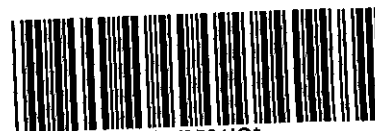


COMPANY REGISTRATION NUMBER SC141360  
CHARITY NUMBER SC020803

**ENTERPRISE MUSIC SCOTLAND LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30th SEPTEMBER 2007**

**BOWER + SMITH**  
Chartered Accountants  
6 Rubislaw Place  
Aberdeen  
AB10 1XN

FRIDAY



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

**FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2007**

<b>CONTENTS</b>	<b>PAGE</b>
Members of the board and professional advisers	1
Trustees annual report	2
Accountant's report	5
Statement of financial activities	6
Summary statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9

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

**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

<b>The board of trustees</b>	Robert Tait (Chairman) Roy Alexander Jean Campbell Thomas Chadwick Julian Clayton Ian Cowing Anne Cumberland John Hearne Helen Jamieson James MacDougall Hilary Payne William Runciman William Stevenson Hugh Walker Denys Wheatley (Vice chairman)
<b>Company secretary</b>	Roy Alexander
<b>Registered office</b>	Abercorn School Newton Broxburn Lothian EH52 6PZ
<b>Accountant</b>	Bower + Smith Chartered Accountants 6 Rubislaw Place Aberdeen AB10 1XN
<b>Bankers</b>	Bank of Scotland Plc 1 Mid Stocket Road Aberdeen AB15 5JL
<b>Solicitors</b>	Burnett and Reid 15 Golden Square Aberdeen AB10 1PQ

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

## **TRUSTEES ANNUAL REPORT**

**YEAR ENDED 30th SEPTEMBER 2007**

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 30th September 2007

### **INTRODUCTION**

Enterprise Music Scotland Limited aims to represent and support the work of music clubs, arts guilds and other bodies with similar interests. The main source of income is the Scottish Arts Council. The company in turn makes grants to music societies and groups throughout Scotland with the aim of encouraging concerts and recitals of 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 and knowledge of live music in Scotland. The company helps to fund the performances of various kinds of music but it is principally involved in classical music.

### **ORGANISATION**

The organisation is headed up by a Board of Directors. The membership of the organisation is made up from organisations dedicated to the promotion of music in Scotland and individuals or organisations who are invited by the directors to become members in the furtherance of the organisation's objectives. Representative directors are nominated by the member organisations and co-opted directors are nominated by the Board. In addition to regular meetings of the whole Board of Trustees there are six sub-committees of Board members which meet to run specific activities of the organisation's work.

### **FINANCIAL CONTROLS**

The finances of the organisation are controlled by the Executive Committee consisting of four members of the Board and 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 withdrawn unexpectedly.

### **REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS**

In season 2006/2007, 67 music clubs were supported (66 in 2005/2006). 404 concerts were promoted (376 in 2005/2006) with a total audience attendance of 42,680 (39,372 in 2005/06). Education workshops were supported in primary and secondary schools throughout Scotland. The publication of the Scottish Tours Book provided the single shop window and main communication channel for artists to promote their ensembles to the music clubs in Scotland.

The Scottish Tours Planning Conference provided the means for music clubs to consider, discuss and arrange tours for ensembles to optimise both knowledge of quality and the economics of fees and touring costs. A Showcase recital was given by students from the RSAMD as part of the Scottish Tours Conference.

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

## **TRUSTEES ANNUAL REPORT**

### **YEAR ENDED 30th SEPTEMBER 2007**

The committees of the Board continued their work. The Funding Committee continued with the new reporting questions in the grant application process to focus clubs more clearly on the wider aims of promoting and developing professional live music throughout Scotland. The Development Committee continued, with the aid of an external editor, to publish two issues of the newsletter and continue the development of the website including a full concert diary of events promoted. The Residencies Project embarked on a pilot year during which the Alba string quartet received coaching from William Conway and worked with composer Kenneth Dempsey on the performance of one of his pieces for inclusion in their concert programmes. The Board has updated the policy on Child Protection and established an Equal Opportunities Policy and written a Business Plan. EMS is represented on the Chamber Music Forum initiated by the Scottish Arts Council and also attended Audience Development events. EMS has been represented at all events organised by the Scottish Arts Council regarding Flexible Funding and Quality Framework.

In January 2007 the Board appointed Miss Helen McVey to the part time post of Development Officer. Helen serves on the organising committee of the Chamber Music Forum.

The December 2006 Board meeting was given over to Board Development and addressed governance and aims and objectives and provided an induction opportunity for new members appointed at the Annual General Meeting. Roy Alexander was elected as Company Secretary with no remuneration. The Executive Committee met four times in the period as did the full board.

### **RESULTS**

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

### **THE TRUSTEES**

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

Robert Tait (Chairman)	
Roy Alexander	
Jean Campbell	
Thomas Chadwick	
Julian Clayton	
Ian Cowing	
Anne Cumberland	
John Hearne	
Helen Jamieson	
James MacDougall	
William Runciman	
William Stevenson	
Denys Wheatley (Vice chairman)	
Hilary Payne	(Appointed 9 March 2007)
Susan Allen	(Retired 18 November 2006)
Helen Chalmers	(Retired 18 November 2006)

Hugh Walker was appointed as a trustee on 5 October 2007.

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

**TRUSTEES ANNUAL REPORT**

**YEAR ENDED 30th SEPTEMBER 2007**

**TRUSTEES' RESPONSIBILITIES**

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 at the end of the year and of the incoming and outgoing resources for the year then ended

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees 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

**REPORTING ACCOUNTANT**

Bower + Smith will continue in office as reporting accountant for the ensuing year

Registered office  
Abercorn School  
Newton  
Broxburn  
Lothian  
EH52 6P2

Signed on behalf of the trustees



Robert Tait

Approved by the trustees on 6/11/07

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

**ACCOUNTANT'S REPORT TO THE MEMBERS OF ENTERPRISE MUSIC  
SCOTLAND LIMITED**

**YEAR ENDED 30th SEPTEMBER 2007**

I report on the unaudited accounts for the year ended 30th September 2007 set out on pages 6 to 13

**RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE REPORTING  
ACCOUNTANTS**

As described on page 8 the trustees of the charity are responsible for the preparation of the accounts, and they consider that the charity is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

**BASIS OF OPINION**

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the charity, and making such limited enquiries of the officers of the charity as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

**OPINION**

In my opinion

- (a) the accounts are in agreement with those accounting records kept by the charity under section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
  - (ii) the charity satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemptions specified in section 249B(1)(a) to (f)

*Bower + Smith CA*

**BOWER + SMITH  
Chartered Accountants**

6 Rubislaw Place  
Aberdeen  
AB10 1XN

*7th November 2007*

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

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 30th SEPTEMBER 2007**

	Note	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>			
Donations		1,420	1,089
Grants receivable	2	212,232	219,710
Income from charitable trading activities	3	20,749	13,025
Interest receivable		4,881	2,130
<b>TOTAL INCOMING RESOURCES</b>		<u>239,282</u>	<u>235,954</u>
<b>RESOURCES EXPENDED</b>			
Scottish Tours Costs	4	11,697	5,291
Charitable Activities	5	175,887	176,280
Governance Costs	6	22,679	13,080
<b>TOTAL RESOURCES EXPENDED</b>		<u>210,263</u>	<u>194,651</u>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>	8	<u>29,019</u>	<u>41,303</u>
Balances brought forward at 1st October 2006		94,999	53,696
Balances carried forward at 30th September 2007		<u>124,018</u>	<u>94,999</u>

All movements are in Unrestricted Funds

The charity has no recognised gains or losses other than the results for the  
year as set out above

All of the activities of the charity are classed as continuing

The notes on pages 9 to 13 form part of these financial statements

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

**INCOME AND EXPENDITURE ACCOUNT**

**YEAR ENDED 30th SEPTEMBER 2007**

	Note	2007 £	2006 £
<b>INCOME</b>		234,401	233,824
<b>TOTAL EXPENDITURE</b>		191,813	194,651
<b>OPERATING SURPLUS</b>	8	<u>42,588</u>	<u>39,173</u>
<b>OTHER INCOME</b>			
Interest receivable and similar income		4,881	2,130
<b>RETAINED SURPLUS ON ORDINARY ACTIVITIES</b>		<u>47,469</u>	<u>41,303</u>
Extraordinary items	9	(18,450)	—
<b>RETAINED SURPLUS FOR THE FINANCIAL YEAR</b>		<u>29,019</u>	<u>41,303</u>

All of the activities of the charity are classed as continuing

The notes on pages 9 to 13 form part of these financial statements

# ENTERPRISE MUSIC SCOTLAND LIMITED COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

30th SEPTEMBER 2007

	Note	2007 £	£	2006 £
<b>FIXED ASSETS</b>				
Tangible assets	10		1,572	485
<b>CURRENT ASSETS</b>				
Debtors	11	734		2,815
Cash at bank		138,447		117,746
		<u>139,181</u>		<u>120,561</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>(16,735)</u>		<u>(26,047)</u>
<b>NET CURRENT ASSETS</b>			122,446	94,514
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>124,018</u>	<u>94,999</u>
<b>NET ASSETS</b>			<u>124,018</u>	<u>94,999</u>
<b>FUNDS</b>				
Unrestricted	13		124,018	94,999
<b>TOTAL FUNDS</b>			<u>124,018</u>	<u>94,999</u>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The trustees acknowledge their responsibilities for

- (i) ensuring that the charity keeps proper accounting records which comply with section 221 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 deficiency for the financial year in accordance with the requirements of section 226, 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 VII of the Companies Act 1985

These financial statements were approved by the members of the committee on the 6/11/07 and are signed on their behalf by

  
Robert Tait

The notes on pages 9 to 13 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2007**

**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 1985

The financial statements are prepared on the accruals basis. All expenditure relating to the year has been included in the accounts inclusive of value added tax

**Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

**Depreciation**

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

4 years straight line

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease

**Pension costs**

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities

**Grants provided**

Grants distributed to musical societies 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

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2007**

**1 ACCOUNTING POLICIES *(continued)***

**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.

**2 GRANTS RECEIVABLE**

	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Scottish Arts Council	<u>212,232</u>	<u>219,710</u>

**3 OTHER INCOME**

	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Scottish Tours conference income	1,343	1,628
Scottish Tours book income	19,406	11,397
	<u>20,749</u>	<u>13,025</u>

**4 SCOTTISH TOURS COSTS**

	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Scottish Tours conference expenses	1,852	1,920
Scottish Tours book expenses	9,845	3,371
	<u>11,697</u>	<u>5,291</u>

**5. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS**

	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
<b>Provision of charitable services:</b>		
Grants distributed	135,235	142,971
Amounts overprovided in prior years	(3,202)	
Projects	10,222	5,124
Staff costs	16,890	8,345
Other costs	16,742	19,840
	<u>175,887</u>	<u>176,280</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2007**

**5. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS** *(continued)*

Analysis of provision of charitable services:

	Staff costs £	Grants paid £	Depreciation & other costs £	Total 2007 £	Total 2006 £
Grants distributed		135,235		135,235	142,971
Amounts overprovided in prior years		(3,202)		(3,202)	
Projects		10,222		10,222	5,124
Staff costs	16,890			16,890	8,345
Other costs			16,742	16,742	19,840
	<u>16,890</u>	<u>142,255</u>	<u>16,742</u>	<u>175,887</u>	<u>176,280</u>

During the year the charity made grants to 67 music societies throughout Scotland. The total amounts payable to each society ranged from £450 to £5,500.

**6. GOVERNANCE COSTS**

	Total Funds 2007 £	Total Funds 2006 £
Office costs		1,586
Legal and professional	2,848	3,567
Costs of trustees' meetings	1,381	2,286
Extraordinary items (note 9)	18,450	
Costs of closing Aberdeen office		5,641
	<u>22,679</u>	<u>13,080</u>

No remuneration was paid to any of the directors in respect of services provided during the period.

The costs of closing the Aberdeen office includes £nil (2006 £404) in respect of the loss on disposal of fixed assets.

**7. EMPLOYEE COSTS**

The total emoluments paid to charity staff during the accounting period was £15,848 (2006 £7,886). Employer's national insurance contributions on these amounts totalled £1,042 (2006 £266). The total pension contributions paid was £nil (2006 £193). Staff consisted of 2 (2006 2) part time employees.

**8. OPERATING SURPLUS**

Operating surplus is stated after charging

	2007 £	2006 £
Depreciation on fixed assets	<u>922</u>	<u>323</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2007**

**9 EXTRAORDINARY ITEMS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Extraordinary charges	<u>18,450</u>	<u>—</u>

During the year, Enterprise Music Scotland Limited was obliged to accept repayment of monies to their bankers, these monies having been previously paid out by the bank prior to the conclusion of litigation involving a former employee of the company

**10 TANGIBLE FIXED ASSETS**

	<b>Office equipment</b>
	<b>£</b>
<b>COST</b>	
At 1st October 2006	1,293
Additions	<u>2,009</u>
<b>At 30th September 2007</b>	<u><b>3,302</b></u>
<b>DEPRECIATION</b>	
At 1st October 2006	808
Charge for the year	<u>922</u>
<b>At 30th September 2007</b>	<u><b>1,730</b></u>
<b>NET BOOK VALUE</b>	
<b>At 30th September 2007</b>	<u><b>1,572</b></u>
At 30th September 2006	<u>485</u>

**11. DEBTORS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Other debtors	205	1,242
Prepayments	<u>529</u>	<u>1,573</u>
	<u><b>734</b></u>	<u><b>2,815</b></u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30th SEPTEMBER 2007**

**12. CREDITORS. Amounts falling due within one year**

	2007 £	2006 £
PAYE and social security	—	68
Other creditors	16,735	25,979
	<u>16,735</u>	<u>26,047</u>

Included above are grants and guarantees against loss payable totalling £12,635 (2006 £15,114)

Other creditors include £nil (2006 £8,564) in respect of deferred income relating to the Scottish Tours book

**13. ANALYSIS OF NET ASSETS IN UNRESTRICTED FUNDS**

	Tangible fixed assets £	Other net assets £	Total £
Unrestricted funds	<u>1,572</u>	<u>122,446</u>	<u>124,018</u>

**14. RELATED PARTY TRANSACTIONS**

Roy Alexander is a director of the company and a director of The A9 Partnership Limited. The amount included in support costs in respect of charges payable to The A9 Partnership Limited was £10,656 (2006 £4,173). This was for room hire, stationery, postage and secretarial services. 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 £2,817 (2006 £2,629). This was for accountancy services and payroll services.

**15. 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.