

SCOTTISH CHAMBER ORCHESTRA LIMITED

**Directors' Report and
Consolidated Financial Statements**

For the year ended 31 March 2024

*Company Registration Number SC075079
Registered Charity Number SC015039*

SCOTTISH CHAMBER ORCHESTRA LIMITED

Directors' Report and Consolidated Financial Statements

For the year ended 31 March 2024

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SCOTTISH CHAMBER ORCHESTRA LIMITED

Directors' Report

For the year ended 31 March 2024

The directors have pleasure in presenting their report and audited consolidated financial statements for the year ended 31 March 2024.

Objectives and activities

The Scottish Chamber Orchestra ("SCO") was established in 1974 and was incorporated as a company, limited by guarantee, on 4 June 1981.

The SCO is dedicated to the performance, creation and appreciation of music throughout Scotland, United Kingdom and internationally.

The SCO is a major contributor to Scotland's international profile. One of the country's five National Performing Companies, the SCO is a significant cultural ambassador and one of Scotland's most internationally respected arts organisations. Through its core activities, the SCO makes a highly significant contribution to the quality of life the length and breadth of Scotland. They encompass a wide-ranging and diverse programme of performances and a commitment to an extensive repertoire including the commissioning and performance of new music by both Scottish and non-Scottish composers.

The SCO has a long-established reputation as a leader in the field of creative learning. Musicians connect with and inspire people of all ages, backgrounds and abilities across Scotland, in an innovative, accessible and engaging programme of activities in nurseries, schools, colleges, universities, hospitals, care homes, and community centres.

All aspects of the SCO's work are assessed regularly, using a range of criteria and measures, including critical feedback, peer review, audience feedback, number of performances and workshops delivered against targets and audience and participation figures.

Our Strategic Plan 2023-28 was launched in summer 2023 and can be summarised as follows:

Vision: To be a world-class chamber orchestra that nurtures exceptional music-making for all.

Mission: Creating musical experiences which transform and enhance lives across Scotland and beyond, reflecting our dynamic world.

Values: Passionate; Connected; Open; Agile; Courageous

Approach: Excellence; Inclusion; Collaboration; Reflection

Strategic Priorities:

- To engage audiences through a dynamic and relevant programme
- Becoming more diverse and inclusive
- Preparing for our new home
- Harnessing the power of digital
- Working sustainably
- Valuing our people

The following report touches on all of these areas.

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Achievements and performance

The launch of our 50th Anniversary Season in April 2023 was an important milestone as we introduced new and developing initiatives to our audiences and stakeholders such as Dementia-friendly concerts, matinees, our new Family concert - The Great Grumpy Gaboon, Soundbox (our talent development project), our Digital season and a significant body of new commissions. To add to the excitement, we were delighted to announce the extension of Maxim Emelyanychev's tenure as the SCO's Principal Conductor up to September 2028.

Maxim's connection with the Orchestra continues to flourish in a hugely positive way and is developing into one of the great conductor/orchestra relationships, getting stronger and richer every time they work together. Similarly, Maxim's connection with the audience is unique and they truly adore him. His tenure represents a golden age for the Orchestra and while his star continues to rise on the international stage, we are incredibly grateful that we have him for some time yet.

To finish the 2022/23 Season, Maxim led the Orchestra and our fabulous SCO Chorus in two superb performances of Brahms' *Requiem*. Later in the summer of 2023 Maxim joined the Orchestra and Chorus again for two epic high-profile concerts – Mendelssohn's *Elijah*, performed at the BBC Proms in July, and Mozart's *The Magic Flute* at the Edinburgh International Festival. Both were celebrations of some of the grandest music ever created and were enthusiastically received by capacity audiences in the Royal Albert and Usher Halls.

The 2023 Summer Tour of Scotland from June to September brought together a host of exceptional conductors and soloists who visited 20 towns and cities across the nation with the Orchestra. As part of the tour we held a residency in Aberdeen which included a full orchestral programme and a fun family concert that allowed us to engage more deeply with the local community.

The Summer Tour was uniquely punctuated by historic Royal duties with several SCO musicians forming part of the Coronation Orchestra at The Coronation of Their Majesties The King and The Queen at Westminster Abbey in May with a global audience estimated at 400 million.

Furthermore, in July SCO Chief Executive Gavin Reid, was asked by His Majesty to co-create a programme of music for a Service of Thanksgiving and Dedication at St Giles' Cathedral in Edinburgh on 5 July, where His Majesty was presented with the Honours of Scotland – the Scottish Crown Jewels. An Honours of Scotland Ensemble was formed, made up of musicians from the SCO, Royal Conservatoire of Scotland and Scottish Ballet Orchestra, all of which His Majesty was Patron of as The Duke of Rothesay. The Ensemble was joined by, amongst others, violinist Nicola Benedetti, mezzo-soprano Karen Cargill, trumpeter Aaron Akugbo, The Choir of St Giles' Cathedral and the National Youth Choir of Scotland Chamber Choir. It was a truly memorable day and a fantastic showcase of Scotland's musical excellence. Later in the year, as a result of his service to the Monarch, it was announced that Gavin Reid was to be honoured in The King's New Year Honours List and appointed as Lieutenant of the Royal Victorian Order (LVO). It was wonderful recognition for the entire SCO team involved in delivering the project and who were so proud to play such a significant role in the historic event.

In May 2024, we received news that His Majesty had chosen to continue his patronage of the SCO following his accession to the throne.

In addition to these festivities, we also had several high-profile European concerts in the summer of 2023 with a pair of concerts in June in the stunning Frank Gehry-designed Fondation Louis Vuitton in Paris with the sensational French pianist Alexandre Kantorow. The SCO also made its debut at the Elbphilharmonie in Hamburg in August. Maxim Emelyanychev and the Orchestra performed Mozart, Schumann and Mendelssohn's Hebrides Overture.

The 2023/24 50th Anniversary Winter Season began in style in late September with Maxim's *Eroica* – **A Grand Tour of Scotland** travelling to six cities across the country (Perth, Edinburgh, Glasgow, Stirling, Ayr and Aberdeen) and also included a very special concert for the Craigmillar community in a local High School where we commenced the third year in our SCO in Craigmillar Community Residency. Maxim was joined by the wonderful American pianist Kirill Gerstein and the tour also featured two SCO Principals as soloists, clarinetist Maximiliano Martin and violist Max Mandel. The programme opener, *The Origin of Colour*, was a specially-commissioned 50th Anniversary piece from SCO Associate Composer Jay Capperauld. It's a fabulous, engaging piece of work, and was enthusiastically received by musicians, audiences, and critics alike.

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An Ayrshire native, Jay is a very special talent and immensely popular with the Orchestra. He was mentored by Scotland's pre-eminent composer Sir James MacMillan, who was similarly an Associate Composer with the SCO at Jay's age. The *Origin of Colour* was also featured as part of the SCO's **Immerse** programme in September, which enables secondary school music pupils to experience the excitement of a live orchestra up close in concert. Immerse performances took place in Glasgow, Perth and Galashiels and were presented and introduced by Jay himself, who shared how he created this exciting new work. This was particularly exciting as Jay Capperault participated in this programme as a school pupil himself and greatly enjoyed having the opportunity to give back to the next generation of young musicians.

Maxim Emelyanychev went on to lead a further six programmes throughout the Season performing as both conductor and soloist. These included Mendelssohn's Piano Concerto No.1 with Benjamin Grosvenor; a concert exploring his Baroque inspirations as both harpsichordist and conductor, an annual highlight which has become a favourite amongst our audiences; a special concert marking the SCO's 50th birthday in January 2024; an evening of Lindberg, Stravinsky and Shostakovich with long-time SCO friend and collaborator Finnish violinist Pekka Kuusisto; The Auld Alliance, a programme celebrating the age-old friendship between the peoples of Scotland and France in the company of the wonderful Scottish mezzo soprano Karen Cargill, that included the world premiere of Sir James MacMillan's new choral setting of Robert Burns' *Composed in August* with the SCO Chorus. Memorably, the concert finished with Peter Maxwell Davies' *Orkney Wedding With Sunrise*.

To conclude the season Maxim turned to one of his most cherished composers – Felix Mendelssohn – for his grand and dramatic oratorio *Elijah*, performed with the massed forces of the SCO Chorus and an international line-up of soloists including soprano Carolyn Sampson and baritone Roderick Williams. It was a truly stunning concert with 5-star reviews all round.

The SCO Chorus continues to be in magnificent shape under the inspirational leadership of Director Gregory Batsleer. The Chorus strives to match the international performing standards of the Orchestra and has built a reputation as Scotland's most vibrant and versatile choir and is now widely regarded as one of the finest orchestral choruses in the UK. In addition to *Elijah* and The Auld Alliance, they performed a further two concerts with the Orchestra last season including a magnificent performance of Bach's B Minor Mass – for many, the pinnacle of achievement in Baroque choral music, with conductor Richard Egarr, and a concert of choral masterworks including Schumann's *Nachtlied* and Schubert's Mass in A-flat. The Chorus' annual Christmas concerts at Greyfriars Kirk in Edinburgh go from strength to strength and have built a loyal following since their inception in 2015, so much so that a new Easter concert will be performed there in 2025.

Beyond special projects with Maxim and the Chorus, the Orchestra's golden anniversary Season was a momentous period of music-making. Other highlights of the autumn period must include special mention for conductor Ryan Bancroft - a former student at the Royal Conservatoire of Scotland and now Chief Conductor of the BBC National Orchestra of Wales who made his debut with the SCO and Edinburgh-born Colin Currie, one of the world's leading percussion soloists.

Colin devised an entire programme focused on Steve Reich (with whom he has a close connection), conducting, playing, and directing throughout. With clever and innovative marketing, not only were these concerts artistically successful, but they also attracted full and diverse audiences to the Queens Hall in Edinburgh and City Halls in Glasgow. Such was the success in attracting new audiences to the SCO, we will dedicate 3 concert weeks in future Winter Seasons to a new strand of programming – New Dimensions, that is specifically designed to diversify and grow our audience as we approach the opening of the new Dunard Centre in Edinburgh.

We had three special weeks which saw some of Europe's finest young soloists direct and perform with the Orchestra including Nicolas Altstaedt, an inspirational French/German cellist who performed a matinee programme of Mozart and Haydn; Jonian Ilias-Kadesha, a virtuosic Greek-Albanian violinist who warmed some bitterly cold January evenings with flamboyant music inspired by Eastern Europe and the tremendous Italian violinist Lorenza Borrani, who breathed new life into Beethoven's Seventh Symphony, providing a notably inspirational week for the Orchestra. Our former Leader, Benjamin Marquise Gilmore also returned to direct the Orchestra for three sold out performances leading up to Christmas in Perth, Edinburgh and Glasgow with Nicola Benedetti performing Beethoven's Violin Concerto.

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2024 began with a series of very well attended New Year concerts in Edinburgh, Aberdeen, Perth, and Ayr. The remainder of January into February was focussed on our 50th birthday celebrations. For an orchestra so closely associated with the music of Mozart, it is interesting that the date of our very first concert back in 1974 coincided exactly with his birthday – 27th January. To mark the occasion of our 50th birthday, BBC Radio 3 broadcast a complete performance of the SCO's great recording of the opera, *Don Giovanni*, conducted by Sir Charles Mackerras.

Our own anniversary concerts took place one week earlier, with Maxim Emelyanychev performing music by Mozart, alongside Elena Langer and Haydn. The icing on the birthday cake was provided by Jay Capperauld and his unique version of *Happy Birthday* – a special celebratory commission. The second performance of this programme, from Glasgow City Halls was broadcast live by BBC Radio3.

Two ambitious concerts in the Celtic Connections festival took place the following week in Glasgow's Royal Concert Hall. The first, a collaboration with Irish band, Altan. The second, featured four separate musical elements, with amazing contributions from Edinburgh-born harpist Maeve Gilchrist, folk trio LAU, Paul Buchanan of the legendary Glasgow band The Blue Nile and finally, American singer-songwriter Aoife O'Donovan.

The start of February saw a very different side to the SCO, with the first performances of *The Great Grumpy Gaboon*. Jay Capperauld again played a major role in this project as we invited him to compose a brand-new orchestral work for children and families. Jay, our Creative Learning team and 8 of our musicians (all of whom played characters in the story) collaborated with Scottish children's author and illustrator Corinna Campbell on a new story concept around which Jay created an original piece that resulted in a fresh, interactive, musical adventure for children. It was a great success, delighting new audiences in Perth, Edinburgh, and Glasgow and will travel to 6 other locations in Scotland in the coming two years.

Long-term collaborator Pekka Kuusisto worked with Maxim for the first time to perform an edge-of-your-seat performance of Lindberg's Violin Concerto, and then joined us a couple of weeks later to present what was for many, the highlight of the season – his very own Scandinavian folk perspective on Vivaldi's *Four Seasons* with his close friend Ale Carr on Cittern. Pekka provides an immensely warm welcome for audiences to step into his world and the Orchestra is with him every note of the way in experimenting with music to bring something new and completely unexpected to the stage. Pekka's *Four Seasons* drew full houses in Usher Hall, Glasgow City Halls and Aberdeen Concert Hall and was accompanied by 5-star reviews all round. The following week he directed the Orchestra in a memorable evening of Baltic-inspired folk music with a twist of Scottish influence – another evening successfully promoted to diversify our audience and engage more people with the Orchestra for the first time.

Our Digital Season, consisting of four beautifully shot films recorded in Leith Theatre, had releases interspersed throughout the Season. They included Sally Beamish's *Opus California*, Thea Musgrave's *The Seasons*, Mendelssohn's String Quartet No.1 and Sir James MacMillan's *Tuireadh*. This series provides a valuable opportunity for us to build on the experience gained during the lockdown years, explore more diverse repertoire, and continue to develop a global online profile and is something we will continue to produce.

We launched a new 5-year Strategic Plan in summer 2023 and we have been doing our utmost to deliver on this over the last year. The plan emphasises our commitment to excellence in all we do, inspiring a diverse range of audiences, enriching their lives and fostering creativity and well-being, as well as a continued emphasis on working with marginalised individuals and minority groups across a wide range of geographical locations and settings.

Our Creative Learning programme is key in helping us deliver this. Our portfolio of education and ensemble initiatives now reaches more than 10,000 people every year across a wide range of settings including schools, hospitals and care facilities in communities across Scotland for people of all ages, backgrounds and abilities. Some of the most meaningful performances in the last year have been our Re:Connect Tea Dance concerts for people living with Dementia, in partnership with Alzheimers Scotland. This complements our long running Re:Connect project for people with dementia that we deliver in partnership with NHS Lothian. The profound impact music has on those who live with Dementia is hard to put into words, but is very often, truly transformational.

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Projects such as the SCO Academy, SCO in Craigmillar, The Great Grumpy Gaboon, Re:Connect Tea Dances, allow our musicians to connect with people who for many reasons, may not be able to get to one of our concerts and is such important work – now core to our existence.

To increase the SCO's box office revenue and bolster Financial Sustainability we commissioned a Loyalty and Pricing Review in 2023. This reviewed the Orchestra's ticket pricing, subscriptions model (discounts offered for multi-buy), other discounts, and loyalty programmes, and we will see the report's recommendations roll out in the 2024/25 Season.

The 50th Anniversary Season has been a testament to the transformative power of music and community. The Orchestra has played a major role in the cultural life of this country for half a century now, and is widely regarded as one of the very finest orchestras of its type, anywhere in the world.

Public Funding

Our Scottish Government Core Grant for 2023/24 was confirmed at the same level as the previous year. However, as well as awards to support international touring activity and the Honours of Scotland event, we were able to continue to utilise the last of significant Scottish Government funding received in 2021/22 to encourage post-COVID audience engagement, digital and in-person activity, plus short to medium term management support to deal with some of the years' pressures.

In December, we were advised that our core grant for 2024/25 would increase by just over 3% to £2.053m. We remain extremely grateful to the Scottish Government for this outstanding support.

We were also pleased to secure an extension of one year to our 3-year strategic partner funding from City of Edinburgh grant at £50k per annum.

In March, following significant lobbying from the sector, there was welcome news from the UK Government, that Orchestra Tax Relief would be permanently set at 45% from 1 April 2025 rather than tapering back down to the previous permanent level of 25% from the temporary 50% headline rate.

Individual Giving, Trusts and Foundations

We are very thankful to our many loyal supporters who continue to invest in our work. Their investment has never been more needed than now. Both our regular Individual Giving programme and Major Gift income (annual donations of over £5,000 from individuals) have grown this year as we have worked on creating more opportunities to build relationships with our donors and bring them closer to the Orchestra via in-person meetings and special events.

Our Trusts and Foundations fundraising continues to perform well and is in large part down to our impactful Creative Learning Programme, including the Craigmillar Residency, and how attractive that is to funders. However, demand for this type of funding is incredibly competitive and becoming even more so.

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Financial review

The results for the year are detailed in the Consolidated Statement of Financial Activities on page 16. Total income and expenditure are broadly in line with prior year although the mix of activity was slightly different with an increase in domestic and commissioning activity reflecting 50th anniversary celebrations which offset a reduction in international touring activity compared to 2023.

The consolidated net movement in funds is a surplus of £191,398 (2023: deficit £124,284). The principal movements in the current year are:

- a surplus in unrestricted funds before transfers of £543,578 (2022: surplus £492,541). This result reflects the bulk of activity – a mixture of in-person and digital orchestral projects, radio and tv broadcasts, and Creative Learning activity, as more fully described in the Achievements and Performance section. This result includes an Orchestra tax credit of £1,052,005 which is comparable to prior year due to the similar scale of qualifying activity and a second temporary full year of relief at the headline rate of 50%.
- a surplus in the designated Property Fund before transfers of £62,793 (2023: deficit £65,952) arising from the performance of the investment portfolio (see note below)
- a deficit in other designated funds of £286,745 before transfers (2023: deficit £336,651). This was incurred via planned expenditure on digital projects, a European Tour (May 2023), and a CD recording.
- a deficit in Restricted Funds of £128,228 (2023: deficit £214,222), which also represented funding allocated to the international tours noted above as well as remaining expenditure of Scottish Government project funding received in 31/3/2022.

The purpose of designated funds is explained more fully in note 17. These are funds set aside by the Trustees to support planned activity, such as future recordings, international touring, digital projects and player development.

On the Balance Sheet, the Revenue Reserve shows a surplus of £180,409 (2023: surplus £155,264), and is underpinned by the General Reserve of £230,777 (2023: £230,777). Total unrestricted general funds on the balance sheet are therefore £411,186 (2023: £386,041).

Movements in restricted funds are detailed in note 17. The balance of restricted funds at year end of £266,066 (2023: £394,294) consists of three separate amounts. Firstly, a balance relating to SCO Productions (development of the SCO Chorus), secondly, funding for Concert Hall Development which will be utilised as the Orchestra prepares for a move into a new Edinburgh performance base, and finally a Fixed Assets fund which covers the depreciation of assets purchased using restricted capital grants.

Principal Funding Sources and Reserves Policy

The principal funding sources of the company are a core grant from the Scottish Government, box office income, philanthropic support, corporate sponsorship and local authority funding. The Board has identified a minimum reserve requirement equivalent to three months' costs, which will enable the company to meet commitments as they fall due. At 31 March 2024, the group had total reserves of £2,910,361 (2023: £2,718,963) which is above target level. However, within this balance are £266,066 (2023: £394,294) of restricted funds which are not available for the general purposes of the company. The Trustees have designated reserves to a range of future activity as explained more fully in note 17. Through regular review of financial performance, open and transparent dialogue with key stakeholders and seeking to identify additional funding, the directors aim to manage this position and address any gap which may arise due to unanticipated costs or decline in income.

Investment policy and performance

The Board has set an investment policy for its endowment fund of balanced growth with medium risk. The day-to-day investment management has been delegated to a firm of investment management professionals Adam & Company Investment Management whose performance is reviewed and monitored by the Directors on a regular basis. The main investment objective is to protect the capital of the SCO in real terms. Directors regularly review ethical restrictions as well as opportunities to develop the portfolio's ESG (environmental, social and governance) credentials and sustainability of investments. There is currently a restriction on direct investment in tobacco. The portfolio's value increased by 9.71% over the 12 months to 31 March 2024 compared to a peer group composite benchmark index which increased by 10.32% over the same period.

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For the year ended 31 March 2024

Risk Management

The Board's risk management strategy comprises

- Regular review of the principal risks and uncertainties faced by the group;
- The establishment of policies, systems and procedures to mitigate those risks;
- The implementation of procedures to minimise or manage any potential impact on the organisation, should those risks materialise.

The overall approach remains valid, although the risk analysis and underlying risk assessments continue to be updated according to circumstances, e.g., changes to visa requirements for both outward international touring (Europe and the US) and bringing artists into the UK. As financial margins become increasingly tighter, there is an increased risk from any unavoidable changes in planning or unexpected box-office returns. The latter is monitored on a regular and timely basis as the orchestra's work is spread throughout the year, albeit with more activity during the Winter Season months of September to April. Budgeting and expenditure are tightly controlled, and planning systems are constantly reviewed in an attempt to lessen the impact of such eventualities.

The principal risk continues to be a sudden or unexpected decline in central government funding, especially whilst-public finances are constricted and inflation levels remains unsettled. The status of this funding is monitored carefully via regular reporting, evaluation against set objectives and dialogue with the funder. Where possible, forward planning is tailored accordingly.

A failure to attract and retain significant private sector income (Corporate Sponsorship; Individual Giving; Trusts & Foundations) which has grown considerably over recent years would also be detrimental to the company's ability to operate successfully. The company has a refreshed fundraising strategy, with a donor-centred focus at its core, is actively encouraging legacy giving via a newly created Legacy Giving Circle created in the 50th anniversary year, and continues to utilise a customer-relationship management database to mitigate this risk.

Plans for future periods

The Orchestra is one year into its five-year Strategic Plan and we are excited to see some wonderful programming and new audience development initiatives rolling out that respond to our strategic priorities. Highlights of the season ahead include:

- A European Tour with five concerts across Toulouse, Liege, Antwerp and Würzburg in May 2024.
- Principal Conductor, Maxim Emelyanychev, joins the Orchestra for the first three concerts of the 2024/25 Season: A Celebration of Dvořák, our Mozart Gala, and the now-regular Baroque Inspirations programme.
- Andrew Manze joins the SCO as Principal Guest Conductor for three hugely varied programmes during the 2024/25 Season.
- A residency with visionary Finnish violinist Pekka Kuusisto who presents amongst other things his own perspective on Tchaikovsky's Violin Concerto and Stravinsky's The Soldier's Tale.
- Acclaimed guests include: Steven Isserlis, Lawrence Power, Eric Lu, Helen Charlston, Joana Carneiro, Nicola Benedetti, Rachel Podger, Geneva Lewis, Isabelle van Keulen and Roderick Williams to name but a few.
- SCO players take centre stage during the 2024/25 Season for a number of concerti including Mozart's Flute Concerto (Andre Cebrian) and the premiere of the late Peter Eotvos' Aurora for double bass (Nikita Naumov).
- We look forward to the first New Dimensions Series – three exciting, exploratory programmes and an informal concert format in Edinburgh and Glasgow. The first of these three programmes, Borealis, sees us partner with new music festival Nordic Music Days.
- New music - There are seven premieres in the 2024-25 Season, including the world premieres of two new works by Jay Capperault, the Scottish premiere of Hillborg's Viola Concerto and Isaksson's Flows, music from the SCO's youngest-ever commissioned composer, Georgian teenager Tsontne Zédginidze; and the world premiere of a new arrangement of Gruber's Silent Night by Lucy Walker (18-19 December).
- From 2025 we will take VIBE, our unique fusion orchestra programme for young people, to the Scottish Borders, working with local partners in the region.
- Year 4 of 5 of our Craigmillar Residency will include our ongoing schools' programme for nursery, primary and secondary school pupils as well as year-round creative projects for all members of the community. These include *Craigmillar Voices*, our flourishing community singing project and *Seen and Heard*, an arts and music programme.

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For the year ended 31 March 2024

Structure, governance and management

The company is a company limited by guarantee governed by its Memorandum and Articles of Association. The number of directors is as follows:

Ex Officio	Chair
Lay	Maximum of six
Local Authority	Maximum of three

The full board of the company – which deals with strategic issues – meets four to five times per year. New directors are identified and recruited with reference to maintaining the appropriate balance of skills and experience on the board. All new directors are provided with an induction pack and meet separately with the Chair and Chief Executive in order to familiarise themselves with the content of the Memorandum and Articles of Association, the committee and decision-making process, the business plan, the financial performance of the company and their legal obligations under company and charity law. Development and training needs are identified in consultation with the Chair and arranged as required for all directors.

Directors take office for up to two three-year terms. In exceptional circumstances, directors may be invited to take office for up to a further and final three years.

Day-to-day management of the company is delegated by the board to the Chief Executive, who is supported by a management team. Arrangements for setting the pay and remuneration of the company's Chief Executive are managed by the Chair and other trustees of the Executive Committee who will consider industry and sector pay benchmarks, the resources and requirements of the company as well as the individual performance development review process.

The group consists of Scottish Chamber Orchestra Limited (the parent company) and SCO Trading Limited, its wholly owned subsidiary.

Related party transactions

No director received any remuneration or expenses as a result of their office as a director.

City of Edinburgh Council, Glasgow City Council and Fife Council have nominated representatives who were appointed directors of the company. City of Edinburgh Council awards an annual core grant to the company.

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Reference and administrative details

Scottish Chamber Orchestra Limited

Charitable company registered in Scotland

Company Number SC075079

Scottish Charity Number SC015039

Patron

His Majesty the King

Life President

Donald MacDonald, CBE CA

Chief Executive

Gavin Reid, LVO

Directors

Lay

Joanna Baker, CBE, Chair from 28/6/23

Colin Buchan, Chair to 28/6/23
resigned 11/12/23

Zoe van Zwanenberg resigned 11/12/23

Rachael Erskine

Sarah Davidson, CB

Peter Maniura

Charles Macquaker appointed 11/12/23

Mark Urquhart appointed 11/12/23

Pamela Gillies, CBE appointed 11/12/23

Local Authority

Cllr Val Walker (Edinburgh)

Cllr Eva Bolander (Glasgow) resigned 26/6/24

Cllr Paul Leinster (Glasgow) appointed 24/7/24

Cllr Jonny Tepp (Fife)

Company Secretary

Ian White CA

Orchestra Advisers

Peter Franks

Louise Lewis Goodwin

Alison Green

Philip Higham

Su-a Lee

Management team

Gavin Reid, LVO (Chief Executive)

Judith Colman (Concerts Director)

Laura Baxter (Creative Learning Director)

Derek Gilchrist (Marketing & Communications Director)

Ian White CA (Finance & Administration Director)

Martin Lawlor (Development Director)

Auditor

Azets Audit Services

Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

Bankers

The Royal Bank of Scotland plc

36 St Andrew Square

Edinburgh

EH2 2YB

Solicitors

Turcan Connell

Princes Exchange

1 Earl Grey Street

Edinburgh

EH3 9EE

Registered office

4 Royal Terrace

Edinburgh

EH7 5AB

Investment advisers

Adam & Company Investment Management Ltd

40 Princes Street

Edinburgh

EH2 2BY

SCOTTISH CHAMBER ORCHESTRA LIMITED

Directors' Report

For the year ended 31 March 2024

Statement of directors' responsibilities

The directors (who are also trustees of Scottish Chamber Orchestra Limited) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the group and the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for maintaining adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", the Charities and Trustee Investment (Scotland) Act 2005, and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor

As far as the directors are aware at the time the report is approved:

- there is no relevant information of which the Group and Parent Charitable Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information, and to establish that the Group and Parent Charitable Company's auditor is aware of the information.

Small company exemptions


The above report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in accordance with special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Auditor

A resolution to re-appoint Azets Audit Services as auditor will be put to the members at the annual general meeting.

Approved by the Board of Directors on 11 October 2024

And signed on its behalf by



Ian White CA
Company Secretary
Edinburgh

SCOTTISH CHAMBER ORCHESTRA LIMITED
(a company limited by guarantee)

Independent Auditor's Report to the Members and Directors of Scottish Chamber Orchestra Limited
For the year ended 31 March 2024

Opinion

We have audited the financial statements of Scottish Chamber Orchestra Limited (the 'parent charitable company') and its subsidiary (the group) for the year ended 31 March 2024 which comprise the Consolidated and Parent Charitable Company Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheet, the Consolidated and Parent Charitable Company Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's and the parent charitable company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

SCOTTISH CHAMBER ORCHESTRA LIMITED
(a company limited by guarantee)

Independent Auditor's Report to the Members and Directors of Scottish Chamber Orchestra Limited
(continued)
For the year ended 31 March 2024

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

SCOTTISH CHAMBER ORCHESTRA LIMITED
(a company limited by guarantee)

Independent Auditor's Report to the Members and Directors of Scottish Chamber Orchestra Limited
(continued)
For the year ended 31 March 2024

Responsibilities of the directors

As explained more fully in the Director's Responsibilities set out on page 10, the directors (who are the directors of the charitable company for the purpose of company law and the trustees of the charitable company for the purpose of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the group and parent charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the group and parent charitable company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the group and parent charitable company that were contrary to applicable laws and regulations, including fraud.

SCOTTISH CHAMBER ORCHESTRA LIMITED
(a company limited by guarantee)

Independent Auditor's Report to the Members and Directors of Scottish Chamber Orchestra Limited
(continued)
For the year ended 31 March 2024

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the group and parent charitable company's legal advisors.

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in these financial statements were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SCOTTISH CHAMBER ORCHESTRA LIMITED
(a company limited by guarantee)

Independent Auditor's Report to the Members and Directors of Scottish Chamber Orchestra Limited
(continued)
For the year ended 31 March 2024

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's directors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the parent charitable company's members, as a body, and the parent company's directors, as a body, those matters we are required to state to them in an Auditor's 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 parent charitable company, the parent charitable company's members, as a body, and the parent charitable company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Allison Gibson, Senior Statutory Auditor

For and on behalf of Azets Audit Services, Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants

Quay 2

139 Fountainbridge

Edinburgh

EH3 9QG

Date: 15 October 2024

SCOTTISH CHAMBER ORCHESTRA LIMITED

Consolidated Statement of Financial Activities
(incorporating the Consolidated Income and Expenditure Account)
For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Property Fund £	Other Designated Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from:							
<i>Donations and legacies</i>							
grant income	4	2,042,000	-	82,380	302,462	2,426,842	2,359,236
sponsorship, donations, commissions and legacies	4	961,780	-	-	-	961,780	742,316
<i>Charitable activities</i>							
performance income	4	1,206,559	-	-	10,148	1,216,707	1,426,596
publications and other earned income	4	33,230	-	35,285	-	68,515	34,517
<i>Other trading activities</i>							
CD & merchandise income	4	6,855	-	-	-	6,855	3,936
<i>Investment income</i>	4	42,644	-	-	-	42,644	26,892
Total income	4	4,293,068	-	117,665	312,610	4,723,343	4,593,493
Expenditure on:							
<i>Raising funds</i>							
development & sponsorship	6	284,700	-	-	429	285,129	174,674
CD & merchandise costs	6	1,763	-	-	-	1,763	2,923
<i>Charitable activities</i>	7	4,515,032	-	404,410	440,409	5,359,851	5,493,164
Total expenditure		4,801,495	-	404,410	440,838	5,646,743	5,670,761
Net gains / (losses) on investments		-	62,793	-	-	62,793	(65,952)
Net expenditure before taxation and transfers		(508,427)	62,793	(286,745)	(128,228)	(860,607)	(1,143,220)
Orchestra tax credit		1,052,005	-	-	-	1,052,005	1,018,936
Net income / (expenditure) before transfers		543,578	62,793	(286,745)	(128,228)	191,398	(124,284)
Transfers between funds	17	(518,433)	150,000	368,433	-	-	-
Net movement in funds		25,145	212,793	81,688	(128,228)	191,398	(124,284)
Total funds brought forward	17	386,041	470,317	1,468,311	394,294	2,718,963	2,843,247
Total funds carried forward	17	411,186	683,110	1,549,999	266,066	2,910,361	2,718,963

All the results for the year are derived from continuing operations.
The notes on pages 21 to 42 form part of these financial statements.

SCOTTISH CHAMBER ORCHESTRA LIMITED

**Company Statement of Financial Activities
(incorporating Income and Expenditure Account)
For the year ended 31 March 2024**

	Notes	Unrestricted Funds £	Property Fund £	Other Designated Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from:							
<i>Donations and legacies</i>							
grant income	4	2,042,000	-	82,380	302,462	2,426,842	2,359,236
sponsorship, donations, commissions and legacies	4	961,780	-	-	-	961,780	742,316
<i>Charitable activities</i>							
performance income	4	1,206,559	-	-	10,148	1,216,707	1,426,596
publications and other earned income	4	33,230	-	35,285	-	68,515	34,517
<i>Other trading activities</i>							
CD & merchandise income	4	6,855	-	-	-	6,855	3,936
Investment income	4	42,644	-	-	-	42,644	26,892
Total income	4	4,293,068	-	117,665	312,610	4,723,343	4,593,493
Expenditure on:							
<i>Raising funds</i>							
development & sponsorship	6	284,700	-	-	429	285,129	174,674
CD & merchandise costs	6	1,763	-	-	-	1,763	2,923
<i>Charitable activities</i>							
	7	4,514,311	-	404,410	440,409	5,359,130	5,493,123
Total expenditure		4,800,774	-	404,410	440,838	5,646,022	5,670,720
Net gains / (losses) on investments		-	62,793	-	-	62,793	(65,952)
Net expenditure before taxation and transfers		(507,706)	62,793	(286,745)	(128,228)	(859,886)	(1,143,179)
Orchestra tax credit		1,052,005	-	-	-	1,052,005	1,018,936
Net income / (expenditure) before transfers		544,299	62,793	(286,745)	(128,228)	192,119	(124,243)
Transfers between funds	17	(518,433)	150,000	368,433	-	-	-
Net movement in funds		25,866	212,793	81,688	(128,228)	192,119	(124,243)
Total funds brought forward	17	385,320	470,317	1,468,311	394,294	2,718,242	2,842,485
Total funds carried forward	17	411,186	683,110	1,549,999	266,066	2,910,361	2,718,242

All the results for the year are derived from continuing operations.
The notes on pages 21 to 42 form part of these financial statements.

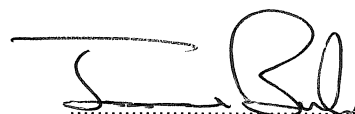
SCOTTISH CHAMBER ORCHESTRA LIMITED

Consolidated Balance Sheet

As at 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	12	89,387		73,972	
Investments	13	934,270		851,547	
Total fixed assets			1,023,657		925,519
Current assets					
Stock	14	7,218		8,324	
Debtors	15	1,326,186		1,802,080	
Cash at bank and in hand		1,635,385		836,218	
Total current assets		2,968,789		2,646,622	
Liabilities					
Creditors: Amounts falling due within one year	16	(1,082,085)		(853,178)	
Net current assets			1,886,704		1,793,444
Net assets			2,910,361		2,718,963
Reserves					
Revenue reserve	17	180,409		155,264	
General reserve		230,777		230,777	
Total unrestricted funds			411,186		386,041
Property fund			683,110		470,317
Other designated funds			1,549,999		1,468,311
Restricted funds			266,066		394,294
Total funds			2,910,361		2,718,963

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The financial statements were authorised for issue by the Board of Directors on 11 October 2024 and are signed on its behalf by:

 Chair
Joanna Baker, CBE

Company Registration Number SC075079

The notes on pages 21 to 42 form part of these financial statements.


SCOTTISH CHAMBER ORCHESTRA LIMITED

Company Balance Sheet

As at 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	12	89,387		73,972	
Investments	13	934,370		851,647	
Total fixed assets			1,023,757		925,619
Current assets					
Stock	14	7,218		8,324	
Debtors	15	1,326,186		1,803,056	
Cash at bank and in hand		1,635,285		834,421	
Total current assets		2,968,689		2,645,801	
Liabilities					
Creditors: Amounts falling due within one year	16	(1,082,085)		(853,178)	
Net current assets			1,886,604		1,792,623
Net assets			2,910,361		2,718,242
Reserves					
Revenue Reserve	17	180,409		154,543	
General Reserve		230,777		230,777	
Total unrestricted funds			411,186		385,320
Property fund			683,110		470,317
Other designated funds			1,549,999		1,468,311
Restricted funds			266,066		394,294
Total charity funds			2,910,361		2,718,242

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The financial statements were authorised for issue by the Board of Directors on 11 October 2024 and are signed on its behalf by:


 Chair
 Joanna Baker, CBE

Company Registration Number SC075079

The notes on pages 21 to 42 form part of these financial statements.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Consolidated and Company Statement of Cash Flows

As at 31 March 2024

	Note	Group		Company	
		2024 £	2023 £	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES:					
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES:	1A	816,966	(1,358,016)	818,663	(1,357,975)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment income		42,644	26,892	42,644	26,892
Proceeds from sale of tangible fixed assets		17,500	6,200	17,500	6,200
Purchase of tangible fixed assets		(58,013)	(31,752)	(58,013)	(31,752)
Net Proceeds from sale of investments		194,897	8,063	194,897	8,063
Purchase of investments		(194,897)	(8,062)	(194,897)	(8,062)
Transfer of cash from income a/c to capital a/c		(19,930)	(78,951)	(19,930)	(78,951)
NET CASH USED IN INVESTING ACTIVITIES:		(17,799)	(77,610)	(17,799)	(77,610)
CHANGE IN CASH AND CASH EQUIVALENTS		799,167	(1,435,626)	800,864	(1,435,585)
CASH AT THE BEGINNING OF THE YEAR		836,218	2,271,844	834,421	2,270,006
CASH AT THE END OF THE YEAR	1B	1,635,385	836,218	1,635,285	834,421

Note 1A	GROUP		COMPANY	
	2024 £	2023 £	2024 £	2023 £
Net income/(expenditure) for the year	191,398	(124,284)	192,119	(124,243)
Adjustments for:				
Depreciation charges	34,862	41,338	34,862	41,338
(Gains)/losses on investments	(62,793)	65,952	(62,793)	65,952
Investment income	(42,644)	(26,892)	(42,644)	(26,892)
Gain on sale of fixed assets	(9,764)	(6,200)	(9,764)	(6,200)
Decrease in stock	1,106	2,923	1,106	(8,324)
Decrease/(increase) in debtors	475,894	(1,071,547)	476,870	(1,060,300)
Increase/(decrease) in creditors	228,907	(239,306)	228,907	(239,306)
Net cash provided by/(used in) operating activities	816,966	(1,358,016)	818,663	(1,357,975)

Note 1B – Analysis of cash and cash equivalents including changes in net debt GROUP	At 1 April 2023 £	Cashflows £	Non-cash Changes £	At 31 March 2024 £
Cash at bank and in hand	836,218	799,167	-	1,635,385
COMPANY				
Cash at bank and in hand	834,421	800,864	-	1,635,285

The notes on pages 21 to 42 form part of these financial statements.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

1. Accounting policies

General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the group's transactions are denominated. They comprise the financial statements of Scottish Chamber Orchestra Limited and its subsidiary SCO Trading Limited.

The principal activity of Scottish Chamber Orchestra Limited is to promote the performance, creation and appreciation of music throughout Scotland, the United Kingdom and internationally.

The principal activity of SCO Trading Limited was the sale of CD recordings, other related merchandise and programme advertising in order to support the operations of the Scottish Chamber Orchestra. During the previous year this activity was hived-up to the parent company and SCO Trading Ltd ceased its trading activities.

Scottish Chamber Orchestra Limited is a private charitable company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC015039. In the event of the winding up of the charitable company a member is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number can be found on page 9 of these financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Scottish Chamber Orchestra Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The financial statements consolidate the results of the company and its wholly owned subsidiary SCO Trading Limited (Company Number SC126870) on a line by line basis. The company together with SCO Trading Limited comprises the Group.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the group and charitable company's financial statements unless otherwise stated.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

1. Accounting policies - continued

Going concern

The directors are of the opinion that the group can continue to meet its obligations as they fall due for the foreseeable future. The company is reliant on grants from the Scottish Government and the directors believe that adequate funding from this source combined with unrestricted and designated reserves can be factored into annual budgets to continue to operate. Therefore, the directors have prepared the financial statements on a going concern basis.

Recognition and allocation of income

Income is recognised when the company has legal entitlement to the funds, the receipt is probable and the amount can be measured reliably. Where practicable, income is related to the operating activities of the company.

Where there are performance conditions attached to any grants and donations, income is recognised when the conditions have been met or when meeting the conditions are within the company's control and there is sufficient evidence that they have been met or will be met. Where a grant condition allows for the recovery of any unexpended grant, a liability is recognised when repayment becomes probable.

Where there are terms placed on income that limit the company's discretion over how that income can be used, that income is shown as restricted income in the accounts.

Entitlement to legacy income exists when the company has sufficient evidence that a gift has been left, the executor is satisfied that the gift will not be required to satisfy claims on the estate and any conditions are within the control of the company or have been met. Where legacies have been notified to the company and the criteria for income recognition haven't been met, the legacy is treated as a contingent asset and disclosed if material. Legacy income is measured at fair value, generally the cash amount receivable, and is discounted if deferred for more than 12 months. The unwinding of the discount is recognised as interest receivable

Gift aid is treated as part of the related gift unless the donor or terms of appeal have specified otherwise and is credited when receivable.

Income received in advance of a performance is deferred until the criteria for income recognition are met. Sponsorship income and dividend income are credited to the Statement of Financial Activities when the right to receipt is established and is measured at fair value, generally the transaction value.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

1. Accounting policies - continued

Recognition and allocation of expenditure

Expenditure is recognised when the company has entered into a legal or constructive obligation and related where practicable to the operating activities of the company (e.g. Promotions, Engagements, Creative Learning). Where possible, expenditure is attributed directly to the function to which it relates. Where this is not possible it is allocated on the basis of staff time (where duties span more than one activity), or on a basis consistent with the use of the resources, for example in proportion to the direct expenditure incurred under each heading. The allocation of support costs is shown in Note 8.

Raising funds comprises those costs which are associated with the generation of income from sources other than from undertaking charitable activities, and includes costs of attracting sponsorship and other private donations and trading costs.

Charitable expenditure comprises those costs incurred by the company in the delivery of its charitable activities and services.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include costs linked to the strategic management of the company.

Funds

Unrestricted funds are income sources which are receivable for the objects of the company without further specified purposes and are available as general funds.

Designated funds are unrestricted income sources which have been earmarked for a specific future purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Transfers from unrestricted funds are made to meet any shortfalls in restricted projects.

Fixed assets

Fixed Assets are stated at cost. Depreciation is provided on all fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Furniture and fittings	10%-25% straight line
Computer systems	20%-33%% straight line
Musical instruments	10%-20% straight line
Music	10% straight line
Motor vehicles	25% straight line

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

1. Accounting policies - continued

Investments

Quoted investments are stated at fair value at the reporting date. The wholly owned trading subsidiary of the company is included in the financial statements at cost less impairment. Gains and losses arising on revaluation are recognised in the Statement of Financial Activities in the period in which they arise.

Stocks

Stocks are valued at the lower of cost and net realisable value after due regard for obsolete and slow-moving stocks, in the ordinary course of business.

Debtors

Trade debtors are amounts due from customers for goods sold or services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks which are readily convertible and are measured at fair value.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Financial assets and financial liabilities

Financial instruments are recognised in the statements of financial activities when the company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire, or when the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

1. Accounting policies - continued

Leases and hire purchase contracts

Leases which transfer substantially all of the risks and rewards of ownership to the charity are classed as finance leases. Assets held under finance leases are recognised as assets at the lower of the fair value of the asset at the date of acquisition and the present minimum lease payments. The related obligation to the lessor is included in the balance sheet as a finance lease obligation.

Finance costs, which represent the difference between the total leasing commitment and the fair value of the assets acquired, are charged to the statement of financial activities over the lease term at a constant rate.

Rentals payable under operating leases are charged to expenditure on a straight line basis over the lease term.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Pension commitments

The charity operates a personal pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions payable by the charity are charged to the Statement of Financial Activities in the year to which they relate.

Orchestra tax credit

The orchestra tax credit is credited to the Statement of Financial Activities consistent with the principles of corporation tax, based on performances during the financial year which meet the criteria of the relief.

2. Critical judgements and estimates

In preparing the financial statements directors make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The estimates and assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Legacy income is measured at fair value, but where part of a legacy left to the company includes property or shares to be sold, judgement is used to estimate the amount receivable.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

3. Comparative Statement of Financial Activities - Group

	Unrestricted Funds £	Property Fund £	Designated Funds £	Restricted Funds £	2023 Total £
Income & endowments from:					
<i>Donations and legacies</i>					
grant income	2,042,000	-	65,011	252,225	2,359,236
sponsorship, donations, commissions and legacies	742,316	-	-	-	742,316
<i>Charitable activities</i>					
performance income	1,410,885	-	-	15,711	1,426,596
publications and other earned income	25,341	-	9,176	-	34,517
<i>Other trading activities</i>					
CD & merchandise income	3,936	-	-	-	3,936
<i>Investment income</i>	26,892	-	-	-	26,892
Total income	4,251,370	-	74,187	267,936	4,593,493
Expenditure on:					
<i>Raising funds</i>					
development & sponsorship	174,507	-	-	167	174,674
CD & merchandise costs	2,923	-	-	-	2,923
<i>Charitable activities</i>	4,600,335	-	410,838	481,991	5,493,164
Total expenditure	4,777,765	-	410,838	482,158	5,670,761
Net losses on investments	-	(65,952)	-	-	(65,952)
Net expenditure before transfers and orchestra tax credit	(526,395)	(65,952)	(336,651)	(214,222)	(1,143,220)
Orchestra tax credit	1,018,936	-	-	-	1,018,936
Net income/(expenditure before transfers	492,541	(65,952)	(336,651)	(214,222)	(124,284)
Gross transfers between funds	(550,000)	50,000	500,000	-	-
Net movement in funds	(57,459)	(15,952)	163,349	(214,222)	(124,284)

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

Comparative Statement of Financial Activities – Company

	Unrestricted Funds £	Property Fund £	Designated Funds £	Restricted Funds £	2023 Total £
Income & endowments from:					
<i>Donations and legacies</i>					
grant income	2,042,000	-	65,011	252,225	2,359,236
sponsorship, donations, commissions and legacies	742,316	-	-	-	742,316
<i>Charitable activities</i>					
performance income	1,410,885	-	-	15,711	1,426,596
publications and other earned income	25,341	-	9,176	-	34,517
<i>Other trading activities</i>					
CD & merchandise income	3,936	-	-	-	3,936
<i>Investment income</i>	26,892	-	-	-	26,892
Total income	4,251,370	-	74,187	267,936	4,593,493
Expenditure on:					
<i>Raising funds</i>					
development & sponsorship	174,507	-	-	167	174,674
CD & merchandise costs	2,923	-	-	-	2,923
<i>Charitable activities</i>	4,600,294	-	410,838	481,991	5,493,123
Total expenditure	4,777,724	-	410,838	482,158	5,670,720
Net losses on investments	-	(65,952)	-	-	(65,952)
Net expenditure before transfers and orchestra tax credit	(526,354)	(65,952)	(336,651)	(214,222)	(1,143,179)
Orchestra tax credit	1,018,936	-	-	-	1,018,936
Net income/(expenditure) before transfers	492,582	(65,952)	(336,651)	(214,222)	(124,243)
Gross transfers between funds	(550,000)	50,000	500,000	-	-
Net movement in funds	(57,418)	(15,952)	163,349	(214,222)	(124,243)

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

4. Income

	Note	Group		Company	
		2024 £	2023 £	2024 £	2023 £
Grant income					
Funding from public bodies	23	2,129,000	2,117,000	2,129,000	2,117,000
Project funding		297,842	242,236	297,842	242,236
		2,426,842	2,359,236	2,426,842	2,359,236
Sponsorship, donations, commissions and legacies					
Sponsorship and Corporate Partnerships		166,500	102,000	166,500	102,000
Trusts and Individuals		795,280	640,316	795,280	640,316
		961,780	742,316	961,780	742,316
Performance income	5	1,216,707	1,426,596	1,216,707	1,426,596
Publications & other earned income					
Programme & hire sales		33,230	25,341	33,230	25,341
Royalty income		35,285	9,176	35,285	9,176
		68,515	34,517	68,515	34,517
CD & merchandise income		6,855	3,936	6,855	3,936
Investment income		42,644	26,892	42,644	26,892
Total income		4,723,343	4,593,493	4,723,343	4,593,493

Included in the above is £10,148 (2023: £15,711) of restricted performance income. Also included is £302,462 (2023: £252,225) of restricted grant income from a range of Trusts and Foundations to support Creative Learning activity, and from the Scottish Government (as per note 23) towards capital expenditure and international touring. There were no unfulfilled performance-related conditions or contingencies attached to the Scottish Government grants. Unrestricted grants from the Scottish Government and City of Edinburgh Council are for the support of the general activities of the SCO.

5. Performance income – Group and Company

Performance income is earned from the group's principal activity of concert promotion. The analysis of performance income by geographical area is as follows:

	2024 £	2023 £
United Kingdom	1,067,102	821,544
European Community	149,605	605,052
Total	1,216,707	1,426,596

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

6. Analysis of costs of raising funds – Group

		CD & Merchandise Costs £	Development & Sponsorship £	Total 2024 £
Direct costs		1,763	275,590	277,353
Support costs	Note 8	-	7,993	7,993
Governance costs	Note 9	-	1,546	1,546
Total		1,763	285,129	286,892

Analysis of costs of raising funds – Company

		CD & Merchandise Costs £	Development & Sponsorship £	Total 2024 £
Direct costs		1,763	275,590	277,353
Support costs	Note 8	-	7,993	7,993
Governance costs	Note 9	-	1,546	1,546
Total		1,763	285,129	286,892

6. Analysis of costs of raising funds – Group (Comparative)

		CD & Merchandise Costs £	Development & Sponsorship £	Total 2023 £
Direct costs		2,923	172,370	175,293
Support costs	Note 8	-	1,901	1,901
Governance costs	Note 9	-	403	403
Total		2,923	174,674	177,597

Analysis of costs of raising funds – Company (Comparative)

		CD & Merchandise Costs	Development & Sponsorship £	Total 2023 £
Direct costs		2,923	172,370	175,293
Support costs	Note 8	-	1,901	1,901
Governance costs	Note 9	-	403	403
Total		2,923	174,674	177,597

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

7. Analysis of costs of charitable activities – Group

		Promotions	Engagements & Media	Creative Learning	Total 2024
		£	£	£	£
Concert & event costs		2,566,062	610,044	280,632	3,456,738
Staff costs		458,135	201,144	226,759	886,038
Direct overheads		431,337	115,287	24,455	571,079
Support costs	8	299,569	64,457	9,679	373,705
Governance costs	9	57,950	12,469	1,872	72,291
Total		3,813,053	1,003,401	543,397	5,359,851

Direct Overheads include audition, transport & external player costs; SCO Chorus; music & instrument hire; composer commissions, box-office commissions, marketing & promotional activity

Analysis of costs of charitable activities – Company

		Promotions	Engagements & Media	Creative Learning	Total 2024
		£	£	£	£
Concert & event costs		2,565,341	610,044	280,632	3,456,017
Staff costs		458,135	201,144	226,759	886,038
Direct overheads		431,337	115,287	24,455	571,079
Support costs	8	299,569	64,457	9,679	373,705
Governance costs	9	57,950	12,469	1,872	72,291
Total		3,812,332	1,003,401	543,397	5,359,130

Analysis of costs of charitable activities – Group (Comparative)

		Promotions	Engagements & Media	Creative Learning	Total 2023
		£	£	£	£
Concert & event costs		2,355,663	1,216,795	268,078	3,840,536
Staff costs		424,945	186,602	177,852	789,399
Direct overheads		347,423	106,392	22,740	476,555
Support costs	8	231,826	77,389	9,770	318,985
Governance costs	9	49,194	16,422	2,073	67,689
Total		3,409,051	1,603,600	480,513	5,493,164

Direct Overheads include audition, transport & external player costs; SCO Chorus; music & instrument hire; composer commissions, box-office commissions, marketing & promotional activity

Analysis of costs of charitable activities – Company (Comparative)

		Promotions	Engagements & Media	Creative Learning	Total 2023
		£	£	£	£
Concert & event costs		2,355,622	1,216,795	268,078	3,840,495
Staff costs		424,945	186,602	177,852	789,399
Direct overheads		347,423	106,392	22,740	476,555
Support costs	8	231,826	77,389	9,770	318,985
Governance costs	9	49,194	16,422	2,073	67,689
Total		3,409,010	1,603,600	480,513	5,493,123

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

8. Analysis of support costs – Group & Company

	Raising funds £	Promotions	Engagements & Media £	Creative Learning £	Total 2024 £
General Administration	4,501	168,694	36,297	5,450	214,942
Property and Utilities	3,063	114,785	24,698	3,709	146,255
Restricted fund fixed asset depreciation	429	16,090	3,462	520	20,501
Total	7,993	299,569	64,457	9,679	381,698

General Administration includes: facility management, office leases, communications, IT, health & safety, insurance and compliance costs.

Analysis of support costs – Group & Company (Comparative)

	Raising funds £	Promotions	Engagements & Media £	Creative Learning £	Total 2023 £
General Administration	902	110,021	36,727	4,637	152,287
Property and Utilities	832	101,427	33,859	4,274	140,392
Restricted fund fixed asset depreciation	167	20,378	6,803	859	28,207
Total	1,901	231,826	77,389	9,770	320,886

9. Analysis of governance costs – Group & Company

	Raising funds £	Promotions	Engagements & Media £	Creative Learning £	Total 2024 £
Audit and Legal	1,015	38,036	8,184	1,229	48,464
Staff Time & Meetings	531	19,914	4,285	643	25,373
Total	1,546	57,950	12,469	1,872	73,837

Analysis of governance costs – Group & Company (Comparative)

	Raising funds £	Promotions	Engagements & Media £	Creative Learning £	Total 2023 £
Audit and Legal	267	32,552	10,866	1,372	45,057
Staff Time & Meetings	136	16,642	5,556	701	23,035
Total	403	49,194	16,422	2,073	68,092

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

10. Net income / (expenditure)

This is stated after charging / (crediting):	2024 £	2023 £
Hire of equipment	1,315	1,391
Rent	101,478	101,478
Auditor's remuneration	20,960	19,055
Auditor's remuneration - non audit services	6,889	10,950
Depreciation	34,862	41,338
Gain on disposal of fixed assets	(9,764)	(6,200)
The (deficit) / surplus for the year arose as follows:		
Scottish Chamber Orchestra Limited	192,119	(124,243)
SCO Trading Limited	(721)	(41)
Total	191,398	(124,284)

11. Staff numbers and costs

The average monthly number of employees of the group during the year was as follows:	2024 Number	2023 Number
Office and management	27	24

The aggregate remuneration and associated costs of the group's employees were:	2024 £	2023 £
Wages and salaries	917,185	777,766
Employer's NI contributions	89,348	76,017
Employer's pension contributions	92,095	77,446
	1,098,628	931,229

The number of employees whose remuneration (excluding employer pension contributions) exceeded £60,000 in the year, was	2024 Number	2023 Number
in the band £60,001-£70,000	2	1
in the band £100,001-£110,000	1	1

The key management personnel of the group is comprised of six employees: Chief Executive, Concerts Director, Creative Learning Director, Director of Development, Marketing & Communications Director, Finance & Administration Director. The cost to the company of salaries, benefits in kind, pension contributions and employer's national insurance contributions for key management was £485,221 (2023: £433,072).

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements – continued

For the year ended 31 March 2024

12. Tangible assets - group and company	Furniture & Fittings	Computer Systems	Musical Instruments	Music	Motor Vehicles	Total
Cost	£	£	£	£	£	£
At 1 April 2023	33,585	142,912	266,760	91,605	155,366	690,228
Additions	980	8,386	3,447	-	45,200	58,013
Disposals	-	(13,292)	-	-	(30,945)	(44,237)
At 31 March 2024	<u>34,565</u>	<u>138,006</u>	<u>270,207</u>	<u>91,605</u>	<u>169,621</u>	<u>704,004</u>
Depreciation						
At 1 April 2023	33,585	118,454	245,998	91,180	127,039	616,256
Provided for year	204	15,474	4,919	233	14,032	34,862
Disposals	-	(13,292)	-	-	(23,209)	(36,501)
At 31 March 2024	<u>33,789</u>	<u>120,636</u>	<u>250,917</u>	<u>91,413</u>	<u>117,862</u>	<u>614,617</u>
Net book value						
At 31 March 2024	<u>776</u>	<u>17,370</u>	<u>19,290</u>	<u>192</u>	<u>51,759</u>	<u>89,387</u>
At 31 March 2023	<u>-</u>	<u>24,458</u>	<u>20,762</u>	<u>425</u>	<u>28,327</u>	<u>73,972</u>

13. Investments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Quoted investments	913,387	758,337	913,387	758,337
Cash	20,883	93,210	20,883	93,210
Investment in subsidiary company	-	-	100	100
	<u>934,270</u>	<u>851,547</u>	<u>934,370</u>	<u>851,647</u>

The investment in the subsidiary represents 100% of the issued share capital of SCO Trading Limited. The company is a non-trading company registered in Scotland (no. SC126870), the registered address is 4 Royal Terrace, Edinburgh, Midlothian, EH7 5AB.

The net assets of SCO Trading at 31 March 2024 are £100 (2023: £821), which comprise current assets of £100 (2023: £1,797) less current liabilities of £nil (2023: £976). Relevant financial information regarding SCO Trading Limited for the year ended 31 March 2024 is as follows:

	2024 £	2023 £
Turnover	-	-
Gross profit	-	-
Administration expenses	-	-
Operating profit	-	-
Profit before tax	-	-
Tax	-	-
Net profit	-	-

Gift aid of £721 was paid to the parent charity during the year (2023: £41).

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

13. Investments (continued)

Quoted investments	Group and Company	
	2024 £	2023 £
Fair value at 1 April	758,337	825,289
Less: disposals at cost (proceeds £106,989, gain £28,848)	(78,141)	(18,603)
Add: acquisitions at cost	194,897	8,062
Net movements on revaluation at 31 March	38,294	(56,411)
Fair value at 31 March	913,387	758,337
	2024 £	2023 £
Historical cost at 31 March	648,808	533,231

The total portfolio is analysed as follows:	UK £	Non-UK £	Total £
Investments listed on a recognised stock exchange	377,683	535,704	913,387
Cash	20,883	-	20,883
Total	398,566	535,704	934,270

The investments are managed by Adam and Company Investment Management. The holdings comprising in excess of 5% of the total market value of the investments at 31 March 2024 were:

	Market Value £
Findlay Park American ICAV USD	8.25% 77,116
JP Morgan ICVC JPM US Equity Inc	5.00% 46,720
Lazard Global Listed Infrastructure Equity Fund A Dist GBP	6.26% 58,488
Polar Capital Technology Trust	7.37% 68,885

14. Stocks	Group	Group	Company	Company
	2024 £	2023 £	2024 £	2023 £
Compact discs and other related merchandise	7,218	8,324	7,218	8,324

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

15. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade debtors	17,937	122,727	17,937	122,727
Prepayments and accrued income	1,261,590	1,559,807	1,261,590	1,559,807
Other debtors	46,659	119,546	46,659	119,546
Amounts due from subsidiary company	-	-	-	976
	1,326,186	1,802,080	1,326,186	1,803,056

16. Creditors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade creditors	184,202	243,340	184,202	243,340
Social security and other taxes	74,871	51,904	74,871	51,904
Other creditors	84,162	111,051	84,162	111,051
Accruals and deferred income	738,850	446,883	738,850	446,883
	1,082,085	853,178	1,082,085	853,178

Included within the balance of accruals and deferred income are donations which contain terms and conditions that must be met before the charity is entitled to the resources. Advance ticket sales are also deferred. The movement in deferred income was as follows:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Advance funding & ticket sales b/fwd	184,400	287,620	184,400	287,620
Advance funding & ticket sales released in year	(335,429)	(556,640)	(335,429)	(556,640)
Advance funding & ticket sales received in year	730,868	453,420	730,868	453,420
As at 31 March	579,839	184,400	579,839	184,400

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

17. Statement of Funds - Group

	At 1 April 2023 £	Income £	Expenditure £	Investment Gains £	Orchestra Tax Relief £	Transfers In / (Out) £	At 31 March 2024 £
Unrestricted Funds							
Revenue Reserve	155,264	4,293,068	(4,801,495)	-	1,052,005	(518,433)	180,409
General Reserve	230,777	-	-	-	-	-	230,777
Total Unrestricted	386,041	4,293,068	(4,801,495)	-	1,052,005	(518,433)	411,186
Designated Funds							
Property Fund	470,317	-	-	62,793	-	150,000	683,110
<i>Other Designated Funds</i>							
Recordings	217,167	35,285	(45,891)	-	-	68,433	274,994
Business Recovery	316,906	-	-	-	-	(100,000)	216,906
International Touring	175,288	32,000	(13,183)	-	-	50,000	244,105
American Development	81,393	50,380	(10,000)	-	-	50,000	171,773
CPD / Healthy Orchestra	96,582	-	(2,236)	-	-	-	94,346
Projects & Commissioning	285,000	-	(281,933)	-	-	200,000	203,067
Digital Projects	295,975	-	(51,167)	-	-	100,000	344,808
Total Other Designated	1,468,311	117,665	(404,410)	-	-	368,433	1,549,999
Restricted Funds							
Creative Learning	-	212,462	(212,462)	-	-	-	-
SCO Productions	136,504	100,148	(207,875)	-	-	-	28,777
SCO Hall Development	83,291	-	-	-	-	-	83,291
SCO Fixed Assets	174,499	-	(20,501)	-	-	-	153,998
Total Restricted	394,294	312,610	(440,838)	-	-	-	266,066
Total Funds	2,718,963	4,723,343	(5,646,743)	62,793	1,052,005	-	2,910,361

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

17. Statement of Funds - Company

	At 1 April 2023 £	Income £	Expenditure £	Investment Gains £	Orchestra Tax Relief £	Transfers In / (Out) £	At 31 March 2024 £
Unrestricted Funds							
Revenue Reserve	154,543	4,293,068	(4,800,774)	-	1,052,005	(518,433)	180,409
General Reserve	230,777	-	-	-	-	-	230,777
Total Unrestricted	385,320	4,293,068	(4,800,774)	-	1,052,005	(518,433)	411,186
Designated Funds							
Property Fund	470,317	-	-	62,793	-	150,000	683,110
<i>Other Designated Funds</i>							
Recordings	217,167	35,285	(45,891)	-	-	68,433	274,994
Business Recovery	316,906	-	-	-	-	(100,000)	216,906
International Touring	175,288	32,000	(13,183)	-	-	50,000	244,105
American Development	81,393	50,380	(10,000)	-	-	50,000	171,773
CPD / Healthy Orchestra	96,582	-	(2,236)	-	-	-	94,346
Projects & Commissioning	285,000	-	(281,933)	-	-	200,000	203,067
Digital Projects	295,975	-	(51,167)	-	-	100,000	344,808
Total Other Designated	1,468,311	117,665	(404,410)	-	-	368,433	1,549,999
Restricted Funds							
Creative Learning	-	212,462	(212,462)	-	-	-	-
SCO Productions	136,504	100,148	(207,875)	-	-	-	28,777
SCO Hall Development	83,291	-	-	-	-	-	83,291
SCO Fixed Assets	174,499	-	(20,501)	-	-	-	153,998
Total Restricted	394,294	312,610	(440,838)	-	-	-	266,066
Total Funds	2,718,242	4,723,343	(5,646,022)	62,793	1,052,005	-	2,910,361

Unrestricted Funds are funds that are available for the company to use toward any purpose.

Revenue Reserve: set aside to offset adverse variances arising from normal operations and to provide some flexibility for Trustees to consider in-year changes to planned activity.

General Reserve: as suggested by the name, general reserves are not kept aside for any particular purpose other than the general financial strengthening of the company in line with the agreed Reserves Policy.

Designated Funds are unrestricted funds that have been set aside by the company for a specific purpose.

Property Fund: arising from the sale of a previously owned property and to support lease commitments regarding repairs and maintenance of the administration office.

Recordings: to support plans to record further CDs for commercial release.

Business Recovery: to support transition and recovery following COVID-19.

International Touring: to support planned tours to Europe and other international engagements.

American Development: to underpin USA-related activity and/or touring in future seasons.

CPD / Healthy Orchestra: to support health initiatives for Performing Members, and matched funding towards continuing professional development (CPD) activities which will enhance the work of musicians with the SCO.

Projects & Commissioning: for commissioning and/or special projects through & beyond SCO's 50th anniversary season.

Digital Projects: to support ongoing digital infrastructure, projects and activity.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

17. Statement of Funds – Company (continued)

Restricted Funds are reserves where the use to which the income can be put is specified by the grantor or donor. In all cases, the uses to which the income can be put must be within the Objects of the company.

Creative Learning Fund: to support education and community engagement activity.

SCO Productions Fund: to support specific SCO Productions and activity, e.g. additional SCO Chorus activity

SCO Hall Development Fund: SCO projects and planning for a proposed move to the Dunard Centre a new all-purpose performance venue in Edinburgh.

SCO Fixed Assets Fund: a balance of grants relating to capital expenditure offset by ongoing depreciation of the restricted asset purchases.

17. Statement of Funds – Group (Comparative)

	At 1 April 2022 £	Income £	Expenditure £	Investment Losses £	Orchestra Tax Relief £	Transfers In / (Out) £	At 31 March 2023 £
Unrestricted Funds							
Revenue Reserve	212,723	4,251,370	(4,777,765)	-	1,018,936	(550,000)	155,264
General Reserve	230,777	-	-	-	-	-	230,777
Total Unrestricted	443,500	4,251,370	(4,777,765)	-	1,018,936	(550,000)	386,041
Designated Funds							
Property Fund	486,269	-	-	(65,952)	-	50,000	470,317
<i>Other Designated Funds</i>							
Recordings	142,991	9,176	-	-	-	65,000	217,167
Business Recovery	348,906	-	(32,000)	-	-	-	316,906
International Touring	152,000	30,000	(131,712)	-	-	125,000	175,288
American Development	253,868	35,011	(207,486)	-	-	-	81,393
CPD / Healthy Orchestra	47,197	-	(615)	-	-	50,000	96,582
50 th Anniversary	100,000	-	-	-	-	185,000	285,000
Digital Projects	260,000	-	(39,025)	-	-	75,000	295,975
Total Other Designated	1,304,962	74,187	(410,838)	-	-	500,000	1,468,311
Restricted Funds							
Creative Learning	-	176,225	(176,225)	-	-	-	-
SCO Productions	322,519	91,711	(277,726)	-	-	-	136,504
SCO Hall Development	83,291	-	-	-	-	-	83,291
SCO Fixed Assets	202,706	-	(28,207)	-	-	-	174,499
Total Restricted	608,516	267,936	(482,158)	-	-	-	394,294
Total Funds	2,843,247	4,593,493	(5,670,761)	(65,952)	1,018,936	-	2,718,963

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

17. Statement of Funds – Company (Comparative)

	At 1 April 2022 £	Income £	Expenditure £	Investment Losses £	Orchestra Tax Relief £	Transfers In / (Out) £	At 31 March 2023 £
Unrestricted Funds							
Revenue Reserve	211,961	4,251,370	(4,777,724)	-	1,018,936	(550,000)	154,543
General Reserve	230,777	-	-	-	-	-	230,777
Total Unrestricted	442,738	4,251,370	(4,777,724)	-	1,018,936	(550,000)	385,320
Designated Funds							
Property Fund	486,269	-	-	(65,952)	-	50,000	470,317
<i>Other Designated Funds</i>							
Recordings	142,991	9,176	-	-	-	65,000	217,167
Business Recovery	348,906	-	(32,000)	-	-	-	316,906
International Touring	152,000	30,000	(131,712)	-	-	125,000	175,288
American Development	253,868	35,011	(207,486)	-	-	-	81,393
CPD / Healthy Orchestra	47,197	-	(615)	-	-	50,000	96,582
50 th Anniversary	100,000	-	-	-	-	185,000	285,000
Digital Projects	260,000	-	(39,025)	-	-	75,000	295,975
Total Other Designated	1,304,962	74,187	(410,838)	-	-	500,000	1,468,311
Restricted Funds							
Creative Learning	-	176,225	(176,225)	-	-	-	-
SCO Productions	322,519	91,711	(277,726)	-	-	-	136,504
SCO Hall Development	83,291	-	-	-	-	-	83,291
SCO Fixed Assets	202,706	-	(28,207)	-	-	-	174,499
Total Restricted	608,516	267,936	(482,158)	-	-	-	394,294
Total Funds	2,842,485	4,593,493	(5,670,720)	(65,952)	1,018,936	-	2,718,242

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

18. Analysis of net assets between funds

Group	Fixed Assets	Other Net Assets	Total 2024
	£	£	£
Unrestricted Funds	869,659	(458,473)	411,186
Designated Property Fund	-	683,110	683,110
Other Designated Funds	-	1,549,999	1,549,999
Restricted Funds	153,998	112,068	266,066
Total	1,023,657	1,886,704	2,910,361

Company	Fixed Assets	Other Net Assets	Total 2024
	£	£	£
Unrestricted Funds	869,759	(458,573)	411,186
Designated Property Fund	-	683,110	683,110
Other Designated Funds	-	1,549,999	1,549,999
Restricted Funds	153,998	112,068	266,066
Total	1,023,757	1,886,604	2,910,361

Analysis of net assets between funds (Comparative)

Group	Fixed Assets	Other Net Assets	Total 2023
	£	£	£
Unrestricted Funds	751,020	(364,979)	386,041
Designated Property Fund	-	470,317	470,317
Other Designated Funds	-	1,468,311	1,468,311
Restricted Funds	174,499	219,795	394,294
Total	925,519	1,793,444	2,718,963

Company	Fixed Assets	Other Net Assets	Total 2023
	£	£	£
Unrestricted Funds	751,120	(365,800)	385,320
Designated Property Fund	-	470,317	470,317
Other Designated Funds	-	1,468,311	1,468,311
Restricted Funds	174,499	219,795	394,294
Total	925,619	1,792,623	2,718,242

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

19. Constitution

The company is limited by guarantee and has no share capital. Each member of the company has undertaken to contribute an amount not exceeding £1 towards the deficit arising in the event of the SCO being placed in liquidation. As at the conclusion of the last annual general meeting, there were 57 members (32 performing and 25 lay).

20. Taxation

There is no liability for tax as the holding company is accepted for charitable status in Scotland by HM Revenue & Customs. The subsidiary, SCO Trading Limited donates all profit to the holding company by gift aid and therefore has no liability to tax.

21. Capital commitments

At 31 March 2024, capital expenditure to the value of £nil was committed, but not provided for in the financial statements (2023 - £nil).

22. Operating lease commitments

At 31 March 2024, the group had total future commitments under non-cancellable operating leases payable as follows:-

	2024	2023
	£	£
Lease of premises		
Within one year	118,978	118,978
Within two to five years	52,500	70,000
Office equipment		
Within one year	956	1,196
Within two to five years	3,824	598

The subsidiary Company does not have any operating leases.

SCOTTISH CHAMBER ORCHESTRA LIMITED

Notes to the Consolidated Financial Statements - continued

For the year ended 31 March 2024

23. Funding from public bodies

The Scottish Chamber Orchestra receives financial support from the Scottish Government and Local Authorities throughout Scotland through revenue funding. The principal grants received during the year were as follows:-

	Group and Company	
	2024	2023
	£	£
Scottish Government		
Core Revenue	1,992,000	1,992,000
International Touring Fund	47,000	75,000
Other Project Funding	40,000	-
Total Scottish Government	2,079,000	2,067,000
The City of Edinburgh Council	50,000	50,000
Total other public bodies	50,000	50,000
Total funding from public bodies	2,129,000	2,117,000

24. Related Party Transactions

No director receives any remuneration or expenses as a result of their office as a director. The City of Edinburgh Council, Glasgow City Council and Fife Council have nominated representatives who were appointed directors of the company. City of Edinburgh Council awards an annual core grant to the company (Note 23). During the year the aggregate amount of donations received from directors was £50,224 (2023: £10,800).

Exemption has been taken under FRS 102 section 33: 'Related Party Disclosures' paragraph 33.1A from disclosing group related transactions as the entire share capital and voting rights of all subsidiaries are held within the group.