

Registered Company Number: SC177502
(Registered Charity Number: SC026908)

DRAKE MUSIC SCOTLAND
(a company limited by guarantee)
ANNUAL REPORT and ACCOUNTS
For the year ended 30 June 2020



DRAKE MUSIC SCOTLAND

For the year ended 30 June 2020

Reference and Administrative Information

Patrons	Adele Drake Dame Evelyn Glennie DBE Professor Raymond MacDonald Sir James MacMillan CBE Gerry Mulgrew Linda Ormiston OBE Professor Nigel Osborne MBE The Proclaimers Donald Runnicles OBE Dougie Vipond
Directors and Trustees	Elizabeth Humphreys (Chair) John Allanson Richard Andrews Anne Bruce (Resigned on 2 September 2019) Jonathan Buglass Christopher Glasgow (Appointed 5 July 2019) Jack Johnson (Appointed 5 July 2019) Bill Magee Mark McKeown Jamie Munn (Appointed 5 July 2019) Emma Murray (Appointed 5 July 2019) Debbie Storm (Appointed 5 July 2019) Frances Swift Simon Warr (Appointed 5 July 2019)
Company Secretary	Mark McKeown
Chief Executive	Thursa Sanderson OBE
Charity Number	SC026908
Company Number	SC177502
Registered Office	SPACE 11 Harewood Road Edinburgh EH16 4NT
Solicitors	Campbell Smith LLP 21 York Place Edinburgh EH1 3EN
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ
Auditor	Chiene + Tait LLP Chartered Accountants and Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL

DRAKE MUSIC SCOTLAND

CHAIR'S REPORT

For the year ended 30 June 2020

About Drake Music Scotland

Drake Music Scotland is a company limited by guarantee with charitable status based in Edinburgh. We offer high quality musical and technological resources to enable people with disabilities to learn and make music. Opportunities for playing, composing and performing are made available to all ages from pre-school to adult, and we strive to achieve the greatest degree of independent playing that is possible for each individual. We support our participants in the pursuit of their musical goals and aspirations, whatever those may be. Projects are run by our highly specialised core team, supported by our trained freelance Associate Musicians. We use a wide variety of music technology resources combined with the accessible notation Figurenotes, and our work spans all musical genres. Concerts and other music events take place in various settings across Scotland, with schools and community groups receiving regular visits on an outreach basis over the course of a year.

Chair's Report

For the latter part of the period covered by this report, Drake Music Scotland has been responding to the unprecedented challenges of the worldwide Covid-19 pandemic. Our initial priority was to ensure the safety and wellbeing of our staff, our associate musicians and the people we support. We adapted quickly to alternative ways of working which enabled us to continue delivering some of our key services, as well as designing new means of support, including the provision of a wide range of free online resources.

We also adjusted our governance arrangements, conducting board and sub-committee meetings online, as well as providing additional updates to board members between meetings, and holding weekly meetings between myself and the Chief Executive. We continue to keep the situation under regular review.

On behalf of the DMS Board, I would like to pay tribute to our highly talented, resilient and flexible members of staff who have worked tirelessly through this difficult period to maintain much needed contact and support for our participants. We are hugely proud of, and impressed by, their ongoing commitment and dedication, which has enabled the organisation to respond to the Covid-19 crisis.

Let me also express our gratitude to our funders, many of whom generously continued to provide financial support through this difficult period. This has meant that our disabled musicians can continue to benefit from all the powerful ways in which playing music enhances lives.

Finally, despite the enormity of the Covid-19 situation, it is important that this does not eclipse Drake Music Scotland's amazing achievements at the start and in the middle of this reporting period. A personal highlight for me was the incredible Diversions concert in December at Edinburgh's Queen's Hall. This was ground-breaking in many ways, not least in showcasing the talents of disabled composers and performers. It is the perfect example of how vital Drake Music Scotland's work is in furthering opportunities for disabled musicians and I look forward to the time when we can once again celebrate the marvels of music making with our highly talented partners.

Elizabeth Humphreys

Chair



29th September 2020

DRAKE MUSIC SCOTLAND

CHIEF EXECUTIVE'S REPORT

For the year ended 30 June 2020

'Hearing my piece played live with such delicacy and detail was honestly a magical experience, and I couldn't have been happier with the performance.'

Rylan Gleave, Composer, Diversions Concert

'It was well set up, and accommodated very well different neuro-diverse groups with quiet spaces and dyslexic-friendly programme notes. The Hebrides Ensemble played brilliantly, and I thought they did a fantastic job with my piece.'

Joe Stollery, Composer, Diversions Concert

'Absolutely superb! The most inspiring night of music I've experienced in a long while.'

Audience member, Diversions Concert

'I have learned how to use my computer to do the Zoom calls – I have needed to remember my password and user name and learn how Zoom works. Keeping going with music has helped me understand how I'm feeling. I used to just listen to the artist singing but now I listen to the sounds, and how they make me feel.'

'I really missed making music with my friends. The online sessions helped me massively!'

Participants, MusicSPACE online sessions

1. Overview

Drake Music Scotland's year began with a performance at the 2019 Edinburgh Festival by Rhona Smith as part of the Edinburgh Harp Festival. With gathering momentum, our Artistic Programme rolled forward to the end of the year when our Diversions concert took place at the Queen's Hall. Following this outstanding success, our busy All Join In schools projects and in-house MusicSPACE programme started up again in January but all activities came to a halt in March when the lockdown was announced, projects were suspended and events cancelled. This report deals firstly with activities that took place during the period to the end of March 2020, then goes on to cover our response to the Covid-19 crisis from March to end of June.

2. Artistic Programme

Creative Scotland provided core support through our Regular funding agreement for the projects and performances during the year in each of our strands of work as follows:

Centre Stage – performance projects in partnership with other organisations

This year our Centre Stage programme, supported by the Garfield Weston Foundation, included Rhona Smith's Festival performance on electronic harp to an appreciative audience of 200 people. This was one of a series of high-profile events for her including the Diversions concert at the Queen's Hall, a trip with other members of the Digital Orchestra to Media City UK in Salford to record a BBC Ten Pieces film with the BBC Philharmonic, and solo performances at a New Year reception at Edinburgh Castle and again at the opening of SCVO's The Gathering in February 2020, both attended by First Minister Nicola Sturgeon. Rhona's musical journey has made her a powerful role model and mentor to younger disabled musicians such as those in the Junior Digital Orchestra. She is one of the 682 disabled children, young people and adults who attended sessions as part of our national artistic programme which extends up the east coast of Scotland from East Lothian to Aberdeenshire, to Argyll & Bute in the west, across the central belt, and south west to East Ayrshire and Dumfries & Galloway.

The year also saw our first 3-way Universal Orchestra collaboration funded by the Nordic Culture Fund with colleagues from the SKUG Centre in Tromsø in northern Norway and Resonaari Music School in Helsinki, Finland. The iPad Quartet performed at the Scottish Parliament just before their trip to Tromsø to work on the international collaboration. Clare Johnston, a talented composer, technologist and Associate Musician leads the iPad Quartet and has pioneered new playing techniques for this digital instrument as part of our PRS for Music Foundation Talent Development programme for disabled composers. This fund supported our work with several disabled composers and music creators in 2019-20.

The highlight of 2019 was the Diversions concert on 12th December in partnership with the Hebrides Ensemble at Edinburgh's Queen's Hall. Designed to be autism-friendly, a variety of features made it as inclusive and welcoming as possible and an Accessibility Video was made for the venue's website. Despite coinciding with the General Election a good-sized audience turned out to experience Symphonies of Instruments, a new piece for the Hebrides Ensemble and Digital Orchestra by composer Ben Lunn. Ben also curated the concert programme with new works by 8 other disabled composers - Ewan McKay, Siobhan Dyson, Rhona Smith, Lucy Hale, Ben Teague, Rylan Gleave,

DRAKE MUSIC SCOTLAND

CHIEF EXECUTIVE'S REPORT (continued)

For the year ended 30 June 2020

Clare Johnston and Joe Stollery. Audience feedback was overwhelmingly positive, welcoming the variety and quality of the compositions and the improved visibility of disabled composers. We were delighted when we subsequently won awards in two categories in the New Music Scotland Awards including the ISM Prize for Collaboration and the highly valued Royal Conservatoire of Scotland Award for Contribution to New Music in Scotland. Ben Lunn also won the Making It Happen award for innovative, emerging talent for his curation of the event.

All Join In – music projects in special schools

Projects were delivered to 36 schools in 9 local education authorities, funded by Creative Scotland's Youth Music Initiative (Formula Funds). They included regular weekly sessions led by our versatile team of Associate Musicians using technology and Figurenotes based on themes from BBC Ten Pieces. Inverclyde Schools Craigmarloch, Garvel and Moorfoot Primary joined Port Glasgow High and composer James Ross to create Build a Boat, a performance on the theme of the River Clyde. The Edinburgh schools project included film animations on the theme of Earth. The launch at the Royal Museum of Scotland in March was one of the first casualties of the Corona crisis, which resulted in the cancellation of many activities and events for the remainder of 2020. However, the Earth video was released on YouTube where it has already had over 450 views. Audience numbers for live events during the period till the lockdown in March reached a total of 1,200.

MusicSPACE – tuition for individuals and groups at our base in Craigmillar

The MusicSPACE programme, supported with substantial 3-year grants from the Edinburgh Integration Joint Board Fund and R S Macdonald Trust, was reorganized to allow for new participants to attend short Access Courses to try out different musical activities. It was as busy as ever in the pre-Christmas period, culminating in a Christmas gig with enjoyable performances by many of our regular attendees. After the escalation of the Coronavirus and subsequent lockdown, Drake Music Scotland staff worked from home and as soon as possible established regular contact with our MusicSPACE musicians and in due course set up online sessions.

Leadership and Skills – training and resources for the inclusive music sector

Our Inclusion Partnerships with mainstream music organisations such as the Scottish Chamber Orchestra, the Cumnock Tryst and the Music Education Partnership Group are a key part of our programme. During the year we worked with the SCO on their Masterworks programme for special schools including Orchard Brae in Aberdeen and Hillside School in East Ayrshire.

It was an extremely busy year for the Figurenotes team with a large commission for books of Figurenotes tunes from Sir Andrew Lloyd Webber's Music in Secondary Schools Trust, which provides classical music education for disadvantaged pupils and those experiencing challenging circumstances. Figurenotes resources continue to be in demand from music educators. Perhaps because of the pandemic and as a result of music teachers and learners looking for new resources online, there was an overall increase in subscriptions during the year from 130 to 651 and product sales also increased. Another highlight was the visit to Castlebrae High School in Craigmillar from Deputy First Minister John Swinney who showed a keen interest in the benefits of music education for the pupils and heard how using Figurenotes notation had helped with their confidence, self-esteem and skills for life. In a further development, support from the Scottish Council of Voluntary Organisations and the Digital For Good programme is enabling the Figurenotes team to start work on a much-needed Figurenotes Software update.

We delivered CPD and training for students at the Royal Conservatoire of Scotland, presentations to the Scottish Association for Music Education, Heads of Instrumental Teaching Scotland and an Inclusive Orchestras conference at SAGE Gateshead, reaching over 450 people in total including visitors from Australia, Denmark, Japan and New York.

3. Response to Covid-19 Crisis

In early March the impact of the Corona virus crisis and the lockdown affected all areas of our work. The Drake Music Scotland office closed on 16th March, projects were suspended and the core team moved to working from home. In the initial stages we communicated with our participants, partners, funders and other stakeholders and spent some time establishing home-working systems including a Working from Home Policy designed to support the wellbeing of our staff. No members of the team were furloughed, and we were able to continue with our work over the April-May period, re-establishing contact with our participants and setting up online sessions. We made efforts to contact

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CHIEF EXECUTIVE'S REPORT (continued)

For the year ended 30 June 2020

those who were harder to reach and experiencing difficulty taking part in online activity, and having secured some funding from the Scottish Government's Wellbeing Fund were able to ensure they were not excluded. During the period from Easter to the end of June we ran 138 online sessions.

We were concerned about the impact of the lockdown on our freelance Associate Musicians and ensured that information about the support schemes for musicians and the self-employed was disseminated as widely as possible. Following dialogue with Creative Scotland's YMI team, funds that had been committed to schools projects were used to support the Associate Musicians to create a wealth of online resources for schools that teachers, pupils, parents and carers were also able to use at home. To date they have had over 2,000 views and with the Figurenotes at Home resources created in response to the lockdown, offer a substantial archive of inclusive music education material that is available for use by all.

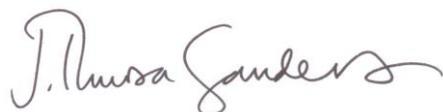
As the lockdown is lifted we are formulating plans for re-opening our base and gradually restarting face to face MusicSPACE sessions, with the safety of staff and participants as a priority. Discussions are ongoing with our many partners about resuming joint projects and we wait with interest to see how the re-opening of schools progresses, anticipating that it may be a while before they welcome musicians back through their doors.

4. Sources of Funding

Due to the Covid crisis we had to cancel or postpone some activities and thank the many funders who have allowed us to put their funding towards online activity or use it at a later date. We are grateful to Esmee Fairbairn Foundation, Robertson Trust and Bank of Scotland Foundation for additional awards to mitigate the impact of the crisis on our organisation. Sessions were delivered at Daldorch House, a National Autistic Society residential school in East Ayrshire with funding from Trefoil. Sadly the school closed at the start of the lockdown and will remain closed. Funders of the next stage of the project including the Bank of Scotland Foundation and ABRSM (Elevate fund) have agreed that the funds can be used for a project at Hillside School and an event at the Cumnock Tryst in 2020-21.

In addition to the sources mentioned in the narrative above, we gratefully received core funding from Baillie Gifford, Foyle Foundation, Esmee Fairbairn Foundation and the Robertson Trust. The Clothworkers Foundation supported the purchase of musical instruments and technology. Project grants were awarded by the BBC Children in Need, Boshier Hinton Foundation, CNOOC International, Eilidh MacLeod Memorial Trust, Emma Cameron Memorial Trust, Garfield Weston Foundation, Inchrye Trust, Jennie S Gordon Memorial Fund, McGlashan Trust, Mickel Trust, Nancie Massey Charitable Trust, The Radcliffe Trust, the RTR Foundation, RVW Trust, Ryvoan Trust and Stevenston Trust. We are also grateful to receive donations from Anne Moar, Dalry 183 Ltd, Edinburgh Ukulele Festival, ELM Music, Masons Bexley Ltd, Storm Robertson and Toccata Ladies Choir. We wholeheartedly thank these and all our other funders for their support and commitment to our cause.

Thursa Sanderson OBE
Chief Executive



29th September 2020

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

For the year ended 30 June 2020

The Directors present their report and accounts for the year to 30 June 2020. The legal and administrative information set out on page 1 forms part of this report.

Structure, Governance and Management

Constitution

The company was incorporated on 24 July 1997. The company is registered as a charity and is a company limited by guarantee, the liability of each member of the charity not exceeding £1.

Objectives

The company's objectives are:

- a) the advancement of the arts and of education in the arts, and, in particular, the art of music, amongst children and adults with a physical disability, learning difficulty or sensory impairment or who are in need by reason of other disadvantage, through the use of specially developed technology or methodology and through interaction with others;
- b) the promotion of research into new technologies and methodologies for the advancement of the arts and of the education in the arts, and in particular the art of music, amongst children and adults and the publication of the results of such research.

Organisation

The Board of Directors, which administers the charity has no maximum number of members, however the minimum number has been set at three.

The Directors meet at least quarterly at Board Meetings and in addition a Finance and General Purposes Group meets at least quarterly, allowing the Board to deal with the increasing amount of business. The F&GP reports back to the main Board and Minutes are shared with all Trustees. Other sub-groups meet to consider specific aspects of our work from time to time.

Appointment of Directors

As set out in the Articles of Association the Board of Directors has the power at any time, by unanimous consent, to appoint any person as a Director of the company. A summary of Directors who served during the period is included within page 1 of this report.

Director Induction and Training

New Board members receive induction and may access training covering governance and management issues as they wish, depending on previous experience.

Related Parties

None of the Directors receive remuneration or other benefit from their work with the charity. Any connection between a Director or senior manager of the charity with a funder, musician or beneficiary must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. Details of related party transactions are set out in note 18.

Pay policy for senior staff

The Directors consider the key management personnel to be the Board of Directors, who are the charity's trustees, the Chief Executive, the Artistic Director, the Project Manager and the Fundraising Manager. The key management personnel of the company are in charge of directing and controlling, running and operating the company on a day to day basis. All Trustee Directors give of their time freely and no Trustee Director received remuneration in the period. Details of Trustee Directors' expenses are disclosed in note 3 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT (continued)

For the year ended 30 June 2020

Risk Management

The Directors have reviewed the business and operational risks faced by the company. The Chief Executive ensures that the Directors are kept aware of day to day operation of the Company and can take any steps necessary to counteract risks.

Key risks faced by the charity include withdrawal or reduction in Creative Scotland grant funding; inability to secure core funding from sources other than Creative Scotland; and failure to maintain intellectual property rights over '*Figurenotes*'. Further information is contained under the Reserves Policy below. The Directors take positive action to monitor and mitigate the key risks faced by the organisation.

Achievements and Performances

Review of the Period and Plans for Future Periods

The Chief Executive's report contains a detailed review of the company's activities during the period and plans for the future.

Financial Review

Results for the period

The surplus for the year amounted to £79,421 (2019: £27,538) as set out in the Statement of Financial Activities. This surplus comprised a surplus of £22,656 (2019: £51) in respect of restricted funds and a surplus of £56,765 (2019: £27,487) in respect of unrestricted funds. The surplus in unrestricted funds reflects increased core funding grants and donations and project grants.

Principal Funding Sources

Drake's principal funding sources are detailed in the Chief Executive's Report.

Reserves Policy

The reserve position shows unrestricted funds have increased to £104,797 (2019: £48,032). The Board's aim is to maintain an unrestricted reserve equivalent to at least one half of the year's wages bill.

Investment Policy

The Directors consider that where surplus funds are available, they should be held in a suitable high interest-bearing bank account.

Tax Status

No Corporation Tax has been provided in the accounts as income of the company, being a registered charity, is within the exemptions granted by Part 11 of the Corporation Tax Act 2010. The Charity has borne VAT on its expenditure where appropriate.

Statement of Directors' responsibilities

The Directors (who are also Trustees of Drake Music Scotland for the purposes of charity law) are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT (continued)

For the year ended 30 June 2020

Statement of Directors' responsibilities (continued)

Company law requires the Directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charitable company and the income and expenditure, of the charitable company for the period. In preparing the accounts the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate accounting records, that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Auditor

A resolution to reappoint Chiene + Tait LLP will be proposed at the Annual General Meeting.

Small Company Provisions

The above report has been prepared in accordance with the small companies regime of the Companies Act 2006.

By order of the Board



Elizabeth Humphreys
Chair

29th September 2020



Opinion

We have audited the accounts of Drake Music Scotland (the 'charitable company') for the year ended 30 June 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the accounts, including a summary of 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2020, and of its incoming resources and application of resources, including its 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 regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the directors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. 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 for the financial period for which the accounts are prepared is consistent with the accounts; 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 our knowledge and understanding of the charitable company and its 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 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 accounts in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 7 and 8, the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the directors are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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 regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



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. Our audit work has been undertaken so that we might state to the charitable company's members and directors 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 charitable company, the charitable company's members as a body and the charitable company's directors as a body, for our audit work, for this report, or for the opinions we have formed.

Malcolm Beveridge

Malcolm Beveridge, CA (Senior Statutory Auditor)

**For and on behalf of
Chiene + Tait LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL**

30 September 2020

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

DRAKE MUSIC SCOTLAND

**STATEMENT of FINANCIAL ACTIVITIES
(Including the Income and Expenditure Account)**

For the year ended 30 June 2020

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Income:					
Donations and legacies	4	235,095	14,500	249,595	212,064
Other trading activities	5	6,821	-	6,821	5,956
Investment income		77	-	77	22
Charitable activities	6	186,492	100,725	287,217	309,861
Total income		428,485	115,225	543,710	527,903
Expenditure on:					
Raising funds	7	29,435	-	29,435	29,000
Charitable activities	8	342,285	92,569	434,854	471,365
Total expenditure		371,720	92,569	464,289	500,365
Net income before transfers	2	56,765	22,656	79,421	27,538
Transfers between funds	15	-	-	-	-
Net movement in funds		56,765	22,656	79,421	27,538
Total funds brought forward		48,032	11,396	59,428	31,890
Total funds carried forward	15	104,797	34,052	138,849	59,428

There were no recognised gains or losses other than the net movement in funds for the period. All of the above results derive from continuing activities.

The notes on pages 15 to 25 form part of these accounts.

DRAKE MUSIC SCOTLAND

BALANCE SHEET

As at 30 June 2020

	Notes	£	2020 £	2019 £
Fixed Assets				
Tangible assets	11		13,785	7,794
			-----	-----
Current assets				
Stocks		2,248		1,557
Debtors	12	40,849		49,029
Cash and cash equivalents		111,285		58,544
			-----	-----
		154,382		109,130
Creditors: amounts falling due within one year	13	29,318		57,496
		-----		-----
Net current assets			125,064	51,634
			-----	-----
Total assets less current liabilities			138,849	59,428
			=====	=====
Funds				
Unrestricted funds	15		104,797	48,032
Restricted funds	15		34,052	11,396
			-----	-----
Total funds	15		138,849	59,428
			=====	=====

The accounts have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the Board of Directors on the 29th September 2020 and signed on its behalf by:



Elizabeth Humphreys
Chair

Registered Company Number: SC177502

The notes on pages 15 to 25 form part of these accounts.

DRAKE MUSIC SCOTLAND**STATEMENT of CASHFLOWS****For the year ended 30 June 2020**

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	20	66,342	16,284
		-----	-----
Cash flows from investing activities			
Interest and dividends		77	22
Purchase of fixed assets		(13,678)	(1,110)
		-----	-----
Net cash used in investing activities		(13,601)	(1,088)
		-----	-----
Change in cash and cash equivalents in the period		52,741	15,196
Cash and cash equivalent brought forward		58,544	43,348
		-----	-----
Cash and cash equivalents carried forward		111,285	58,544
		=====	=====
Cash and cash equivalents			
Current and short-term deposit accounts		111,285	58,544
		-----	-----
		=====	=====
Analysis of Changes in Net Debt			
	At 1		At 30
	July	Cash-	June
	2019	flows	2020
	£	£	£
Cash and cash equivalents	58,544	52,741	111,285
	-----	-----	-----
Total net debt	58,544	52,741	111,285
	=====	=====	=====

The notes on pages 15 to 25 form part of these accounts.

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS

For the year ended 30 June 2020

1. Accounting Policies

Company information

Drake Music Scotland is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC177502. The registered office is SPACE, 11 Harewood Road, Edinburgh, EH16 4NT. The accounts have been prepared in pounds Sterling as this is the functional and presentational currency of the company.

The Charity is limited by guarantee and does not have a share capital. Each member of the Charity undertakes to contribute such amount as may be required, not exceeding £1, to the Charity's assets, if it should be wound up while he or she is a member or, within one year after he or she ceases to be a member.

Basis of accounting

The accounts have been prepared under the historical cost basis with assets and liabilities initially recognised at transaction value unless otherwise stated in the relevant accounting policy. The accounts have been prepared in accordance with Financial Reporting Standard 102 (FRS 102), the Companies Act 2006 and follow the recommendations in the Statement of Recommended Practice (SORP (FRS 102) – Accounting and Reporting by Charities) (second edition – October 2019).

Drake Music Scotland meets the definition of a public benefit entity under FRS 102.

Going concern

The accounts have been prepared on a going concern basis. The Directors have prepared budgets and forecasts which indicate that the company will generate a surplus in the year to 30 June 2020 on the basis that grants and donations from outside sources will continue to be received so that liabilities can be met as they fall due. The Board has fully considered the going concern position of the company at the date of approving the accounts, as set out in note 21, and based on the level of confirmed income and existing reserves, continue to prepare the accounts on the going concern basis.

Donations and similar income

Donations and similar income are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants receivable

Grants receivable are credited to the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Deferred income represents amounts received for future years and is released to income in the year for which it has been received.

Fund accounting

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity. Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. Further details of the nature and purpose of restricted funds can be seen in note 15.

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

1. Accounting Policies (continued)

Expenditure

Expenditure, which includes irrecoverable VAT, is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is included in the Statement of Financial Activities on an accruals basis.

- Costs of raising funds comprise those costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both those costs that can be allocated directly to such activities and those of an indirect nature necessary to support them including governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity can be allocated directly, others are apportioned on an appropriate basis as set out in the notes.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the lease term.

Tangible fixed assets and depreciation

Individual fixed assets costing £400 or more are capitalised at cost. Tangible fixed assets are stated at cost, less depreciation provided at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life as follows:

Music Equipment	4 years
Office Equipment	4 years
Fit Out	3 years
Studio	4 years

Stock

Stock is valued at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments (such as debtors for income and creditors for operating costs). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

DRAKE MUSIC SCOTLAND**NOTES to the ACCOUNTS (continued)****For the year ended 30 June 2020****1. Accounting Policies (continued)****Pension costs**

The charity contributes to a defined contribution scheme for its staff. The pension costs charged in the accounts represent the contributions payable by the charity during the period.

2. Net income	2020	2019
	£	£
Net income in the year is stated after charging:		
Auditor's remuneration – audit services	4,021	3,706
Depreciation of tangible fixed assets	7,687	4,750
Rent	16,219	17,818
	=====	=====

3. Staff costs	2020	2019
	£	£
Wages and salaries	189,066	180,221
Social security costs	12,819	13,631
Other pension costs	5,846	5,617
	-----	-----
	207,731	199,469
	=====	=====

The average number of staff employed during the year was 8 (2019: 8). There were no employees with emoluments above £60,000.

The Directors received no remuneration for their services during the year under review. Expenses reimbursed to Directors for costs incurred on behalf of the company during the year amounted to £213 (2019: £nil).

Total remuneration (gross salary and employers' national insurance and pension contributions) paid to other key management personnel of the company (the Chief Executive, the Artistic Director, the Project Manager and the Fundraising Manager) in the year was £139,086 (2019: £137,292), including pension contributions of £3,975 (2019: £3,631).

4. Donations and legacies	2020			2019		
	Un- restricted	Restricted	Total	Un- restricted	Restricted	Total
	£	£	£	£	£	£
Grants	229,266	-	229,266	189,357	-	189,357
Donations	5,505	14,500	20,005	20,876	500	21,376
Gift Aid and miscellaneous income	324	-	324	1,331	-	1,331
	-----	-----	-----	-----	-----	-----
	235,095	14,500	249,595	211,564	500	212,064
	=====	=====	=====	=====	=====	=====

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

5. Other trading activities

	Un- restricted	Restricted	2020 Total	Un- restricted	Restricted	2019 Total
	£	£	£	£	£	£
Subscriptions	2,015	-	2,015	2,048	-	2,048
Materials	4,806	-	4,806	3,908	-	3,908
	-----	-----	-----	-----	-----	-----
	6,821	-	6,821	5,956	-	5,956
	=====	=====	=====	=====	=====	=====

6. Income from Charitable Activities

	Un- restricted	Restricted	2020 Total	Un- restricted	Restricted	2019 Total
	£	£	£	£	£	£
Project grants	13,500	4,000	17,500	-	9,600	9,600
Local authority	138,246	-	138,246	165,628	-	165,628
Trusts	20,300	96,725	117,025	1,766	90,774	92,540
Miscellaneous fees	14,446	-	14,446	42,093	-	42,093
	-----	-----	-----	-----	-----	-----
	186,492	100,725	287,217	209,487	100,374	309,861
	=====	=====	=====	=====	=====	=====

7. Cost of raising funds

	Un- restricted	Restricted	2020 Total	Un- restricted	Restricted	2019 Total
	£	£	£	£	£	£
Staff costs (Note 9)	29,435	-	29,435	29,000	-	29,000
	=====	=====	=====	=====	=====	=====

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

8. Charitable Activities

	Skills & Leadership Total £	All Join In Total £	Music Space £	Centre Stage £	Equip Funds £	2020 £	2019 £
Staff costs	30,236	24,511	24,047	38,075	-	116,869	114,576
Freelance musicians	2,960	74,448	50,801	16,570	-	144,779	169,603
Travel and subsistence	936	6,743	3,417	3,821	-	14,917	27,567
Materials	2,722	8,097	5,978	3,572	-	20,369	27,311
Venue	-	380	15,045	1,511	-	16,936	18,121
Marketing	814	369	369	1,900	-	3,452	635
	-----	-----	-----	-----	-----	-----	-----
	37,668	114,548	99,657	65,449	-	317,322	357,813
Support costs (note 9)	13,167	40,040	40,808	22,877	640	117,532	113,552
	-----	-----	-----	-----	-----	-----	-----
	50,835	154,588	140,465	88,326	640	434,854	471,365
	=====	=====	=====	=====	=====	=====	=====
Being:							
Restricted	-	20,000	40,329	31,600	640	92,569	100,823
Unrestricted	50,835	134,588	100,137	56,726	-	342,285	370,542
	=====	=====	=====	=====	=====	=====	=====

A proportion of Drake Music Scotland running costs covered by restricted funds are included within support costs. Project depreciation is also included in this figure for 2020 and 2019.

DRAKE MUSIC SCOTLAND**NOTES to the ACCOUNTS (continued)****For the year ended 30 June 2020**

9. Support Costs	Allocated cost of generating voluntary income £	Allocated cost of charitable activities £	2020 Total £	2019 Total £
Staff costs	29,435	61,427	90,862	84,893
Premises costs	-	18,857	18,857	17,818
Training	-	999	999	1,532
Travel & Subsistence	-	955	955	1,609
Stationary & Postage	-	851	851	1,773
Subscriptions / literature	-	1,761	1,761	1,751
Photocopier	-	1,332	1,332	1,507
Bank charges	-	232	232	183
Telephone	-	1,351	1,351	1,284
Bookkeeping fees	-	7,200	7,200	8,283
Insurance	-	3,097	3,097	3,462
Technical support	-	6,789	6,789	9,145
Depreciation	-	7,687	7,687	4,750
	-----	-----	-----	-----
	29,435	112,538	141,973	137,990
	-----	-----	-----	-----
Governance costs:				
Auditor's remuneration	-	4,021	4,021	3,706
Professional fees	-	973	973	856
	-----	-----	-----	-----
	-	4,994	4,994	4,562
	-----	-----	-----	-----
	29,435	117,532	146,967	142,552
	=====	=====	=====	=====

The charity allocates its support costs as shown in the table above and then further apportions those costs between the charitable activities undertaken (see note 8). Support costs are allocated on a basis consistent with the use of the resources but are only allocated to restricted funds as funding allows.

10. Taxation

The company is a registered charity and enjoys the tax advantages commensurate with that status and no charge arises in the period.

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

	Music Studio £	Music Equipment £	Office Equipment £	Fit Out £	Total £
11. Tangible Fixed Assets					
Cost					
At 1 July 2019	26,297	104,256	66,470	78,238	275,261
Additions	-	592	13,086	-	13,678
Disposals	-	(766)	(5,796)	-	(6,562)
	-----	-----	-----	-----	-----
At 30 June 2020	26,297	104,082	73,760	78,238	282,377
	-----	-----	-----	-----	-----
Aggregate Depreciation					
At 1 July 2019	26,297	97,551	65,381	78,238	267,467
Charge for the period	-	3,793	3,894	-	7,687
Disposal	-	(766)	(5,796)	-	(6,562)
	-----	-----	-----	-----	-----
At 30 June 2020	26,297	100,578	63,479	78,238	268,592
	-----	-----	-----	-----	-----
Net book value					
At 30 June 2020	-	3,504	10,281	-	13,785
	=====	=====	=====	=====	=====
At 30 June 2019	-	6,705	1,089	-	7,794
	=====	=====	=====	=====	=====
12. Debtors				2020	2019
				£	£
Trade debtors				12,389	31,650
Sundry debtors				24,500	15,147
Prepayments				3,960	2,232
				-----	-----
				40,849	49,029
				=====	=====
13. Creditors: amounts falling due within one year				2020	2019
				£	£
Trade creditors				6,320	39,521
Taxes and social security				3,036	3,548
Accruals and sundry creditors				9,962	14,174
Deferred income				10,000	253
				-----	-----
				29,318	57,496
				=====	=====
14. Deferred Income				2020	2019
				£	£
Deferred income at 30 June 2019				253	45,644
Released in period				(253)	(45,644)
Income deferred in period				10,000	253
				-----	-----
Deferred income at 30 June 2020				10,000	253
				=====	=====

Income was deferred on the basis that it was for services not yet provided as at 30 June 2020. This will be released in the year to 30 June 2021.

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

	Balance at 1 July 2019	Income	Expenditure	Transfers	Balance at 30 June 2020
	£	£	£	£	£
15. Statement of Funds					
Restricted funds					
Equipment	140	500	640	-	-
Centre Stage	-	39,600	31,600	-	8,000
Community projects (YMI)	-	7,625	-	-	7,625
All Join in	-	20,000	20,000	-	-
Music Space	11,256	47,500	35,829	-	18,427
	-----	-----	-----	-----	-----
	11,396	115,225	92,569	-	34,052
Unrestricted Funds	48,032	428,485	371,720	-	104,797
	-----	-----	-----	-----	-----
	59,428	543,710	464,289	-	138,849
	=====	=====	=====	=====	=====
	Balance at 1 April 2018	Income	Expenditure	Transfers	Balance at 30 June 2019
	£	£	£	£	£
Restricted funds					
Equipment	-	500	360	-	140
Centre Stage	-	34,980	34,980	-	-
Community projects (YMI)	-	3,383	3,383	-	-
All Join in	-	856	856	-	-
Music Space	11,345	61,155	61,244	-	11,256
	-----	-----	-----	-----	-----
	11,345	100,874	100,823	-	11,396
Unrestricted Funds	20,545	427,029	399,542	-	48,032
	-----	-----	-----	-----	-----
	31,890	527,903	500,365	-	59,428
	=====	=====	=====	=====	=====

Restricted funds

Equipment

Funding for music equipment and technology to support the programme of work.

Community Projects

Income from Creative Scotland Youth Music Initiative towards musicians' training and projects with young people.

MusicSPACE

Income from music tuition provided to participants at our base at SPACE, Craigmillar and grant funding from Edinburgh Integration Joint Board of £18,000, RS Macdonald Charitable Trust of £9,000 and various other income sources.

Centre Stage

Our programme of main high-profile projects and performances primarily in partnership with mainstream organisations

All Join in

Our national programme of music education projects in schools around Scotland in partnership with local education authorities.

DRAKE MUSIC SCOTLAND**NOTES to the ACCOUNTS (continued)****For the year ended 30 June 2020**

16. Analysis of Net Assets between Funds	Unrestricted Funds £	Restricted Funds £	2020 Total £
Tangible fixed assets	13,785	-	13,785
Net current assets	91,012	34,052	125,064
	-----	-----	-----
	104,797	34,052	138,849
	=====	=====	=====

Comparative	Unrestricted Funds £	Restricted Funds £	2019 Total £
Tangible fixed assets	7,794	-	7,794
Net current assets	40,238	11,396	51,634
	-----	-----	-----
	48,032	11,396	59,428
	=====	=====	=====

17. Financial Commitments	2020 Land & Buildings £	2019 Land & Buildings £
The total amount payable under operating leases is as follows:		
Expiry Date:		
Within one year	16,171	16,171
	=====	=====

18. Related Party Transactions

The trustees' liability insurance is purchased as part of the general insurance policy.

19. Pensions

The company contribute to defined contribution pension schemes for certain employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £5,846 (2019: £5,617). At 30 June 2020, £281 (2019: £1,591) was due to be paid to the pension schemes.

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

20. Reconciliation of net income to net cash flow from operating activities:

	2020	2019
	£	£
Net income for the period	79,421	27,538
Adjustments for:		
Depreciation charge	7,687	4,750
Investment income shown in investing activities	(77)	(22)
(Increase)/decrease in stock	(691)	420
Decrease in debtors	8,180	1,563
(Decrease) in creditors	(28,178)	(17,965)
	-----	-----
Net cash provided by operating activities	66,342	16,284
	=====	=====

21. Post Balance Sheet Events

Subsequent to the year end the impact of the pandemic on the general economy and working environment has continued to be felt by the charity. The potential effect on the finances and operational activities of the charity has been assessed by management and the board, and steps have been taken to mitigate these risks as set out in more detail in the Chief Executives' Report. At this stage, significant elements of grant funding forecast in respect of 2020-21 have been confirmed, and the Trustees are satisfied that confirmed funding and existing reserves, as well as mitigation taken to date, provides reasonable assurance that the charity can continue to operate for at least 12 months from the approval of these financial statements.

Some uncertainty remains in terms of grant income for the subsequent year 2021-22 but based on projections and taking mitigating factors into account, the Trustees have sufficient grounds to expect that the organisation will be able to continue to operate during that period.

DRAKE MUSIC SCOTLAND

NOTES to the ACCOUNTS (continued)

For the year ended 30 June 2020

22. Comparative Statement of Financial Activities	Unrestricted Funds	Restricted Funds	2019 Total Funds
	£	£	£
Income:			
Donations and legacies	211,564	500	212,064
Other trading activities	5,956	-	5,956
Investment income	22	-	22
Charitable activities	209,487	100,374	309,861
	-----	-----	-----
Total income	427,029	100,874	527,903
	-----	-----	-----
Expenditure on:			
Raising funds	29,000	-	29,000
Charitable activities	370,542	100,823	471,365
	-----	-----	-----
Total expenditure	399,542	100,823	500,365
	-----	-----	-----
Net income before transfers	27,487	51	27,538
Transfers between funds	-	-	-
	-----	-----	-----
Net movement in funds	27,487	51	27,538
Total funds brought forward	20,545	11,345	31,890
	-----	-----	-----
Total funds carried forward	48,032	11,396	59,428
	=====	=====	=====