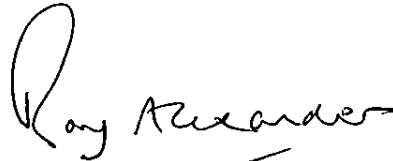
safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

Victoria R Walsh, CA has been re-appointed as independent examiner for the ensuing year.

Registered office:
Abercorn School
Newton
Broxburn
Lothian
EH52 6P2

Signed by order of the trustees

A handwritten signature in black ink, appearing to read 'Roy Alexander', with a horizontal line drawn underneath the name.

ROY ALEXANDER
Charity Secretary

26 November 2011

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES AND MEMBERS OF ENTERPRISE MUSIC SCOTLAND LIMITED

YEAR ENDED 30 SEPTEMBER 2011

I report on the accounts of the charity for the year ended 30 September 2011 set out on pages 6 to 14.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

The charity's trustees (who are also the directors of Enterprise Music Scotland Limited for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to state, on the basis of my examination as required under section 44(1) (c) of the Act, whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view'.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 386 of the Companies Act 2006); and
- accounts are prepared which agree with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Victoria R Walsh

Victoria R Walsh, CA
Independent examiner

Abercorn School
Newton
Broxburn
EH52 6PZ

28 November 2011

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 30 SEPTEMBER 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Grants and donations received	2	250,570	58,400	308,970	244,178
Investment income	3	107	—	107	106
Other incoming resources	4	12,663	—	12,663	12,492
TOTAL INCOMING RESOURCES		263,340	58,400	321,740	256,776
RESOURCES EXPENDED					
Charitable activities	5/6	(280,393)	(27,384)	(307,777)	(241,610)
Governance costs	7	(5,066)	—	(5,066)	(5,343)
Other resources expended	8	(6,837)	—	(6,837)	(9,466)
TOTAL RESOURCES EXPENDED		(292,296)	(27,384)	(319,680)	(256,419)
NET INCOMING RESOURCES FOR THE YEAR	9	(28,956)	31,016	2,060	357
RECONCILIATION OF FUNDS					
Total funds brought forward		134,269	—	134,269	133,913
TOTAL FUNDS CARRIED FORWARD		105,313	31,016	136,329	134,270

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 14 form part of these financial statements.

**ENTERPRISE MUSIC SCOTLAND LIMITED
COMPANY LIMITED BY GUARANTEE**

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 SEPTEMBER 2011

	Note	2011 £	2010 £
INCOME		321,633	256,670
TOTAL EXPENDITURE		(319,680)	(256,419)
OPERATING SURPLUS	9	1,953	251
OTHER INCOME			
Interest receivable and similar income	3	107	106
RETAINED SURPLUS FOR THE FINANCIAL YEAR		2,060	357

The Income and Expenditure Account includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 14 form part of these financial statements.

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

30 SEPTEMBER 2011

	Note	2011 £	£	2010 £
FIXED ASSETS				
Tangible assets	11		1,973	3,235
CURRENT ASSETS				
Debtors	12	47,529		633
Cash at bank		173,755		161,909
		221,284		162,542
CREDITORS: Amounts falling due within one year	13	(86,928)		(31,508)
NET CURRENT ASSETS			134,356	131,034
TOTAL ASSETS LESS CURRENT LIABILITIES			136,329	134,269
NET ASSETS			136,329	134,269
FUNDS				
Restricted income funds	14		31,016	—
Unrestricted income funds	15		105,313	134,269
TOTAL FUNDS			136,329	134,269

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

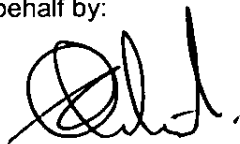
The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee on the 26 November 2011 and are signed on their behalf by:

Thomas Chadwick
Trustee



Company Registration Number: SC141360

The notes on pages 9 to 14 form part of these financial statements.

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Web site costs and equipment -	25% per annum straight line
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Grants provided

Grants are recorded as they are paid, or as they fall due to be paid. Grants falling due but unpaid at the year end are held within creditors in the accounts.

Grants received

Grants of a revenue nature are credited to the income and expenditure account on an accruals basis.

Income from the Scottish Tours book

Income relating to the Scottish Tours book is included in revenue in the period in which the book is published.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

Deferred income

The receipt in advance of a donation for expenditure that must take place in a future accounting period is accounted for as deferred income and is recognised as a liability until the accounting period in which the charity is allowed by the condition to expend the resource.

2. GRANTS AND DONATIONS RECEIVED

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations				
Donations and sundry income	6,080	-	6,080	6,328
Grants receivable				
Scottish Arts Council	-	-	-	192,600
Creative Scotland	240,890	58,400	299,290	44,500
PRS	3,600	-	3,600	750
	<u>250,570</u>	<u>58,400</u>	<u>308,970</u>	<u>244,178</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	107	107	106

4. OTHER INCOMING RESOURCES

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Scottish Tours Conference income	1,394	1,394	1,488
Scottish Tours book income	10,519	10,519	9,129
Children's Classical Concert - income	750	750	1,875
	<u>12,663</u>	<u>12,663</u>	<u>12,492</u>

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Grants distributed	158,300	23,665	181,965	167,100
Amounts under/ (over)provided in prior years	3,595	—	3,595	(9,974)
Workshop, residencies and other projects	68,802	—	68,802	40,067
Payments to advisors	—	750	750	—
Stationery and postage	3,297	—	3,297	2,720
Insurance	135	—	135	133
Wages and national insurance	23,442	1,900	25,342	28,043
Advertising and newsletters	447	—	447	918
Travelling expenses	5,034	104	5,138	1,225
General expenses	582	125	707	927
Depreciation	1,262	—	1,262	1,764
Secretarial costs	15,497	840	16,337	8,687
	<u>280,393</u>	<u>27,384</u>	<u>307,777</u>	<u>241,610</u>

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Total Funds 2011 £	Total Funds 2010 £
Grants distributed	181,965	181,965	167,100
Amounts under/ (over)provided in prior years	3,595	3,595	(9,974)
Workshop, residencies and other projects	68,802	68,802	40,067
Payments to advisors	750	750	—
Stationery and postage	3,297	3,297	2,720
Insurance	135	135	133
Wages and national insurance	25,342	25,342	28,043
Advertising and newsletters	447	447	918
Travelling expenses	5,138	5,138	1,225
General expenses	707	707	927
Depreciation	1,262	1,262	1,764
Secretarial costs	16,337	16,337	8,687
	<u>307,777</u>	<u>307,777</u>	<u>241,610</u>

During the year the charity made grants to 67 music societies throughout Scotland. The total amounts payable to each society ranged from £600 to £4,200.

The charity also paid grants to 14 individuals and organisations as part of the Traditional Arts Small Grants project. Amounts paid ranged from £550 to £3,000.

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

7. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Legal and professional fees	1,998	1,998	1,559
Costs of trustee meetings and AGM	2,948	2,948	3,351
Independent examiners fees	120	120	433
	<u>5,066</u>	<u>5,066</u>	<u>5,343</u>

8. OTHER RESOURCES EXPENDED

	Unrestricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£
Scottish Tours conference expenses	2,509	2,509	1,849
Scottish Tours book expenses	4,016	4,016	7,280
Children's Classical Concert expenses	312	312	337
	<u>6,837</u>	<u>6,837</u>	<u>9,466</u>

9. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2011	2010
	£	£
Depreciation	<u>1,262</u>	<u>1,764</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2011	2010
	£	£
Wages and salaries	23,279	26,106
Social security costs	2,063	1,937
	<u>25,342</u>	<u>28,043</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2011	2010
	No	No
	<u>1</u>	<u>2</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil).

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

11. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
COST	
At 1 October 2010 and 30 September 2011	<u>8,350</u>
DEPRECIATION	
At 1 October 2010	5,115
Charge for the year	<u>1,262</u>
At 30 September 2011	<u>6,377</u>
NET BOOK VALUE	
At 30 September 2011	<u>1,973</u>
At 30 September 2010	<u>3,235</u>

12. DEBTORS

	2011 £	2010 £
Trade debtors	47,390	—
Other debtors	9	509
Prepayments	<u>130</u>	<u>124</u>
	<u>47,529</u>	<u>633</u>

13. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	19,300	26,600
PAYE and social security	554	640
Other creditors	<u>67,074</u>	<u>4,268</u>
	<u>86,928</u>	<u>31,508</u>

Other creditors include £47,500 (2010 - £nil) in respect of deferred income.

14. RESTRICTED INCOME FUNDS

	Incoming resources £	Outgoing resources £	Balance at 30 Sep 2011 £
The Traditional Arts Small Projects Fund	<u>58,400</u>	<u>(27,384)</u>	<u>31,016</u>

ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2011

15. UNRESTRICTED INCOME FUNDS

	Balance at 1 Oct 2010 £	Incoming resources £	Outgoing resources £	Balance at 30 Sep 2011 £
General Funds	<u>134,269</u>	<u>263,340</u>	<u>(292,296)</u>	<u>105,313</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds:			
The Traditional Arts Small Projects Fund	-	31,016	31,016
Unrestricted Income Funds	<u>1,973</u>	<u>103,340</u>	<u>105,313</u>
Total Funds	<u>1,973</u>	<u>134,356</u>	<u>136,329</u>

17. RELATED PARTY TRANSACTIONS

Roy Alexander is also a director of The A9 Partnership (Aberdeen) Limited. The amount included in support costs in respect of charges payable to The A9 Partnership (Aberdeen) Limited was £1,968 (2010 - £1,968). The A9 Partnership (Aberdeen) Limited provided the company with accountancy services.

During the year the company paid £2,112 (2010 - £2,273) to the trustees. This was mainly for travel expenses to attend company meetings and workshops. None of the trustees received any payments for wages.

18. COMPANY LIMITED BY GUARANTEE

Members of the company undertake to contribute to the assets of the company in the event of the same being wound up during the time that they are members, or within one year afterwards for payment of the debts and liabilities of the company contracted before the time at which they cease to be members and of the costs, charges and expenses of winding up the same and for the adjustment of the rights of contributories themselves, such amount as may be required not exceeding £1.