

2013 Annual Report



Aberdeen Strathspey & Reel Society

traditional Scottish music orchestras

Annual report and financial statements
For the year ended 28 February 2013

Scottish Charity No SC011924

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Patrons: The Lord Provost of the City of Aberdeen
Honorary vice presidents: Robbie Shepherd, MBE
Jean-Ann Callender

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We're members of
Making Music and the
Traditional Music Forum



Traditional Music Forum

This report is available in electronic format. Please contact us on 01224 676482 or info@aberdeenstrathspey.org.uk for more information.



Our aim: to encourage and preserve the playing of traditional Scottish music



Annual Report

The committee present their report for the year ended 28 February 2013, which covers the latter part of our 2011/12 concert season and the first part of our 2012/13 concert season.

The members of the committee during the year were:

all resigned 28 May 2012:

Office Bearers

President: Graeme Henderson
Vice President: Karen Gill
Secretary: Brian Priestley
Assistant Secretary: position vacant
Treasurer: Ross Fowler
Conductor: Graham Reid

Other committee members

Gloria Hay
Joanne Miller
Mhairi Shand

all appointed 28 May 2012:

Office Bearers

President: Karen Gill
Vice President: Nick Cowling
Secretary: Brian Priestley
Assistant Secretary: position vacant
Treasurer: Ross Fowler
Conductor: Laura McCracken

Other committee members

Kim Beveridge
Joanne Miller
Sheila Reid

The committee is responsible for managing the affairs of the Society and is elected from the Society's Life/Ordinary members at the Annual General Meeting. The committee was restructured during the year as detailed in the review of developments section. With effect from May 2011 all the committee are elected annually. The committee has the power to fill any vacancies arising during the year.

The induction process for committee members includes providing them with a copy of the latest full annual report and financial statements, the Constitution & Rules, and "Guidance for Charity Trustees" published by the Office of the Scottish Charity Regulator (OSCR).

The committee have regular formal meetings throughout the year and may also have ad-hoc meetings on rehearsal evenings as required.

The Society is an unincorporated association, governed by its Constitution & Rules, and is recognised as a charity by OSCR (Scottish Charity number SC011924) in accordance with the provisions of The Charities and Trustee Investment (Scotland) Act 2005.

Correspondence should be addressed to 129 Jesmond Avenue, Aberdeen, AB22 8UE or email secretary@aberdeenstrathspey.org.uk.

Objectives, policies and organisation

The objectives of the Society are established in its Constitution & Rules which were last amended on 30 May 2011. The Society is established:

1. to form and maintain orchestras for promoting the practice and performance of primarily Scottish Music in order that:
 - the community's interest in such music shall be encouraged and advanced by way of private and public concerts given by the Society or under its auspices; and
 - the playing of traditional music shall likewise be preserved and encouraged.
2. to further any charitable purpose or purposes as the Committee in their absolute discretion shall think fit but in particular through the making of grants and donations.

How we achieve our objectives

Three orchestras are currently maintained - one for all playing members and two for junior members of different age groups. All rehearse on a weekly basis during school terms and perform primarily in and around Aberdeen. The concert session runs from the first Monday in September to the end of May. The Society performs at numerous public and private concerts which vary greatly in size during the concert session. The majority of these are a result of long established relationships with various groups including local churches, nursing homes, charities and other organisations. Concerts may be either for entertaining and/or fundraising purposes.

The committee works with both Aberdeen City Council and Aberdeen Performing Arts, which runs three of the major arts venues in Aberdeen, to identify opportunities for performances. The committee also organises and promotes the Society's own concerts. In addition orchestra trips either in the UK or internationally may be undertaken where resources and opportunities permit.

Applications for new membership are actively encouraged, 5 new member applications were approved during the financial year. The member categories and subscriptions received to date for 2012/13 are:

Category (those with a * have no voting rights)	Annual Subscription
Honorary members*	£nil
Life members (who have been members for at least 25 years)	£nil
Ordinary members (discounted by 50% if in receipt of a state pension)	£20
Junior members (members under the age of 16 at the start of a session)*	£10
Non playing members*	£10

An annual competition is held for members to promote and encourage the playing of Scottish music.

Category	December 2012 competition results
Violin: 12 years and under - Jean Kidd Trophy 13 - 16 years - AS&RS Shield Senior, Slow Air - AAF Trophy Senior, March Strathspey & Reel - Les Wheeler Trophy	N Dreelan A Dreelan L McCracken / S Reid L McCracken
Accordion: Open age - Kenny Young Quaich	N Cowling
Violin, accordion or piano: Under 23 - Iain Fraser Award & Trophy	E Reid
Ensemble: Open age - Dave Beaton Trophy	No entries
Original composition: Open age - Caithness Bowl	E Reid

An annual trophy for the best junior all round achievement over the year, determined by the juniors' conductor is also awarded. This was awarded to E Reid on 28 May 2012.

The committee considers that organising a variety of social events throughout the year is integral to the maintenance of the orchestras. They include events that are open to any supporters of the Society and are intended to foster good relationships among orchestra members, their families and friends.

Where surplus funds exist the committee invites members to propose charitable causes that the Society may support by making grants or donations, such proposals are tabled at the AGM for approval by the membership as a whole.

Ensuring access to our activities

The committee ensures its activities are generally accessible through the following:

- receiving only small donations towards our running costs from non-commercial and fundraising concerts;
- ticket prices for concerts that the Society organises and promotes itself are normally set to ensure that the event will break-even, discounted concession tickets are usually available and prices are comparable to other similar arts events in the area;
- membership subscriptions are approved by the playing membership as a whole at the AGM, with reference to our fixed rehearsal costs and available resources, including other funding sources from donations and commercial concert income. Discounted membership rates are available to those members under 16 or in receipt of a state pension. The committee is confident that subscriptions are at a low level and do not restrict access to membership;
- by being as flexible as possible in accommodating a wide range of playing abilities within the orchestras whilst maintaining appropriate standards of public performance;
- membership of the Society is open to both playing and non-playing members;
- working with Aberdeen City Council to identify opportunities for free public performances by the orchestras, such as Aberdeen Tartan Day;
- income from commercial events where the Society is not the promoter and does not control ticket prices helps balance our costs.

Review of developments, activities and achievements

1	2	3	17	33	62	95%	1,000+	£1,000
new conductor	national awards	social media accounts launched	concerts	rehearsals	orchestra members	2012 Banchory Music Festival winning score	people entertained	donated to charity

Concerts

The Society's orchestras have had a full programme of 17 performances throughout the year varying in both their size and venue. These would not have been possible without the continued support and contributions of the members. The highlights include:

- The Society held its Scottish Music Evening in front of a full house at the Lemon Tree Studio Theatre in April 2012. This was conductor Graham Reid's last concert at the end of his 25th season before he retired to rejoin the ranks of the orchestra;
- Winning the orchestra competition in the 2012 Banchory Festival of Scottish Music in May;
- Performing in Union Terrace Gardens as part of the Celebrate Aberdeen parade events in June 2012;
- In August 2012 we performed in Aberdeen city centre as part of Aberdeen's Tartan Day Festival;
- September 2012 saw our second "Reel & Rowie Coffee Morning" performance following a pilot in January 2012. The format is designed to provide a relaxed, informal, family friendly introduction to the Society for new audiences as well as existing supporters. The morning also featured performances by the St Devenick's Dancers and Cults Academy Fiddle Group;
- The Society, along with guests from other societies, hosted the annual Fiddlers' Rally at Aberdeen Music Hall in November 2012 – the first for our new conductor Laura McCracken. Guests were fiddler Bruce MacGregor and singer Emily Smith. Audience numbers were consistent with the previous year, but remain disappointingly low.



2012 Banchory Festival of Scottish Music Trophy
 Judge's Comments:
 "Fantastic arrangement, full of surprises, well rehearsed, cheeky"



Participating in the 2012 Celebrate Aberdeen parade

Other events and developments

Supporting others

In September 2012 we presented a donation of £1,000 to Macmillan Cancer Support.

Governance and communications

In June 2012 the Society's annual report and financial statements (for the year ended 28 February 2011) were awarded 1st prize in their income category in the annual Charities Online Financial Reporting Awards (COFRA) run by the Institute of Chartered Accountants of England & Wales.

This was the second year running that the Society won the 1st prize for its category. The prize included a donation of £2,000, a certificate and logo to display on our website, as well as valuable feedback. Committee member Joanne Miller attended the ceremony in London to collect the award.

The judges were impressed with our efforts noting that "the charity uses the technology to give value to the readers" and complimenting the "sheer quality and ingenuity in the online links and interactivity".

Extracts from our financial statements, along with the winners of the other COFRA income categories have also been included as illustrative examples in the updated 5th edition of "Preparing Charity Accounts" published by CCH in December 2012.

We've submitted our 2012 annual report consideration in the next annual COFRA awards to be announced in June 2013 and publish this 2013 report online in the next few months.

Our reporting aim is to be interesting, informative and accessible – its important to us as a charity that we're open with all our supporters about how we spend our income. Please contact us if you have any queries or feedback about this or any of our previous reports.

During the year we also launched on three social media platforms: Twitter, YouTube and SoundCloud (which allows the sharing of music clips). We also added directory entries about the Society to scottishcultureonline.com, Creative Cultures Scotland and Clubbz.com which powers the Voluntary Arts database about groups that people can join.

Handover of the conductor's baton

The 2011/12 concert season was conductor Graham Reid's 25th and last as conductor. The orchestra members marked the occasion of his final concert as conductor by presenting him with a framed copy of a tune by Judi Nicolson that was specially commissioned for him. Judi is an accomplished fiddler and one of Graham's favourite composers. A trio from the orchestra performed "Graham Reid's Silver Jubilee Reel" at the concert in April and the orchestra as a whole performed the tune at the Rally in November.

The orchestra members arranged their own collection to thank Graham for his contribution as the Society's conductor over the past



Vice President Nick Cowling presents a £1,000 cheque to Macmillan Cancer Support



Graham Ward CBE presents the Charities Online Financial Reporting Award, Photo: ICAEW



Conductor Graham Reid receives a copy of the tune commissioned to mark his final concert

25 years and presented him with a watch when he resigned at the May 2012 AGM and handed the conductor's baton over to Laura McCracken.

The Society also nominated Graham Reid for the Lady Hilary Groves prize which is organised by Making Music to recognise an outstanding contribution to music in the community. We were delighted to be able to announce at our Fiddlers' Rally in November 2012 that Making Music had named Graham as the recipient of the prize for 2012.

The award judges noted "Graham has been the heart and soul of the Society and has been a fantastic cultural ambassador both for Scottish music and community music in Aberdeen. Due largely to his warmth and enthusiasm, he has encouraged members of all ages to join the Society and develop a love of Scottish music that has kept them playing both within the Society and beyond."

Rehearsal premises

The Society uses school premises let by Aberdeen City Council for its rehearsals. Due to ongoing budget pressures the council revised the list of schools available for let and unfortunately the school that has served as our rehearsal venue since February 2009 was not available for the start of the 2012/13 concert season in September. Although we successfully applied for a nearby school, due to circumstances beyond our control we were forced to relocate at short notice to another less central school.

Whilst we support the council's aim of cost management, as this directly impacts on our rent costs, the school we have relocated to is not ideal for our requirements, in particular its less central location and lack of access to a piano. We will look again at the available schools for the forthcoming concert session starting in September 2013 and hope that a more suitable venue will be found.

Other events

The Society was deeply saddened by the news that Kenny Young, a longstanding member who joined in 1967, passed away in September 2012. Kenny was a cornerstone of the Society since he joined as an accordionist both by playing in the orchestra and by serving on the committee in the roles of an ordinary member, 5 years as Vice President and 8 years as President.

Kenny was a very active player in the Society and in 1994 was presented with a silver salver in recognition of his attendance at the most concerts during the session (about 28 concerts). Due to his outstanding service to the Society both in an administrative and playing capacity he was appointed an Honorary Vice President by the members in 1998. In 2010 the Society commissioned a piece of music titled the "Balmoral Sound March" named after the dance band he also played in. As a tribute to Kenny we performed the Balmoral Sound March at our November 2012 Rally.

Kenny also supported his family including playing for his wife Doris and daughter Angela at Scottish Country Dances and helping out with Guides. It was a standing joke to ask him "Are you putting up tents this weekend or taking them down?". He will be very sadly missed, but there are many happy memories of Kenny and his name lives on through the trophy awarded to the winner of the accordion category in the Society's annual competition.

On the social front the annual Christmas Party was enjoyed by all that attended.

Our thanks go to all members, old and new, who give their time freely to play at the many concerts held during the year and help in various ways to keep the Society running so smoothly.

Music networks

The Society continues to be a member of Making Music, a charity which provides information, support and other services to voluntary music groups, including arranging the Society's block insurance cover.

We were delighted to feature in the “60 Second Interview” slot of the Spring 2013 edition of Highnotes magazine which is distributed to all Making Music members.

In addition the Society joined the Traditional Music Forum (TMF) during the year. TMF is a Scottish charity that aims to advocate the place for traditional music at the heart of Scottish life and to promote the widest possible access to it and has a current network of over 70 traditional music organisations.

Future plans

Final rehearsals and preparations are underway for the Society's Scottish Music Evening concert at the Lemon Tree on 19 May 2013, which falls on the last day of Voluntary Arts Week 2013. A representative of Making Music will also present Graham Reid with his 2012 Lady Hilary Groves prize certificate at the concert.

We plan on appearing in the third Celebrate Aberdeen parade on 8 June 2013. The aim of the parade is to involve and showcase the many community organisations based in the City of Aberdeen.

The Fiddlers' Rally at Aberdeen Music Hall, which the Society hosts, has been confirmed for November 2013. Due to the low audiences experienced over the past few years we are working closely with Aberdeen Performing Arts as the concert promoter to review the format of the Rally, how to increase audiences and potentially attract a younger demographic and will be looking to members to support our marketing efforts.

We're also working on digitising our first modern album “Home to Bon Accord”, which was recorded in 1992 and released only in cassette format, for re-release in MP3 and CD formats.

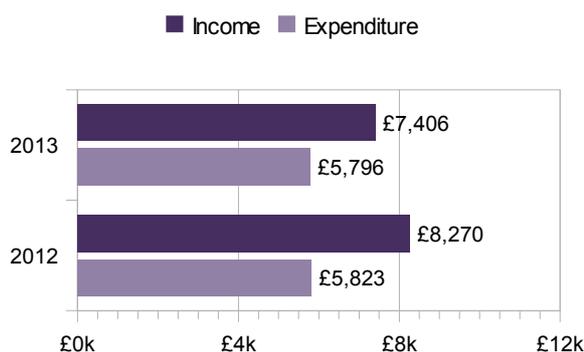
Finances, investment and reserves policy

Finances

The review below and the attached financial statements show the current finances of the Society. The highlights are:

- a surplus (excluding investment gains) for the year of £1,610 (2012: surplus of £2,447);
- the general fund has net cash resources¹ at 28 February 2012 of £17,260, an increase of £2,153;

Summary of income and expenditure

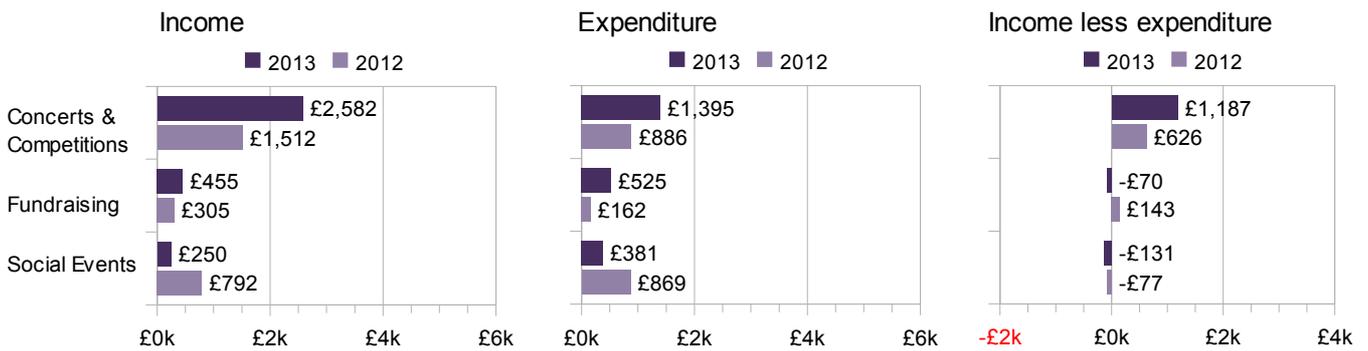


Significant changes in income less expenditure	£
Net surplus before other gains/losses for year to 28 February 2012	2,447
Decrease in donations income	(1,186)
Increase in surplus from concert & competitions	+561
Decrease in members' subscriptions	(430)
Decrease in rehearsals expenditure	+233
Net impact of other changes in income and expenditure	(15)
Net surplus before other gains/losses for year to 28 February 2013	1,610

The results for the year include a number of non-recurring income and expenditure items. The committee consider the recurring income and expenditure of the Society to be broadly balanced.

¹ Calculated as cash and bank balances after adding debtors balances and deducting creditors balances.

Analysis of income categories which have corresponding expenditure

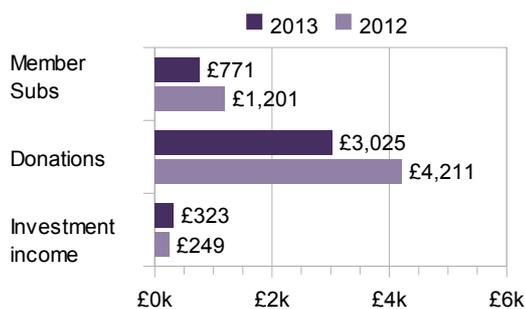


Concert income and expenditure varies primarily on the number of events and whether the Society is the promoter of the event, or receives an appearance fee from the promoter. This financial year the Society promoted its own Scottish Music Evening – the last concert for conductor Graham Reid. We limited the marketing spend and had a full house resulting in a substantial surplus. The previous financial year included the Fiddlers' Spectacular for which we received only a small appearance fee. Overall the surplus for the year from Concerts and competitions was £561 higher.

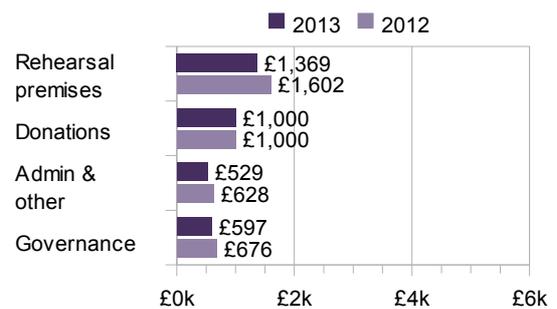
Fundraising income and expenditure is higher as the current financial year included a raffle held at the Scottish Music Evening concert and a lucky dip held at the Reel & Rowie Coffee Morning, with no equivalents in the previous year. However, income from easyfundraising associated with members' online shopping was lower and expenditure was higher as this financial year we have reduced the carrying value of our stock of CDs for sale. Overall there was a deficit of £70 from fundraising activities.

Social events income and expenditure is lower as a result of the reduced attendance at the annual Christmas Ceilidh party and the fact last year included a Race Night as an additional event with no equivalent in the current year. The deficit on Social events has increased by £54.

Income categories which don't have corresponding expenditure



Expenditure categories which don't have corresponding income



Donations income has decreased £1,186 primarily due to lower one-off donations compared to the previous financial year. We're grateful to ICAEW for the Charities Online Financial Reporting Award prize of £2,000 plus an associated subscription, and to ConocoPhillips for a donation of £200. There were slightly more non-commercial performances this financial year.

Members subscriptions this year are £430 lower due to a number of factors – a number of orchestra members have not returned in the 2012/13 concert session, the prior year included the receipt of several late subscriptions in relation to the previous 2010/11 membership year, there are a number of subscriptions outstanding from members for the current 2012/13 membership year and finally several members achieved the significant milestone of Life Membership after being members of the Society for 25 years and are therefore exempt from paying a subscription.

Investment income is higher by £74 primarily as a consequence of actions taken in the prior year in increasing the amount held on fixed term deposit at a higher interest rate. In addition our bank balances have been higher through the year compared to last year, and income from our endowed funds has increased as a result of a full year of investment under the revised investment policy on long term funds implemented during the the last financial year.

Rehearsal premises costs are lower by £233. The annual inflationary increase in hire charges applied by Aberdeen City Council has been offset by the fact that the hall that we were reallocated to during the year is slightly smaller and subject to a lower hourly charge than our previous rehearsal venue.

Donation expenditure consists of a £1,000 donation Macmillan Cancer Support which was agreed at the AGM in May 2012. There was donation of £1,000 to Cancer Link Aberdeen & North in the prior year.

Admin and other costs are £99 lower this year primarily due to lower stationery costs related to printer toner and reduced subscriptions and website costs.

Governance costs are lower by £79 primarily due to lower travel costs for attending the Charities Online Financial Reporting Award ceremony, partly offset by the higher value of donated goods and services received.

Balance sheet items

The net cash resources of the General fund is £17,260 an increase of £2,153. This reflects the £1,458 surplus on the General fund for the year after adjusting for non-cash items and other movements in current assets and current liabilities - including the reduction in the value of stocks of goods held for resale of £449 primarily related to additional provisions to reflect the increasing age of the stock.

General fund net cash resources



Interest rates available at the maturity of the 12 month fixed rate bond the Society invested in last year were not considered sufficiently higher to justify reinvesting for a further 12 months. Instead the Society opted to invest in a short term deposit account with Virgin Money.

Contributions from volunteers

The members of the orchestra volunteer their time through weekly rehearsals, attending concerts and assisting with fundraising efforts.

Investments

The Society's investment policy is as follows:

- Short to medium term funds are likely to be spent within the next five years. The funds will be invested in high interest deposit accounts which may be of a fixed term nature. The aim of such investments is to achieve the best available income returns, whilst minimising risk to capital and ensuring the cashflow requirements of the Society are met.
- Long term funds, including the endowment funds, are not required to be spent within the next five years. They will be invested in collective investment schemes which seek income and long term capital growth from a broadly diversified portfolio of assets including equities and fixed interest securities.

In applying the above policy the committee has agreed to invest long term funds, including the Iain Fraser Award Endowment Fund, in the Alpha Common Investment Fund for Income & Reserves

managed by Sarasin Investment Funds Ltd. The fund is a charity in its own right and offers the benefits of pooled investments to other charities.

Through a single investment the fund provides a diversified portfolio with a broad spread of asset classes across several countries and professional investment management at low cost.

The selected fund is conservative with an emphasis on capital preservation and generating a high income. It typically holds 80% of the portfolio in fixed interest bonds and cash, with the balance held in equities and other investments.

Although the Society does not have any ethical constraints as part of its own investment policy the selected fund does operate an ethical investment policy, including a restriction on investing in tobacco companies. Sarasin have stated in their view this does not have a detrimental impact on returns.

The fund manager has established a composite performance benchmark based on published UK and global indices including gilts (60%), shares (20%), corporate bonds (15%) and cash deposits (5%).

After charges the capital value of the fund has increased by 5.3% over the year and the income yield was 4.4% based on the initial cost. The target income yield is approximately 4.25%.

Information on the current allocation of the fund by both investment asset type and geography is published on the Society's website under the About Us / Policies / Investments section.

Reserves

The Society holds endowed, restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- to provide funds which can be designated to specific projects such as concerts and competitions in the UK or abroad. Such events may arise at relatively short notice;
- to cover ongoing costs in relation to the running of the Society including rent of rehearsal premises, performing at concerts or competitions, and administration costs.

The amount and timing of certain sources of income is variable in nature. Expenditure, particularly relating to concerts, may be committed in advance of knowing total income from an event. The committee therefore considers it prudent to hold unrestricted reserves in the general fund in the form of net current assets excluding stocks of £7,500.

This is considered sufficient to cover:

- two years' costs of rehearsal premises and administration costs - approximately £2,500 per annum;
- potential deficits on concerts that the Society organises itself – equivalent to the production and marketing costs, excluding any ticket or other income, estimated as £1,000;
- replacement instruments or administrative fixed assets, estimated at £500;
- funds which can be designated for a single specific concert or competition event in the UK, based on prior events estimated at £1,000.

The net current assets excluding stocks of the unrestricted general fund reported in the attached financial statements total £17,260 and therefore are considered to be above the level of reserves required for the ongoing needs of the Society. The committee continues to consider additional activities related to the Society's objectives to which the excess reserves may be applied including:

- other concert events in which the Society may participate, so funds may be specifically designated;
- audience development projects and related activities.

In addition a designated fund has been established for a replacement stage piano. It is intended to increase the fund by £150 per year, plus associated interest income, over a 10 year period ending in 2021, by which time the current stage piano is expected to be at the end of its useful life.

The level of reserves are reviewed by the committee regularly throughout the year. The minimum level of reserves for the ongoing needs of the Society is reviewed by the committee on an annual basis.

Other reference and admin details

Bankers - current accounts:

CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Bank of Scotland, 54 John Street, Aberdeen, AB25 1LL

Bankers - deposit accounts:

Virgin Money, Jubilee House, Gosforth, Newcastle, NE3 4PL

Scottish Widows Bank, 67 Morrison Street, Edinburgh, EH3 8YJ

The Alpha CIF Income & Reserves investment manager is:

Sarasin Investment Funds Ltd, 100 St Paul's Churchyard, London, EC4M 8BU

The Independent Examiner is:

Graeme Reid, Williamson & Dunn Chartered Accountants

3 West Craibstone Street, Bon-Accord Square, Aberdeen, AB11 6YW

Basis of Preparation

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005), The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Approved by the committee and signed for and on their behalf by:

B Priestley, Secretary

16 May 2013

Statement of committee members' responsibilities as trustees

Law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Report of the independent examiner to the trustees of Aberdeen Strathspey & Reel Society

I report on the accounts of the Society for the year ended 28 February 2013 which are set out on pages 12 to 21.

Respective responsibilities of trustees and examiner

As outlined on page 10 the charity's trustees 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 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state 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 seeks explanations from the 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 the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - a. to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - b. to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Graeme Reid, CA
Williamson & Dunn Chartered Accountants
3 West Craibstone Street
Bon-Accord Square
Aberdeen
AB11 6YW

16 May 2013

Statement of financial activities (incorporating income & expenditure account)

for the Year ended 28 February 2013

	Notes	Unrestricted funds:		Restricted	Endowed	2013	2012
		General purpose	Designated funds	income funds	Funds	Total	Total
		£	£	£	£	£	£
Incoming resources							
<i>Incoming resources from generated funds:</i>							
Voluntary income:							
- Donations	2	3,025	-	-	-	3,025	4,211
- Members' subscriptions		771	-	-	-	771	1,201
Activities for generating funds	3	455	-	-	-	455	305
Investment income	4	277	2	44	-	323	249
<i>Incoming resources from charitable activities:</i>							
Concerts	5	2,582	-	-	-	2,582	1,512
Social events	6	250	-	-	-	250	792
Total incoming resources		7,360	2	44	-	7,406	8,270
Resources expended							
<i>Costs of generating funds:</i>							
Fundraising trading: costs of goods sold and other costs	3	(525)	-	-	-	(525)	(162)
<i>Charitable activities:</i>							
Rehearsal premises		(1,369)	-	-	-	(1,369)	(1,602)
Concert and competition costs	5	(1,351)	-	(44)	-	(1,395)	(886)
Social events	6	(381)	-	-	-	(381)	(869)
Admin and other costs	7	(529)	-	-	-	(529)	(628)
Donations expenditure	8	(1,000)	-	-	-	(1,000)	(1,000)
<i>Charitable activities total</i>		<i>(4,630)</i>	<i>-</i>	<i>(44)</i>	<i>-</i>	<i>(4,674)</i>	<i>(4,985)</i>
<i>Governance costs</i>	9	<i>(597)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(597)</i>	<i>(676)</i>
Total resources expended		(5,752)	-	(44)	-	(5,796)	(5,823)
Net incoming/(outgoing) resources before transfers							
Gross transfers between funds	17	(150)	150	-	-	-	-
Other recognised gains/losses							
Gains on investments	13	-	-	-	55	55	22
Net movement in funds		1,458	152	-	55	1,665	2,469
Fund balances brought forward		19,542	150	5	1,022	20,719	18,250
Fund balances carried forward	17	21,000	302	5	1,077	22,384	20,719

The notes on pages 14 to 21 form part of these financial statements.

Balance sheet

at 28 February 2013

	Notes	2013		2012	
		£	£	£	£
Fixed assets					
Tangible fixed assets	12		1,894		2,140
Investments	13		1,077		1,022
Total fixed assets			2,971		3,162
Current assets					
Stock	14	1,846		2,295	
Debtors	15	550		546	
Fixed term deposits (maturing within one year)		-		6,000	
Cash at bank and in hand		18,376		10,055	
Total current assets		20,772		18,896	
Creditors: amounts due within one year	16	(1,359)		(1,339)	
Net current assets			19,413		17,557
Net assets			22,384		20,719
FUNDS	1, 17				
Unrestricted funds					
General fund			21,000		19,542
Designated fund – Stage piano fund			302		150
Restricted income funds					
Iain Fraser Award prize fund			5		5
Endowed funds					
Iain Fraser Award endowment fund			1,077		1,022
Total funds			22,384		20,719

The notes on pages 14 to 21 form part of these financial statements.

Approved by the committee and signed for and on their behalf by:

K Gill, President

16 May 2013

Notes to the financial statements

1 Accounting policies

General

These financial statements have been prepared under the historic cost convention (except for investments) and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), The Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 (the Charities SORP 2005), The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

These accounting policies have been applied consistently throughout the current and previous periods.

Basis of recognition and allocation of expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered and is reported as part of the expenditure to which it relates. Costs are charged directly to the most appropriate activity or category. Committee expenditure is allocated on the basis of where the majority of time is spent on activities.

Fixed assets, depreciation, donated fixed assets and heritage assets

The Society owns original music manuscripts which are considered historic heritage assets. These have not been capitalised in the balance sheet due to the difficulty in obtaining reliable cost information, as permitted by the Charities SORP 2005.

Assets which cost £100 or over are capitalised. Donated fixed assets are capitalised at their estimated value.

Provision for depreciation of fixed assets held for use by the Society is made at the following rates based on the estimated useful life of these fixed assets and their anticipated residual value:

String instruments, office & other equipment and trophies	10% per annum, reducing balance basis
Electronic instruments	10% per annum, straight line basis

Losses on disposal of fixed assets and reductions in the net book value of impaired fixed assets are treated as additional depreciation charges, which are reported within the appropriate resources expended section of the Statement of Financial Activities.

Investments

Investments are included at market value at the balance sheet date.

All gains and losses on investments are reflected in the Statement of Financial Activities as they arise and are not separated between realised and unrealised gains and losses.

Realised gains and losses on investments are the aggregate of the difference between sale proceeds and opening market value (or cost if purchased during the year). Unrealised gains and losses represent the movement in market value during the year.

Stocks

Stocks for resale are valued at the lower of cost and net realisable value.

Funds: Unrestricted, endowment and restricted income

Unrestricted funds consists of the general fund and designated funds. Designated funds are funds established by the committee from time to time for specific projects or purposes, are not in any way restricted and any surplus or deficit will be transferred to/from the general fund when the designated fund is closed.

Notes to the financial statements (continued)

Restricted funds (income and endowment) are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The purpose and use of designated, restricted income and endowment funds is set out in the notes to the financial statements.

Incoming resources:

- Concert income consists of appearance fees, broadcast rights income and ticket sales from concerts organised by the Society. Income from advance ticket sales is treated as deferred income until the event has occurred. Hospitality during concert events received from promoters is excluded as permitted by the Charities SORP 2005 due to the difficulty in ascertaining value. Ticket sales where the Society acts only as agent for the concert promoter are excluded from incoming resources.
- Donations income includes amounts received from non-commercial events such as church, nursing home and fundraising concerts which are considered donations in substance. Income is recognised on receipt. Also included is the estimated value of Gifts in kind and goods or services donated to the Society where the amounts are material, readily quantifiable and measurable. Such estimates are based on the market price the Society would otherwise have paid.
- Donations of goods for resale are included in fundraising activities at the sale value, once sold.
- Member subscriptions are considered to be donations in substance and are recognised on receipt.
- Investment income – bank interest is recognised as it is earned and dividends when the investment is quoted ex-dividend.
- Gift Aid recoverable is included within the same category of income to which the Gift Aid claim relates in the same period in which that income is recognised.
- Income from grants is recognised when entitlement is demonstrable, there is certainty regarding the amount and any conditions attached are wholly within the control of the Society.
- Tours and trips includes income relating to the travel arrangements of specific concerts outwith the usual geographic area of the Society. Contributions to costs from members is treated as deferred income until the event has occurred.
- No value has been attributed to the contribution of the members acting as volunteers playing at concerts. Refer to the annual report for more information on their contribution.

Resources expended:

- Concert and competition expenditure includes the direct costs of concerts or competitions (such as venue hire, marketing, box offices fees, performing rights fees and artist fees) and indirect costs (such as provision of music, music skills workshops, introductory taster session for member recruitment and composition of harmony parts). Costs incurred in the preparation of concerts are treated as prepayments until the event has occurred.
- Grants and donations - the objects of the Society include the option of the payment of grants or donations for charitable purposes at the discretion of the management committee.
- Tours and trips includes expenditure relating to the travel arrangements of specific concerts outwith the usual geographic area of the Society. Costs are treated as prepayments until the event has occurred.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Society and include the independent examination, costs relating to the committee and AGM meetings, and an allocation of committee expenses.
- An amount equal to the donations income recognised on Gifts in kind (not for resale) and goods or services received free of charge is included within the most relevant category of expenditure to which the donation relates.
- Investment management costs of common investments funds are deducted directly from the capital (80%) and income (20%) of the fund and are therefore not separately disclosed, as permitted by the Charities SORP.

Taxation

The Society is recognised as a charity by HM Revenue & Customs and therefore benefits from certain exemptions from taxation on income and gains, to the extent they are applied for charitable purposes. No tax charges have arisen in the Society.

Notes to the financial statements (continued)

2 Donations

General fund:	2013 £	2012 £
Non-commercial concert donations	565	585
Other donations	2,250	3,500
Value of Gifts in kind and donated goods or services	210	126
	3,025	4,211

A corresponding amount of expenditure in relation to the value of donated goods and services has been included in resources expended (see note 9).

3 Activities and costs for generating funds

General fund:	2013			2012		
	Income £	Costs £	Net £	Income £	Costs £	Net £
Raffle & Lucky Dip	243	(57)	186	-	-	-
Easyfundraising.org.uk	77	-	77	118	-	118
CD, Tape & other items	135	(468)	(333)	187	(162)	25
	455	(525)	(70)	305	(162)	143

4 Investment income

	2013			2012		
	Interest Income £	Dividends from UK Investments £	Total £	Interest Income £	Dividends from UK Investments £	Total £
General fund	277	-	277	214	-	214
Designated fund	2	-	2	-	-	-
Endowed fund	-	44	44	-	35	35
	279	44	323	214	35	249

Notes to the financial statements (continued)

5 Concerts and competitions

	2013			2012		
	Income £	Costs £	Net £	Income £	Costs £	Net £
General fund:						
Music Hall Fiddlers Rally	800	(102)	698	800	(99)	701
Fiddlers' Spectacular	-	-	-	200	(20)	180
Reel & Rowie Coffee Morning	110	(114)	(4)	212	(256)	(44)
Scottish Music Evening	1,272	(660)	612	-	-	-
Other commercial events	400	-	400	300	-	300
Society annual competition	-	(109)	(109)	-	(109)	(109)
Indirect concert costs & workshops	-	(139)	(139)	-	(138)	(138)
Trophies & instrument depreciation	-	(227)	(227)	-	(234)	(234)
Total general fund	2,582	(1,351)	1,231	1,512	(856)	656
Restricted income funds:						
Iain Fraser Prize	-	(44)	(44)	-	(30)	(30)
Total of all funds	2,582	(1,395)	1,187	1,512	(886)	626

The cost of rehearsal premises is reported separately in the Statement of Financial Activities and is not allocated to concerts as the committee view that, although related, practices are a separate activity to performances.

6 Social events

	2013			2012		
	Income £	Costs £	Net £	Income £	Costs £	Net £
General fund:						
Race Night	-	-	-	472	(455)	17
Christmas ceilidh party	250	(381)	(131)	320	(414)	(94)
	250	(381)	(131)	792	(869)	(77)

7 Admin and other costs

	2013 £	2012 £
General fund:		
Insurance	91	87
Stationery, subscriptions, web site	231	350
Advertising & public notices	97	97
Gifts to Society members and others	91	74
Office & other equipment depreciation (see note 12)	19	20
	529	628

8 Donations expenditure

	2013 £	2012 £
General fund: Macmillan Cancer Support	1,000	-
Designated funds: CLAN (Cancer Link Aberdeen & North)	-	1,000
	1,000	1,000

Notes to the financial statements (continued)

9 Governance costs

	2013	2012
	£	£
General fund:		
Stationery & postage	21	32
Independent Examiner Fee	180	180
Rent for meetings	39	43
Subscriptions & books	210	126
Committee expenses (see note 10)	147	295
	<u>597</u>	<u>676</u>

Included in the above governance costs is the value of goods and services donated of £210 (2012: £126)

10 Committee expenses and benefits

	2013	2012
	£	£
Expenses allocated to:		
Charitable activities – Concert & competition costs	-	26
Governance	147	295
	<u>147</u>	<u>321</u>

During the year two committee members received reimbursement of expenses (2012: one committee members received expenses) to cover:

- communications, stationery and other costs of fulfilling committee roles from home as no office accommodation is provided by the Society; and
- travel costs for attending the ICAEW Charities Online Financial Reporting Awards ceremony

No committee members received any remuneration in the year (2012: none), nor were they paid any expenses for attending committee meetings.

Related party transactions

Included within Gifts to members and others in note 7 are the following:

- During the year ended 28 February 2013 committee members Sheila Reid and Laura McCracken each received a bouquet at the 2012 Fiddlers' Rally concert with a value of £16. and
- During the year ended 28 February 2012 Graham Reid was presented with a gift (value £55) in recognition of his 25 years service as conductor.

Related party transactions - member benefits

All the committee are members of the Society and are entitled to the benefits offered to all members. No disclosure is made of transactions entered into or benefits obtained where these are available to the entire member group

11 Employees

There were no employees during the year (2012: none).

Notes to the financial statements (continued)

12 Tangible fixed assets

	Instruments £	Office & Other Equipment £	Trophies £	Total £
<i>Cost</i>				
At beginning and end of year	2,893	217	530	3,640
<i>Depreciation</i>				
At beginning of year	1,081	30	389	1,500
Charge for year	213	19	14	246
At end of year	<u>1,294</u>	<u>49</u>	<u>403</u>	<u>1,746</u>
<i>Net book value</i>				
At 28 February 2013	<u>1,599</u>	<u>168</u>	<u>127</u>	<u>1,894</u>
At 28 February 2012	<u>1,812</u>	<u>187</u>	<u>141</u>	<u>2,140</u>

Heritage fixed assets

The Society owns three original music manuscripts by Peter Milne and one music manuscript by J Scott Skinner. Due to the difficulty in valuing these they are not incorporated in the above table. The manuscripts are currently on loan to the University of Aberdeen and can be viewed in their archives by contacting them directly.

13 Investments

	2013	2012
	£	£
Market value at beginning of year	1,022	1,000
Net change in deposit account balances	-	(1,000)
Add: Investment purchases at cost	-	1,000
Add: Net gain on revaluation	55	22
Market value at end of year	<u>1,077</u>	<u>1,022</u>
Represented by:		
Listed securities: UK Common Investment Funds	1,077	1,022
Historic cost of investments	1,000	1,000

Included in the portfolio are the following individual investments which represent more than 5% by value of the total investment fund:

	2013	2012
	£	£
Sarasin Alpha CIF for Income & Reserves	1,077	1,022

Notes to the financial statements (continued)

14 Stock

	2013 £	2012 £
Finished goods:		
CDs, Tapes, Anniversary Books	1,783	2,154
T Shirts and Ties	63	141
	<u>1,846</u>	<u>2,295</u>

15 Debtors

	2013 £	2012 £
Gift Aid recoverable	101	60
Other debtors and prepayments	449	486
	<u>550</u>	<u>546</u>

16 Creditors: amounts due within one year

	2013 £	2012 £
Trade creditors	8	202
Deferred income	-	155
Accruals and other creditors	1,351	982
	<u>1,359</u>	<u>1,339</u>

17 Total funds

Funds	Opening balance £	Incoming Resources £	Resources Expended £	Transfers £	Gains/ Losses £	Closing balance £
Unrestricted:						
General fund	19,542	7,360	(5,752)	(150)	-	21,000
Designated funds:						
Stage piano fund	150	2	-	150	-	302
Restricted:						
Iain Fraser Award prize fund	5	44	(44)	-	-	5
Endowed:						
Iain Fraser Award endowment fund	1,022	-	-	-	55	1,077
Total all funds	<u>20,719</u>	<u>7,406</u>	<u>(5,796)</u>	<u>-</u>	<u>55</u>	<u>22,384</u>

The Stage piano fund is a designated fund established in the year ended 28 February 2012 with the target of increasing the fund at a rate of £150/year over 10 years, plus associated interest earned, in order to cover the replacement of the current stage piano at the end of its anticipated life.

Notes to the financial statements (continued)

The income from the Iain Fraser Award endowment fund is restricted and is to be used as a prize (the Iain Fraser Award) in the Society's annual competition. The income is variable and received in arrears of the prize payment. The committee has agreed that any deficit arising on the fund should be carried forward, reducing the following year's prize.

18 Analysis of net assets by fund

	Unrestricted funds:		Restricted income funds	Endowed funds	Total £
	General fund £	Designated funds £			
Tangible fixed assets	1,894	-	-	-	1,894
Investments (fixed assets)	-	-	-	1,077	1,077
Net current assets	19,106	302	5	-	19,413
	21,000	302	5	1,077	22,384

19 Controlling party

The Society was under the control of the committee members, as detailed on page 1, throughout the current year. Refer to the previous year's annual report for a full list of the committee members that served during that period.

**Aberdeen Strathspey & Reel Society was established in January 1928.
Our orchestras continue to perform traditional Scottish music today,
you can help us continue in any of the following ways**



Join Us

Fiddle and accordion players are always welcome to join the orchestras. Our youth orchestras are for all abilities. To join the adult orchestra your playing standard should preferably be at least Grade 3 or equivalent.

Contact us or come along to a rehearsal to find out more.



Book Us

In addition to the concerts that we organise ourselves, the orchestras of Aberdeen Strathspey & Reel Society are available for booking for various entertaining and fundraising events.

Depending on the nature of the event and the number of players involved we may only request a nominal donation towards our running costs. Contact us to discuss your requirements.



Listen to Us

Sign up to our mailing database via our website or email us your details and we'll let you know when we're next playing.

You can also buy our CDs ("Tuned to the North", "From Dee to Don" and "Live at the Music Hall") online from our website and listen to clips or watch performances on our social media pages



Support Us

You can support us in a variety of ways – we'd love you to come along to one of our concerts and see us in action, or buy our CDs to hear us. If you can help with the marketing and publicity of our events please contact us.

If you'd like to help preserve traditional Scottish music you can donate to the Society via our website with your debit or credit card or by text using the Vodafone JustTextGiving service:

Text: **REEL01 £1 to 70070**

You can also donate £2 / £3 / £4 / £5 / £10 by changing the amount in the text. The text is free to send, the only cost to you is the donation and we receive 100%. Please ask the bill payers permission. UK taxpayers can add gift aid by following instructions in the thank you text.



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