

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2002**



# **NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**

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**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND  
FOUNDATION INFORMATION  
For the year ended 31 December 2002**

|                                    |   |
|------------------------------------|---|
| <b>Committee of Management :</b>   | Dr John Ferguson-Smith (Chairman)<br>Sam Alder (Treasurer)<br>Alyson Carter<br>Pauline Etkin<br>Heather Gardner<br>Nancy Jarratt<br>Helen Tyler<br>Christopher Achenbach (Director of Services)<br>Stuart Hornall<br>Willie Wilson<br>Glenda Franklin |
| <b>Secretary :</b>                 | David Clement (Company Secretary)   |
| <b>Registered office :</b>         | 8 Academy Lane<br>Loanhead<br>Midlothian<br>EH20 9RP  |
| <b>Registered Company number :</b> | SC170692  |
| <b>Registered Charity number :</b> | SC018224  |
| <b>Solicitors :</b>                | Murray Beith Murray WS<br>39 Castle Street<br>Edinburgh<br>EH2 3BH  |
| <b>Auditors :</b>                  | John Mitchell & Co<br>Chartered Accountants<br>24A Ainslie Place<br>Edinburgh<br>EH3 6AJ  |
| <b>Bankers :</b>                   | Bank of Scotland<br>1 Castle Terrace<br>Edinburgh<br>EH1 2DP  |

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND  
REPORT OF THE DIRECTORS  
For the year ended 31 December 2002**

The Directors, who, in terms of the Law Reform (Miscellaneous Provisions)(Scotland) Act 1990, are Trustees of the Foundation, present their report with the financial statements of the Foundation for the year ended 31 December 2002.

**LEGAL AND ADMINISTRATIVE INFORMATION**

Nordoff-Robbins Music Therapy in Scotland is a company limited by Guarantee, governed by its Memorandum and Articles of Association. Details of the address of the registered office, the Foundation's advisers, its company and charity registration numbers are set out on Page 1. The Foundation was incorporated on 18 December 1996 and commenced operating on 1 January 1997.

The Foundation Trustees are the members of The Committee of Management, who are also Directors of the Foundation, names of whom are given below. The Trustees are appointed in accordance with provisions of the Memorandum and Articles of Association.

**CHARITY OBJECTIVES, DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS**

During 2002 Nordoff-Robbins Music Therapy in Scotland continued to maintain and develop clinical, information and training services in the field of Music therapy.

On 12<sup>th</sup> August 2002, Helen Johnson was appointed as part-time (3 days per week) Senior II Music Therapist, based at Nordoff-Robbins in Glasgow.

Plans having been made for the relocation of Mary Brown (Senior I Music Therapist, Dunfermline) to west central Scotland, a Senior I/II grade post was advertised, with duties to be shared between the Loanhead and Dunfermline bases. One applicant was eventually interviewed, but no appointment made, and the planned relocation was postponed.

Other staff continued their normal hours and duties, with Senior I therapists taking additional responsibility for the overall work of the Charity in the fields of clinical governance, service development and supervision. Several staff attended the World Music Therapy Congress in Oxford during the summer of 2002.

As in the previous year, therapists working for the Charity saw over 200 children and adults for both group and individual Music therapy sessions in the course of a typical school term week.

Therapists also continued to give a variety of lectures and workshops across Scotland.

In addition, a variety of requests for information continued to be received and processed by the charity; the majority of these were dealt with by David Clement (Administrator) at the Charity's Loanhead base. David also took on the duties of Company Secretary to the Charity from May 2002.

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND  
REPORT OF THE DIRECTORS  
For the year ended 31 December 2002**

**CHARITY OBJECTIVES, DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS cont.**

After over five years of work by charity staff in collaboration with colleagues at the University of Edinburgh, the goal of a Scottish Music therapy training course was finally achieved during 2002. James Robertson moved from Aberdeen to take up the post of Programme Co-ordinator at Moray House School of Education in April 2002, following a period of consultative work during which the planned course received academic validation. (As planned, the post is financially supported by the English and Scottish Nordoff-Robbins charities and the International Trust for Nordoff-Robbins Music Therapy.)

Five students commenced training during August 2002, reading for the Postgraduate Diploma in Music Therapy (Nordoff-Robbins). Senior charity staff continued to be involved in many aspects of the preparation and delivery of the new course. Their work included assisting with arrangements for clinical placements, and undertaking teaching and supervisory duties.

Dr John Ferguson-Smith was appointed to the Board of Management in January 2002, and was elected Chairman in September on the retirement of Colin Maitland Dougall both from that office and as a Director of the Charity. Colin steered the Charity with deftness and vision for almost five years, and the Board of Management and staff of the Charity are deeply grateful for his leadership and unstinting work during his period of office.

An Open Lunch was held at the Charity's Loanhead base during February 2002, at which guests included representatives from Midlothian Council and staff from Midlothian services associated with Nordoff-Robbins. Heather Gardner (Director of the Charity) was responsible for the arrangements and catering, and the Board would like to express gratitude for all her work.

The Scottish Nordoff-Robbins Fundraising Committee continued to support the work of the charity during 2002. As before, they arranged and hosted a number of events during the year, including a London-based Burns Supper, a Golf Day and the fourth annual Tartan Clef Awards in Glasgow.

Among significant donations to the Charity during 2002 was one of £2,000 from the Rotary Club of Dunfermline, who generously hosted a concert in Dunfermline Abbey given by the Band of H. M. Royal Marines, Rosyth, with guest soloists.

The charity remains extremely grateful to all business, charitable bodies, families and individuals who have given so generously towards the work of the charity, as well as to all members of the Fundraising Committee who have again offered their time and energy to this cause.

Finally, I would like to note with sadness that Sybil Beresford-Peirse died on 27 July 2002. Her funeral in London was attended by a number of Directors of the Charity. Sybil, who worked closely with Paul Nordoff and Clive Robbins for a number of years, founded the first British Nordoff-Robbins charity, and was a true pioneer of the Nordoff-Robbins approach to Music therapy. Following her death, permission was given by her family for the first Beresford-Peirse Lecture to be given at the University of Edinburgh during 2003.

Chris Achenbach  
Director of Services  
26 September 2003

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**REPORT OF THE DIRECTORS cont.**  
**For the year ended 31st December 2002**

**RESULTS FOR THE YEAR AND FINANCIAL POSITION OF THE CHARITY**

The results of the Charity for the year are shown in detail by the Statement of Financial Activities on Page 11 of these financial statements. In summary, the Charity raised gross funds of £312,880 (2001 : £299,072) of which £203,205 (2001 : £159,078) was expended on running the unit and £117,133 (2001 : £98,644) on fundraising events and publicity. This resulted in an operating deficit of £5,568 (2001 surplus : £41,350), onto which can be added interest and other income of £1,022 (2001 : £702) creating a net deficit of £4,546 (2001 surplus : £42,052).

The Charity's assets are held for the furtherance of its objectives and the Trustees estimate their value to be not materially different from that shown by the Balance Sheet on page 8.

Nordoff-Robbins Music Therapy, London, through the International Trust for Nordoff-Robbins Music Therapy, has pledged to support Nordoff-Robbins Music Therapy in Scotland financially by underwriting any salaries of Nordoff-Robbins music therapists or any other clinical staff in the event that it is unable to meet these obligations out of its own funds. This undertaking has been given on an academic year to year basis and has been renewed for the current year. The Trustees believe that this undertaking will be renewed annually.

The Directors have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

Based on the above, the Charity has sufficient cash resources to enable it to meet its financial and budgetary commitments for 2003.

**THE COMMITTEE OF MANAGEMENT**

The Committee of Management, all of whom were Directors of the company for the whole year unless otherwise stated, is listed below :

**Nominated Members of the Committee of Management**

Sam G Alder  
Pauline Etkin

**Elected Members of the Committee of Management**

|                       |   |
|-----------------------|---|
| Alyson Carter         | Dr John Ferguson-Smith (From 25 <sup>th</sup> January 2002)                           |
| Helen M Tyler         | Stuart Hornall  |
| Christopher Achenbach | Glenda Franklin   |
| Heather Gardner       | Willie Wilson   |
| Nancy M Jarratt       | Colin Maitland Dougall (From 1 <sup>st</sup> January-13 <sup>th</sup> September 2002) |

Three elected members of the Committee, Heather Gardener, Nancy Jarratt, Stuart Hornall retire from office at the Annual General Meeting and being eligible offer themselves for re-election in accordance with the Articles of Association.

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**REPORT OF THE DIRECTORS cont.**  
**For the year ended 31st December 2002**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

- select suitable accounting policies and then apply them consistently ;
- make judgements and estimates that are reasonable and prudent ;
- comply with applicable accounting standards and statements of recommended practice 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 Foundation will continue its activities.

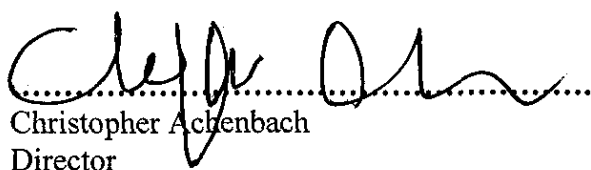
The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Foundation and to prevent and detect fraud and other irregularities.

**AUDITORS**

The auditors, John Mitchell & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD :**

  
.....  
Christopher Achenbach  
Director

Dated : 26 September 2003

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND  
AUDITORS' REPORT TO THE MEMBERS  
OF NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**

We have audited the financial statements on pages 7 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described on page 5 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

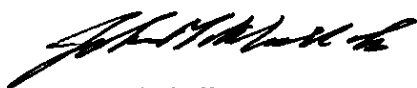
**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Foundation's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the Foundation's affairs at 31 December 2002 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



John Mitchell & Co.  
Chartered Accountants  
Registered Auditor  
24A Ainslie Place  
Edinburgh  
EH3 6AJ

Dated : 26 September 2003



**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an Income and Expenditure Account)**  
**For the year ended 31 December 2002**

|  |              | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total<br/>Funds</b> | <b>2001<br/>Total</b> |
|--|--------------|-------------------------------|-----------------------------|------------------------|-----------------------|
|  | <b>Notes</b> | <b>£</b>                      | <b>£</b>                    | <b>£</b>               | <b>£</b>              |
| <b>Incoming resources</b>  |              |                               |                             |                        |                       |
| Fundraising  |              | 218,611                       | -                           | 218,611                | 213,283               |
| Donations  |              | 8,441                         | 15,000                      | 23,441                 | 38,333                |
| Fees   |              | 72,718                        | -                           | 72,718                 | 47,456                |
| Other income   | <b>3</b>     | 1,022                         | -                           | 1,022                  | 702                   |
| <b>Total incoming resources</b>  |              | <b>300,792</b>                | <b>15,000</b>               | <b>315,792</b>         | <b>299,774</b>        |
| Cost of generating funds:  |              |                               |                             |                        |                       |
| Fundraising costs  | <b>5</b>     | 117,133                       | -                           | 117,133                | 98,644                |
| <b>Net incoming resources available for<br/>charitable application</b> |              | <b>183,659</b>                | <b>15,000</b>               | <b>198,659</b>         | <b>201,130</b>        |
| <b>Charitable expenditure</b>  |              |                               |                             |                        |                       |
| Cost of activities in furtherance<br>of the charity's objects          | <b>4</b>     | 154,016                       | 16,579                      | 170,595                | 138,800               |
| Management and administration  | <b>6</b>     | 32,610                        | -                           | 32,610                 | 20,278                |
| <b>Total charitable expenditure</b>                                    |              | <b>186,626</b>                | <b>16,579</b>               | <b>203,205</b>         | <b>159,078</b>        |
| <b>Total resources expended</b>  |              | <b>303,759</b>                | <b>16,579</b>               | <b>320,338</b>         | <b>257,722</b>        |
| <b>Net (Outgoing)/Incoming Resources</b>                               |              | <b>(2,967)</b>                | <b>(1,579)</b>              | <b>(4,546)</b>         | <b>42,052</b>         |
| Fund balances brought forward  |              | 50,140                        | 21,710                      | 71,850                 | 29,798                |
| <b>Total funds carried forward</b>                                     |              | <b>47,173</b>                 | <b>20,131</b>               | <b>67,304</b>          | <b>71,850</b>         |

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the deficit for the current year.

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

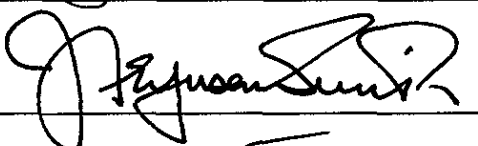
**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**BALANCE SHEET**  
As at 31 December 2002

|  | Notes | £             | £             | 2001<br>£     |
|--|-------|---------------|---------------|---------------|
| <b>FIXED ASSETS</b>                              |       |               |               |               |
| Tangible Assets                                  | 7     |               | 31,162        | <u>31,459</u> |
| <b>CURRENT ASSETS</b>                            |       |               |               |               |
| Stock  |       | 391           |               | 73            |
| Debtors  | 8     | 41,809        |               | 30,014        |
| Cash at bank and in hand                         |       | <u>25,305</u> |               | <u>33,685</u> |
|  |       | 67,505        |               | 63,772        |
| <b>CREDITORS</b>                                 |       |               |               |               |
| Amounts falling due within one year              | 9     | <u>31,363</u> |               | <u>23,381</u> |
| <b>NET CURRENT ASSETS</b>                        |       |               | <u>36,142</u> | <u>40,391</u> |
| <b>TOTAL ASSETS LESS<br/>CURRENT LIABILITIES</b> |       |               | <u>67,304</u> | <u>71,850</u> |
| <b>CAPITAL AND RESERVES</b>                      |       |               |               |               |
| Restricted funds                                 | 10    |               | 20,131        | 21,710        |
| Unrestricted funds                               | 10    |               | <u>47,173</u> | <u>50,140</u> |
|  |       |               | <u>67,304</u> | <u>71,850</u> |

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

The financial statements were approved by the Committee of Management on  
and signed on their behalf by :

 Sam G. Alder, Director

 Dr John Ferguson-Smith, Director

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

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2002**

**1. ACCOUNTING POLICIES**

**Status of the Company**

Nordoff- Robbins Music Therapy in Scotland is a company limited by guarantee of its members and does not have a share capital. Each member in pursuance of Clause 6 of the Memorandum of Association has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being wound up whilst he or she is a member.

The company is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result, there is no liability to taxation on any of its income.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards and the Statement of Recommended Practice for Charity Accounts approved by the Accounting Standards Board in October 2000.

**Funds**

With the adoption of the Statement of Recommended Practice, all income and expenditure is dealt with through the Statement of Financial Activities, including those items which under previous practice were dealt with separately as movements in miscellaneous reserves. The Foundation's funds are classified in accordance with the definitions in the Statement of Recommended Practice into Restricted Funds, where there are restrictions placed by a donor as to the use of income or capital, and Unrestricted Funds which are expendable at the discretion of the Committee of Management in the furtherance of the objects of the Foundation.

The Restricted Funds relate to funds donated for the employment of a therapist to cover the Fife region and for the provision of an equipped prefabricated therapy unit in Dunfermline.

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**NOTES TO THE ACCOUNTS continued**  
**For the year ended 31 December 2002**

**ACCOUNTING POLICIES continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Musical instruments and equipment - 10% Reducing balance

Office fittings and equipment - 20% Straight line

Buildings - 5% Straight line

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

**Income**

Income is recognised on a receivable basis and represents the operating income of the Foundation including all income from fees, fundraising events and donations.

**Expenditure allocation**

Where possible management and support costs have been charged direct to charitable activities or administration. Where this is not possible, the expenditure has been apportioned to reflect the value each activity derives from the expenditure.

**VAT**

The Charity is not registered for VAT. Accordingly expenditure is shown inclusive of VAT in the financial statements.

**Financial Reporting Standard Number 1**

The Charity has taken advantage of the exemption in Financial Reporting Standard Number 1 from the requirement to produce a cash flow statement.

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**NOTES TO THE ACCOUNTS continued**  
**For the year ended 31 December 2002**

**2. OPERATING DEFICIT**

|  | £              | 2001<br>£      |
|--|----------------|----------------|
| <b>The deficit is stated after charging :</b>                                  |                |                |
| Auditor's remuneration (including fees and expenses):                          |                |                |
| Audit  | 1,704          | 1,575          |
| Other Services   | 1,997          | 1,492          |
| Depreciation of tangible assets (note 7)                                       | 3,688          | 3,243          |
| Employees' emoluments:   |                |                |
| Salaries   | 107,564        | 82,002         |
| Social security costs  | 9,272          | 6,960          |
| Director's emoluments and other benefits etc.                                  | <u>41,370</u>  | <u>40,018</u>  |
|  | <u>165,595</u> | <u>135,290</u> |
| The average number of employees during the year,<br>excluding Directors, was : |                |                |
| Music Therapists   | 8              | 7              |
| Management and administration  | <u>1</u>       | <u>1</u>       |
|  | <u>9</u>       | <u>8</u>       |

No employee received emoluments of more than £50,000

**3. OTHER INCOME**

|                                    | £            | £          |
|------------------------------------|--------------|------------|
| Bank and Building Society interest | 387          | 563        |
| Sale of Christmas cards            | 332          | -          |
| Sale of books                      | <u>303</u>   | <u>139</u> |
|                                    | <u>1,022</u> | <u>702</u> |

**4. COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITABLE OBJECTS**

|                                  | Unrestricted<br>Fund<br>£ | Restricted<br>Fund<br>£ | Total<br>£     | 2001<br>Total<br>£ |
|----------------------------------|---------------------------|-------------------------|----------------|--------------------|
| Wages and salaries               | 128,330                   | 15,000                  | 143,330        | 119,693            |
| Telephone                        | 3,349                     | -                       | 3,349          | 2,034              |
| Printing, postage and stationery | 2,948                     | -                       | 2,948          | 2,226              |
| Motor and travel                 | 7,205                     | -                       | 7,205          | 3,947              |
| Leasing                          | 323                       | -                       | 323            | -                  |
| Repairs and maintenance          | 882                       | -                       | 882            | 358                |
| Depreciation                     | 1,476                     | 1,579                   | 3,055          | 2,752              |
| Training                         | 2,313                     | -                       | 2,313          | 1,298              |
| Premises costs                   | <u>7,190</u>              | <u>-</u>                | <u>7,190</u>   | <u>6,492</u>       |
|                                  | <u>154,016</u>            | <u>16,579</u>           | <u>170,595</u> | <u>138,800</u>     |

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**NOTES TO THE ACCOUNTS continued**  
**For the year ended 31 December 2002**

**5. FUNDRAISING COSTS**

|                                  | <b>Unrestricted<br/>Fund<br/>£</b> | <b>2001<br/>£</b> |
|----------------------------------|------------------------------------|-------------------|
| Fundraising events expenses      | 81,197                             | 72,788            |
| Fundraisers fees                 | 24,409                             | 16,820            |
| Fundraising administrative costs | 9,637                              | 7,786             |
| Provision for bad debts          | 1,890                              | -                 |
| Bad debts                        | -                                  | 1,250             |
|                                  | <u>117,133</u>                     | <u>98,644</u>     |

**6. MANAGEMENT AND ADMINISTRATION**

|                                  | <b>Unrestricted<br/>Fund<br/>£</b> | <b>Restricted<br/>Fund<br/>£</b> | <b>2001<br/>£</b> |
|----------------------------------|------------------------------------|----------------------------------|-------------------|
| Wages                            | 14,876                             | -                                | 9,286             |
| Telephone                        | 1,435                              | -                                | 872               |
| Printing, postage and stationery | 1,263                              | -                                | 954               |
| Motor and travel                 | 3,088                              | -                                | 1,692             |
| Entertaining                     | 930                                | -                                | 513               |
| Leasing                          | 138                                | -                                | -                 |
| Repairs and maintenance          | 378                                | -                                | 153               |
| Premises costs                   | 3,081                              | -                                | 2,782             |
| Secretarial support              | 573                                | -                                | -                 |
| Books for resale                 | 1,875                              | -                                | -                 |
| Accounting                       | 1,997                              | -                                | 1,492             |
| Auditors remuneration            | 1,704                              | -                                | 1,575             |
| Miscellaneous                    | 639                                | -                                | 466               |
| Bank interest                    | -                                  | -                                | 2                 |
| Depreciation                     | 633                                | -                                | 491               |
|                                  | <u>32,610</u>                      | <u>-</u>                         | <u>20,278</u>     |

**7. TANGIBLE FIXED ASSETS**

|                       | <b>Buildings<br/>£</b> | <b>Musical Instruments<br/>and equipment<br/>£</b> | <b>Office fittings<br/>and equipment<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|------------------------|--|--|--------------------|
| <b>COST</b>           |                        |  |  |                    |
| At 1 January 2002     | 23,809                 | 12,657   | 6,194  | 42,660             |
| Additions             | -                      | 1,369  | 2,022  | 3,391              |
| At 31 December 2002   | <u>23,809</u>          | <u>14,026</u>                                      | <u>8,216</u>                                   | <u>46,051</u>      |
| <b>DEPRECIATION</b>   |                        |  |  |                    |
| At 1 January 2002     | 4,762                  | 3,954  | 2,485  | 11,201             |
| Charge for the year   | 1,190                  | 1,007  | 1,491  | 3,688              |
| At 31 December 2002   | <u>5,952</u>           | <u>4,961</u>                                       | <u>3,976</u>                                   | <u>14,889</u>      |
| <b>NET BOOK VALUE</b> |                        |  |  |                    |
| At 31 December 2002   | <u>17,857</u>          | <u>9,065</u>                                       | <u>4,240</u>                                   | <u>31,162</u>      |
| At 31 December 2001   | <u>19,047</u>          | <u>8,703</u>                                       | <u>3,709</u>                                   | <u>31,459</u>      |

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**NOTES TO THE ACCOUNTS continued**  
**For the year ended 31 December 2002**

**8. DEBTORS : AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

|                | £             | 2001<br>£     |
|----------------|---------------|---------------|
| Trade debtors  | 5,446         | 892           |
| Sundry debtors | 32,659        | 17,524        |
| Prepayments    | 650           | 1,965         |
| Accrued income | <u>3,054</u>  | <u>9,633</u>  |
|                | <u>41,809</u> | <u>30,014</u> |

**9. CREDITORS : AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

|                               | £             | 2001<br>£     |
|-------------------------------|---------------|---------------|
| Sundry creditors              | 21,071        | 12,693        |
| Deferred income               | 10,292        | 3,300         |
| Social security & other taxes | <u>-</u>      | <u>7,388</u>  |
|                               | <u>31,363</u> | <u>23,381</u> |

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|                           | <b>Tangible<br/>Fixed<br/>Assets<br/>£</b> | <b>Cash at<br/>Bank and<br/>In Hand<br/>£</b> | <b>Other Net<br/>Current<br/>Assets<br/>£</b> | <b>Total<br/>£</b> |
|---------------------------|--|---|---|--------------------|
| <b>UNRESTRICTED FUNDS</b> | 11,031                                     | 25,305  | 10,837  | 47,173             |
| <b>RESTRICTED FUNDS</b>   | <u>20,131</u>                              | <u>-</u>                                      | <u>-</u>                                      | <u>20,131</u>      |
| <b>TOTAL FUNDS</b>        | <u>31,162</u>                              | <u>25,305</u>                                 | <u>10,837</u>                                 | <u>67,304</u>      |

**11. ACCUMULULATED FUNDS**

|                           | <b>Balance<br/>1 January<br/>£</b> | <b>Movement in Resources<br/>Incoming<br/>£</b> | <b>Resources<br/>Outgoing<br/>£</b> | <b>Balance<br/>31 December<br/>£</b> |
|---------------------------|------------------------------------|---|-------------------------------------|--------------------------------------|
| <b>UNRESTRICTED FUNDS</b> | 50,140                             | 300,792   | 303,759                             | 47,173                               |
| <b>RESTRICTED FUND</b>    | <u>21,710</u>                      | <u>15,000</u>                                   | <u>16,579</u>                       | <u>20,131</u>                        |
| <b>TOTAL FUNDS</b>        | <u>71,850</u>                      | <u>315,792</u>                                  | <u>320,338</u>                      | <u>67,304</u>                        |

**Purpose of Restricted Funds**

The balance will fund future depreciation of buildings and equipment which were originally purchased using restricted funds.

**NORDOFF - ROBBINS MUSIC THERAPY IN SCOTLAND**  
**NOTES TO THE ACCOUNTS continued**  
**For the year ended 31 December 2002**

**11. RELATED PARTY TRANSACTIONS**

Travel expenses amounting to £171 (2001: £1,058) were reimbursed to Directors during the year.

**12. OTHER FINANCIAL COMMITMENTS**

The company has an annual commitment of £802.16 in respect of leased office equipment expiring in November of 2007.