

SIGNED

Company Number: 818389

Charity Number: 312010

YEHUDI MENUHIN SCHOOL LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2010

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YEHUDI MENUHIN SCHOOL LIMITED
FOR THE YEAR ENDED 31 AUGUST 2010

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YEHUDI MENUHIN SCHOOL LIMITED
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2010

GOVERNORS AND DIRECTORS

The Directors of the Company who are also the charity Trustees and the Governors of the School and who served during the year are

- ** Sir Alan Traill GBE, QSO (Chairman)
- Sir John Burgh, KCMG, CB (Deputy Chairman) – until 31 December 2009
- ** Mr Noël Annesley
- Mr Clinton Askew (from 24 June 2010)
- * Mr Gavin Barrett
- Sir Peter Beale, KBE
- ** Prof Sebastian Forbes
- * Mr Oscar Max Lewisohn, FCIB
- The Hon Mrs Zamira Menuhin Benthall
- **Mr Richard Morris (Deputy Chairman from 1 January 2010)
- *Mrs Susan Mitchell
- The Lord Moser KCB, CBE, FBA
- Mrs Alice Phillips MA
- *Dr Andreas Prindl CBE
- **Mr Adam Ridley
- Mr Mark Sheldon CBE
- **Mr Graham Smallbone
- *Mr Peter Willan FCMA

- * Members of the Finance and Investment Committee
- ** Members of Policy and General Purposes Committee

The Governors are elected at the Annual General Meeting, serve for a period of three years and may be re-elected

REGISTERED OFFICE	Millfield Stoke D'Abernon Cobham Surrey KT11 3QQ
COMPANY NUMBER	818389
CHARITY NUMBER	312010
PRESIDENT	Daniel Barenboim
VICE PRESIDENTS	Sir John Burgh (from January 1 2010) Mr A N Hollis OBE, DFC Mrs B R D Fisher OBE
GOVERNORS EMERITUS	Mr Daniel Hodson Mrs Anne Simor

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

HEADMASTER	Nicolas Chisholm MA (CANTAB) until 31 August 2010 Dr Richard Hillier PhD MA (CANTAB) from 1 September 2010
DIRECTOR OF MUSIC	Malcolm Singer MA (CANTAB)
BURSAR	Dr Angela M Isaac PhD MBA
AUDITORS	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
BANKERS	Barclays Bank plc Walton and Staines Business Centre PO Box No 193 8/12 Church Street Walton on Thames Surrey KT12 2YW HSBC Weybridge Commercial centre The Old Warehouse 37a Church Street Weybridge
INSURANCE BROKERS	HSBC Holmwoods (now Marsh) Rockwood House 9-17 Perrymount Road Haywards Heath West Sussex RH16 3DU Heath Lambert 133 Houndsditch London EC3A 7AH
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
SOLICITORS	Veale Wasborough Orchard Court Orchard Lane Bristol BF1 5DS TWM Solicitors LLP King's Shade Walk 123 High Street Epsom Kt19 8AU

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2010

The Directors of the Company who are also the Governors of the School and charity Trustees have pleasure in presenting their report and financial statements for the year ended 31 August 2010

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005)

LEGAL STATUS

The Yehudi Menuhin School Limited, a company limited by guarantee (company number 818389) and a registered charity, was founded in 1963. The registered charity number is 312010. The liability of Members in the event of the Company being wound up is limited to a sum not exceeding £1 each

A wholly owned non-charitable subsidiary was established and incorporated on 17 December 2008 as a company limited by guarantee (company number 6775727), YMS Enterprises. The trading performance is shown in note 15 to the financial statements

GOVERNANCE

Responsibility for the overall management and organisation of the School rests with the Governors, who meet at least on a termly basis. They are supported in carrying out their responsibilities by various committees and sub-committees. Over the past year, the Governors have reviewed their committee structure and constituted the Policy and General Purposes Committee and the Finance and Investment Committee, replacing the Executive and Finance Committee. Each of these committees meets a few weeks before each of the termly meetings of the Council of Governors. The Hall Management Committee meets regularly to oversee the operation and all matters financial of The Menuhin Hall, the Education Committee meets when required, but at least once a year. The Risk Management Committee works with all the committees to monitor risk, reporting once a term to the full Council.

The task of running the School on a day to day basis is the responsibility of the Headmaster and he is fully supported by the Director of Music, the Director of Studies and the Bursar.

RECRUITMENT AND TRAINING OF GOVERNORS

The Charity's elected Governors are appointed at the Annual General Meeting of the Council of Governors on the basis of nominations received from the existing members to fill specifications concerning personal competence, specialist skills and, if possible, local availability. Governors are informed of relevant training courses offered by various professional bodies (ISBA, AGBIS etc.)

OBJECTS, AIMS, OBJECTIVES AND ACHIEVEMENTS

Object of the Charity

The objects of the charity are to provide and advance a general education and specialised education and training of the highest order in music and the performing arts by means of a day and boarding School in the United Kingdom, where children from any part of the world with talents for music and the performing arts may be educated, and generally to foster music and the arts and general education of children by the provision of courses at the School throughout the year.

Public Benefit

The Governors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the general and sub-sector guidance issued by the Charity Commission on public benefit.

The charitable purpose for the School within the meaning of the Act is enshrined within its objects as stated above.

The Governors ensure that this charitable purpose is carried out for the public benefit by working to make sure wherever possible that such specialist education and training is available to many of those who are sufficiently talented and would benefit from the activities of the School, irrespective of financial circumstances.

**YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010**

OBJECTS, AIMS, OBJECTIVES AND ACHIEVEMENTS (continued)

Public Benefit (continued)

The School undertakes a full and varied programme of work within the local community, nationally and internationally, and a detailed report is given below

Aims and Intended Impact

Within these objects, The Yehudi Menuhin School's aim is to provide a first-class education both through strong musical and general education and through developing wider artistic and social skills in all its pupils aged 8 to 19 years. This includes intensive one to one tuition in first and second instruments. The School seeks to provide an environment where each pupil can develop and fulfil his or her potential, building self-confidence and performance skills and fostering a desire to contribute to the wider community.

It is inevitable that the provision of world-class education and training in music is costly given the very low number of pupils that can be taught at some lessons by each teacher, with many lessons being one to one or even with two or three teachers working with one pupil. The Governors recognise the great efforts made by many parents to be able to pay for these costs.

For those who are unable to pay the full costs the Governors seek to ensure that the activities are still available through the provision of bursary funds which awarded £261,505 this year (equivalent to 9.6% of the School fee income) and the work of the Department for Education (formally the Department for Children, Schools and Families) which helped support fifty-six of the seventy pupils through the provision of £1,786,601.

Public Benefit is not just provided to the pupils at the School. The subsequent section in this Report headed 'Community Activity' summarises many other projects and events carried out for children within the local and wider community in accordance with the objects of the School.

Objectives for the year

This year the focus has continued to be on increased development of performance skills as well as the continued achievement of academic performance and the entry to the conservatoire of choice by pupils leaving the School. The Menuhin Hall hosts concerts which give performance opportunities to the School's pupils, to outside organisations and to young musicians from other Schools in the area. The School continues to host holiday courses providing education & training for young musicians.

Principal Activity

The Yehudi Menuhin School provides a specialist education to young people aged 8 to 19 years with a specific talent for music and facility on a stringed instrument or piano. Pupils who have the appropriate residence qualification in the UK are eligible for a funded place through the Music & Dance Scheme, with parents making a means-tested contribution. There may, in addition, be bursaries available for young people who do not qualify for the Music & Dance Scheme. Selection for a place at the School is based on musical potential during the School's audition process.

This year there were 70 (2009: 67) pupils of whom 12 (2009: 12) were day pupils. The School continues to receive a large number of applications each year from gifted young people from all parts of the world, and the Governors recognise the importance of continuing to attract pupils of sufficient talent to warrant a place funded through the Music & Dance Scheme or the School's own bursary scheme.

GRANT MAKING POLICY

This year, the value of scholarships, grants, prizes and other awards made to the School's pupils was £18,226 (2009: £20,833). Bursary awards totalling £261,505 (2009: £243,676) were made to 20 (2009: 17) pupils.

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

The Governors' policy is to make these awards on the basis of the individual's financial need and the benefit which will be derived from an education at the School. Where the award is out of restricted funds, this is subject to the particular conditions imposed by the original donor.

REVIEW OF ACTIVITIES AND PERFORMANCE FOR THE YEAR

The Governors are pleased to report that the School has performed well. Fifty six pupils (80%), including five European Union Sixth Formers and six 3rd year Sixth, were funded through the Music & Dance Scheme by the Department for Education. A number of young people not eligible for the Scheme were supported by the School's bursary funds and generous gifts from individuals, charitable trusts and fundraising events. The Governors particularly wish to acknowledge the generous legacies received in year from the estates of Dr Margaret Forbes Jamieson, Miss Audrey Joyce Burford, Ms Sylvia Cartner, Ms Angela Marris and Mrs Christiana M Fafie (see note 2c).

The Headmaster, Mr Nicolas Chisholm, retired at the end of the 2009/2010 academic year and the Governors wish to record their thanks to him for 22 years of exemplary leadership of the School. Dr Richard Hillier took up the post of Headmaster on 1st September 2010.

GCSE and A Level results continued at their previous high level. In all, 7 pupils graduated from the School at the end of the Summer Term for various destinations, including the Royal College of Music, the Guildhall School of Music and Drama, London, and the Hochschule in Vienna.

As part of their education pupils took part in many prestigious musical competitions. The Director of Music, Malcolm Singer, and his team of dedicated teachers are to be congratulated for their hard work and inspiration in leading and developing the musical life of the School.

The Menuhin Hall continues as an outstanding performance venue for the School and for concerts, recordings and lectures. Concerts and recitals in the Hall included Julian Lloyd Webber, Radu Lupu, Francois Rabbath, Sarah Chang, The Jerusalem Quartet and Barry Douglas.

Generous support from the Department for Education and the Sir Siegmund Warburg Voluntary Settlement has allowed the School to initiate a project to allow digital recording and broadcast of performances and master classes in the Menuhin Hall.

Visiting teachers this year have included Jonathan Leathwood (guitar), Tom Johnson (composer), Simone Fontanelli (musical analysis), Francois Rabbath (bass), Paul Ellison (bass), Zvi Zeitlin (violin), Carl Schacter (musical analysis), Jacqui Ross (violin), John Kenny (Composer/trumpet), Lewis Kaplan (violin) and Anita Wardell (Jazz).

The School is indebted to The Friends of the Yehudi Menuhin School for their support of the School. As well as continuing to support the funding of the student bursary fund, this year the Friends provided funding for new playground equipment.

COMMUNITY ACTIVITY

Under the School's charitable objects and supported by a grant from the Department for Education, the Partnership & Projects Manager, Keith Willis, has continued to improve the links between the School and the wider community.

The Surrey Music Hub, a collaborative forum initiated by YMS working with local specialist Schools and colleges, has had two meetings, in October and February. Managers from Surrey Arts also attended to share experience and plan events.

The School re-started the 'A Chance to Play' programme in a slightly new format. This year we gave violin and cello lessons to three classes of Year 2 pupils from three local primary Schools. Claire Telford led this project along with four of our older pupils. They visited the three classes every week throughout the year. As well as our regular visits to their Schools, the fifty-six young pupils visited the

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

School for a workshop at the end of the first term, and again at the end of the year, when they performed in two concerts before some 500 other primary School children

In February, the School Orchestra combined with more than a hundred young singers of the Finchley Children's Music Group to premiere **The Jailer's Tale** by Malcolm Singer and Nick Toczek. Four performances were given at the Artsdepot in Finchley

In March, the School was involved in the two-day **Sound Moves** project at the South Bank Centre. Fifty of our string players combined with one hundred 'beginner' string players from Surrey and Haringey Schools in a performance of Malcolm Singer's **Suite From the Shtetl** on the stage of the Royal Festival Hall. Highlights of **The Jailer's Tale** were also performed in the Ballroom of the Royal Festival Hall

A "Young Composers" project involved 30 senior students from Therfield School, Ashcombe School, The Priory School, Godalming College, Howard of Effingham School and Matthew Arnold School, working with YMS composers John Cooney, Nathan Williamson and YMS pupils. All of the student compositions were recorded in the Menuhin Hall so that they could be submitted for GCSE and A level exams. A further composing project with YMS pupils involved top professional trombonist, John Kenny

Professional development activities included a day national seminar for the European String Teachers Association, a double bass day led by Francois Rabbath and Caroline Emery and a cello masterclass, open to the public, given by Julian Lloyd Webber. These stimulating days were well attended by teachers, pupils and the general public

Outreach work has included recitals by 14 younger YMS pupils, given in 8 primary Schools and 4 homes or centres for adults. YMS pupils also gave two free concerts for a total of some 500 primary pupils at The Menuhin Hall in July

Members of the public had a chance to attend our 'Singalong' event in June – a rehearsal and performance of St Nicolas by Benjamin Britten. Our retiring Headmaster, Nicolas Chisholm, sang the title role, past pupils formed the orchestra, and current pupils joined the public in singing the choruses

One hundred young local children continue to be catered for with the pre-School music classes which are offered on Tuesday and Wednesday each week. These 'Jack in the Music Box' mornings give children aged two to four years the opportunity to participate in musical activities

YMS has a long connection with The Grange Centre for adults with disability and learning difficulties. A Christmas Concert in December gave many of these people a chance to sing, accompanied by brass and supported by YMS staff. Once again we have also worked with The National Association for Gifted Children (strings workshops)

FUTURE DEVELOPMENTS

Fundraising to provide bursaries for those pupils who are not eligible for the Music & Dance Scheme and whose parents do not have access to funds for the fees remains a high priority. The Governors have held several planning workshops and, based on the conclusions from these, an action plan to address fund-raising has been drawn up. This includes developing a major fundraising campaign to mark the School's 50th anniversary in 2013

The Governors and Leadership Team of the Yehudi Menuhin School continue to consider the development of the facilities of the School. A site development master plan has been prepared to ensure that the School's facilities continue to improve and meet the needs of the pupils and staff. Capital projects in the year included the completion of a new pool building enabling all-year-round use of the swimming pool and the construction of a Headmaster's house completed at the end of July 2010. The key priorities for the future of the site are the building of new music studios and improvements to the boarding facilities

YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School's results indicate a satisfactory position for the year. The Governors are very grateful to the UK Government's Department for Education's financial support without which the School could not continue to operate as it does.

The reserves are split between those available for the day to day requirements of the School, which are described by the Charity Commission as the free reserves and those restricted or designated for specific purposes or used in providing the School buildings and other tangible fixed assets. Most of the Endowment Funds are represented by specific investments and the remainder is in bank balances (as detailed in the "Investment Powers, Policy and Performance" section on page 7).

The Governors are of the opinion that the School's assets are sufficient to meet its current obligations. Total balance sheet reserves of £15,158,537 are in part represented by restricted and endowed funds totalling £1,353,835, which are held for specific purposes as detailed in notes 10a and 10b to the financial statements. The unrestricted funds carried forward amount to £13,804,702 of which £4,956,093 has been designated for specific purposes by the Governors, £8,181,605 represents tangible fixed assets as detailed in note 10c and the remaining £667,004 are free reserves available to provide adequate working capital for the School.

INVESTMENT POWERS, POLICY AND PERFORMANCE

These are governed by the Memorandum and Articles which permit the funds to be invested in any security, other investment or property situated anywhere in the world. The Governors have delegated the management of the investments to Sarasin & Partners LLP. The general medium to long-term mandate to Sarasin is to maintain real capital growth while producing an income of 4% per annum or more in order to fund bursaries, awards and prizes for students at the School from a portfolio of investments, both equities and fixed interest securities, property fund and cash deposits.

RISK MANAGEMENT

The Governors continue to keep the School's activities under review and monitor performance, with particular regard to any major risks, which may arise. The Governors have a Risk Management Committee which has assessed and categorised the risks which the School is, or may become, exposed to in order to ensure that there are satisfactory systems established to manage those risks. A review of risks and the risk register is a regular item on the agenda of Committee and Council meetings in order to ensure that the process is constantly reviewed and updated.

The main risk to the future of the School is the withdrawal or reduction of the funding for the places supported by the Department for Education.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company Law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Governors 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 company for that period. In preparing these financial statements, the Governors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,

**YEHUDI MENUHIN SCHOOL LIMITED
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010**

STATEMENT OF GOVERNORS' RESPONSIBILITIES (continued)

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business

The Governors are ultimately responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and ensuring their proper application in accordance with company law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as each of the Governors of the company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each Governor has taken all reasonable steps that he/she should have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Crowe Clark Whitehill LLP have expressed their willingness to continue as auditors for the next financial year.

Approved by the Council of Governors at its meeting on 12 Jan 2011
and signed on its behalf by



**Sir Alan Traill
Chairman of Governors**

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE YEHUDI MENUHIN SCHOOL LIMITED**

We have audited the financial statements of The Yehudi Menuhin School Limited for the year ended 31 August 2010 set out pages 11 to 25. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

Respective responsibilities of trustees and auditor

The Governors' (who are also the directors of The Yehudi Menuhin School Limited for the purpose of company law) have responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view. These are set out in the Statement of Governors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you if in our opinion the information given in the Governors' Annual Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of Governors' remuneration specified by law are not made.

We read the Governors' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

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

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

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 August 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Governors' Annual Report is consistent with the financial statements



Andrew Pianca

Senior Statutory Auditor

for and on behalf of Horwath Clark Whitehill LLP
Chartered Accountants and Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH
United Kingdom

Date 21 March 2011

YEHUDI MENUHIN SCHOOL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2010

	Notes	Unrestricted Funds		Endowment Funds	Restricted Funds	2010	2009
		School's Operation	Other Activities			£	£
		£	£	£	£		
INCOMING RESOURCES							
Charitable activities							
Fees receivable		2,736,570	-	-	-	2,736,570	2,549,910
Bursaries income		-	16,374	-	168,041	184,415	73,691
Grants Received		-	-	-	210,645	210,645	120,487
Other activities to generate funds							
Menuhin Hall income	15	-	95,829	-	-	95,829	150,380
Concert receipts, festivals & events		-	14,545	-	-	14,545	30,448
Other income	2a	42,480	-	-	-	42,480	33,355
Investment income	2b	10,944	62,252	-	25,102	98,298	109,025
Donations and legacies	2c	199,673	751,457	-	15	951,145	241,313
Total Incoming Resources		2,989,667	940,457	-	403,803	4,333,927	3,308,609
RESOURCES EXPENDED							
Cost of generating Funds							
Fundraising and publicity		26,101	-	-	-	26,101	15,814
Finance and other costs		2,439	-	-	-	2,439	1,575
Investment management fees		2,418	(136)	-	2,496	4,778	6,155
Menuhin Hall expenses		-	233,260	-	-	233,260	231,804
Other expenses		25,927	-	-	-	25,927	8,267
Charitable expenditure							
School operating costs and grant making		2,527,278	48,048	4,360	243,233	2,822,919	2,572,058
Governance costs		14,478	-	-	-	14,478	13,387
Total Resources Expended	5	2,598,641	281,172	4,360	245,729	3,129,902	2,849,060
Net incoming/(outgoing) resources for the year	3	391,026	659,285	(4,360)	158,074	1,204,025	459,549
		1,050,311		(4,360)	158,074	1,204,025	459,549

The notes on pages 14 to 25 form part of these financial statements

YEHUDI MENUHIN SCHOOL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
(Incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2010

	Combined Unrestricted Funds School's Other Operation Activities £	Endowment Funds £	Restricted Funds £	2010 £	2009 £
Net incoming/(outgoing) resources	1,050,311	(4,360)	158,074	1,204,025	459,549
Transfer between funds	10,000	218,000	(228,000)	-	-
Other recognised gains and losses					
(Losses)/Gains on investments					
Realised (notes 7 and 10)	<u>10,668</u>	<u>23,964</u>	<u>(356)</u>	<u>34,276</u>	<u>(70,264)</u>
Net income/(expenditure) for the year	1,070,979	237,604	(70,282)	1,238,301	389,285
Unrealised investment gains (notes 7 and 10)	<u>159,687</u>	<u>23,033</u>	<u>4,815</u>	<u>187,535</u>	<u>62,337</u>
Net Movement in Funds	1,230,666	260,637	(65,467)	1,425,836	451,622
Fund balances at 1 September 2009	<u>12,574,036</u>	<u>631,610</u>	<u>527,055</u>	<u>13,732,701</u>	<u>13,281,079</u>
Fund Balances at 31 August 2010	<u>13,804,702</u>	<u>892,247</u>	<u>461,588</u>	<u>15,158,537</u>	<u>13,732,701</u>

The notes on pages 14 to 25 form part of these financial statements

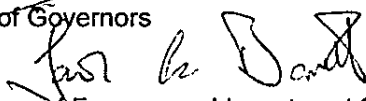
YEHUDI MENUHIN SCHOOL LIMITED
BALANCE SHEET
AS AT 31 AUGUST 2010

	Notes	£	2010 £	2009 £
FIXED ASSETS				
Tangible assets	6		8,395,245	7,480,557
Investments	7		<u>6,207,248</u>	<u>6,149,977</u>
			14,602,493	13,630,534
CURRENT ASSETS				
Stocks		19,404		15,495
Debtors	8		172,025	56,522
Cash at bank and in hand			<u>742,153</u>	<u>207,035</u>
		933,582		279,052
CREDITORS: amounts falling due within one year	9		<u>377,538</u>	<u>176,885</u>
NET CURRENT ASSETS			<u>556,044</u>	<u>102,167</u>
NET ASSETS			<u>15,158,537</u>	<u>13,732,701</u>
RESERVES				
Endowment Funds	10a		578,519	538,232
Expendable Endowment	10a		313,728	93,378
Restricted Funds	10b		<u>461,588</u>	<u>527,055</u>
			1,353,835	1,158,665
UNRESTRICTED FUNDS				
Designated Funds	10c	4,956,093		4,068,263
Fixed Asset Reserve	10c		<u>8,181,605</u>	<u>7,480,557</u>
		13,137,698		11,548,820
General Reserve	10c		<u>667,004</u>	<u>1,025,216</u>
			13,804,702	12,574,036
TOTAL FUNDS	11		<u>15,158,537</u>	<u>13,732,701</u>

Approved and authorised for issue by the Governors on 12 Jan 2011
and signed on their behalf by



Sir Alan Traill, Chairman of Governors



Mr Gavin Barrett, Chairman of Finance and Investment Committee

The notes on pages 14 to 25 form part of these financial statements

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2010

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements are prepared under the historical cost convention, except that investment assets are carried at market value, and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities (the Charities SORP 2005) and the Companies Act 2006

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is entitled to small company exemptions

YMS Enterprises Limited, a company limited by guarantee was incorporated on 17th December 2008 as a wholly owned subsidiary of the School. The charitable company is not required to prepare group financial statements as the subsidiary undertaking is considered to be not material to the group, therefore the financial statements present information about the individual charitable company and not of its group. The results of YMS Enterprises Limited and the net assets position at the balance sheet date are set out in note 15

After making enquires, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors Responsibilities on pages 7 and 8

b) Fees receivable and similar income

Fees receivable comprise tuition fees including means tested contributions to fees paid by parents, grants towards fees from the Department for Education through the Music and Dance Scheme, and net scholarships and bursaries funded from restricted and external funds

c) Bursary Funds

The School receives some of its income primarily for the provision of scholarships, bursaries and prizes. These amounts are held within restricted funds

d) Donations and Legacies

Donations receivable for the general purpose of the Charity are credited to 'unrestricted funds'. Donations for purposes restricted by the wishes of the donor are taken to 'restricted funds' where these wishes are legally binding on the Governors. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as 'endowments' – permanent or expendable according to the nature of the restriction

Legacies are recognised when there is adequate certainty and reliability of receipt and their value can be accurately measured

e) Resources expended

Expenditure is classified under the two principal categories of Charitable Expenditure and Costs of Generating Funds rather than the type of expense, in order to provide more useful information to users of the financial statements

Charitable Expenditure comprises direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources

Support costs comprise of staff costs together with related overheads of the charity. Governance costs are those incurred in connection with the administration of the Charity and compliance with constitutional and statutory requirements

f) Value Added Tax

The School is not registered for value added tax. All expenditure is therefore included under the expense headings to which it relates inclusive of any value added tax

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

1. ACCOUNTING POLICIES (CONTINUED)

g) Taxation

The School is a registered Charity and is exempt from taxation on income arising from and expended on its charitable activities

h) Pension Costs

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. In accordance with FRS17 therefore, the scheme is accounted for as a defined contribution scheme.

Certain non-teaching staff are also members of other defined contribution schemes. All non-teaching staff are entitled to join a group personal pension scheme, which complies with the requirements for a Stakeholder Pension Scheme.

i) Stocks

Stocks are valued at the lower of cost and net realisable value at the balance sheet date.

j) Tangible fixed assets and depreciation

Freehold buildings are carried in the balance sheet at their cost less depreciation as the Governors consider it is not appropriate to apply a current value to such property. The cost of new buildings is added to fixed assets as it is incurred. Only purchases of assets over £5,000 are included as fixed assets.

Depreciation is provided on the cost or valuation of assets, over the estimated useful life of the assets. The rates of depreciation are as follows:

Freehold Buildings	- 2% on cost
Furniture and Equipment	- written off in year of acquisition
Motor Vehicles	- 25% reducing balance
Instruments - Pianos and Keyboards	- over 10 years
IT Software	- over three years
Assets held under finance lease	- over the term of the lease

String instruments are not depreciated as the quality of the instruments held is such that their likely useful life is in excess of 50 years. Also, land is not depreciated and freehold buildings are only depreciated once brought into use.

k) Translation of Foreign Currencies

Transactions in foreign currencies are converted into sterling at the rates ruling on the dates of the transactions. Assets and liabilities at the year end which are denominated in foreign currency are translated at the rates ruling at the balance sheet date.

l) Investments

Investments are included in the financial statements at market value, with any surplus or deficit on revaluation being shown as unrealised gains or losses on the face of the Statement of Financial Activities.

m) Governments Grants Receivable

Government grants received in respect of pupils' fees are included within income in the year to which they relate.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

1 ACCOUNTING POLICIES (CONTINUED)

n) Leased and Hire Purchase Assets

Where the charity has entered into finance leases, the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to a legal title.

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

o) Funds

Endowed – These are funds where the Governors are required to hold capital, as represented by the investments, and are not entitled to spend it. Income arising from these funds is included within restricted funds in accordance with the donors' wishes.

Restricted – these are monies, which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities.

Unrestricted – General funds are available for use at the discretion of the Governors in furtherance of the charity's general objectives. Designated funds are set aside out of general funds by the Governors, for particular purposes.

2. INCOME	2010	2009
	£	£
a) Other Income		
Audition fees	2,976	2,146
Children' Music Income	783	1,484
Holiday Course Income	10,410	10,420
CD sales	-	1,789
Sundry income	-	498
Yehudi Menuhin School Enterprises Facilities Fee	28,311	17,018
	<u>42,480</u>	<u>33,355</u>
b) Investment Income		
Rent receivable	-	525
Listed investments - UK	97,978	45,522
Bank Interest	320	62,978
	<u>98,298</u>	<u>109,025</u>
c) Donations and Legacies		
Miss Audrey Joyce Burford	50,000	-
Mrs Christiana Fafie	73,247	89,663
Mr Reginald Forbes Ellis	-	65,246
Mrs Margaret Hubicki	-	26,116
Dr Margaret Forbes Jamieson	600,457	-
Mrs Phyllis Page	-	15,000
Miss Sylvia Cartner	25,349	11,000
Mrs Meher Rohi Gazder	29	3,973
Ms Angela Marris	44,000	-
Miss Meriel Biggs	-	500
Mr Frank Clark	-	500
Friends of Yehudi Menuhin School	14,000	15,000
Other donations and legacies	144,063	14,315
	<u>951,145</u>	<u>241,313</u>

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

3.	NET INCOMING RESOURCES	2010	2009
		£	£
	Net incoming resources are stated after charging		
	Auditors' remuneration		
	For audit	12,866	12,190
	Other services	6,824	4,156
	Depreciation - owned assets	<u>201,326</u>	<u>193,556</u>

4.	STAFF COSTS		
	Wages and salaries	1,407,869	1,361,650
	Social security costs	119,248	113,041
	Pension costs	<u>128,892</u>	<u>119,694</u>
		<u>1,656,009</u>	<u>1,594,385</u>

The number of employees (including full time equivalent numbers for part time employees) in the year was 44 (2009 - 40) of which 28 (2009 - 26) were teaching staff

Neither the Governors nor persons connected with them received any remuneration or reimbursement of expenses from the School

The number of employees whose emoluments exceeded £60,000 was as follows

	2010	2009
	No.	No
£70,001 – £80,000	<u>1</u>	<u>1</u>

This individual is also a member of the Teachers' Pension defined benefit scheme

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

5. ANALYSIS OF TOTAL RESOURCES EXPENDED	Staff Costs £	Other £	Depreciation £	2010 Total £
Cost of Generating Funds				
Fund-raising & publicity	-	26,101	-	26,101
Finance costs	-	2,439	-	2,439
Investment managers fees	-	4,778	-	4,778
Menuhin Hall expenses	59,341	119,362	54,557	233,260
Other expenses	-	25,927	-	25,927
	<u>59,341</u>	<u>178,607</u>	<u>54,557</u>	<u>292,505</u>
Charitable Expenditure				
Teaching	1,241,358	66,027	14,695	1,322,080
Welfare and catering	87,544	222,707	6,298	316,549
Premises	64,275	305,018	125,776	495,069
School support costs	203,491	117,346	-	320,837
School's operating costs	1,596,668	711,098	146,769	2,454,535
MDS Celebratory Event	-	88,653	-	88,653
Grants awards & prizes	-	18,226	-	18,226
Bursaries	-	261,505	-	261,505
School operating costs and grant making	<u>1,596,668</u>	<u>1,079,482</u>	<u>146,769</u>	<u>2,822,919</u>
Governance costs	-	14,478	-	14,478
	<u>1,656,009</u>	<u>1,272,567</u>	<u>201,326</u>	<u>3,129,902</u>
<u>2009</u>				
Cost of Generating Funds				
Fund-raising & publicity	-	15,814	-	15,814
Finance costs	-	1,575	-	1,575
Investment managers fees	-	6,155	-	6,155
Menuhin Hall expenses	69,444	108,767	53,593	231,804
Other expenses	-	8,267	-	8,267
	<u>69,444</u>	<u>140,578</u>	<u>53,593</u>	<u>263,615</u>
Charitable Expenditure				
Teaching	1,171,202	52,110	19,036	1,242,348
Welfare and catering	96,468	200,011	7,481	303,960
Premises	60,246	243,690	113,446	417,382
School support costs	197,025	134,242	-	331,267
School's operating costs	1,524,941	630,053	139,963	2,294,957
MDS Celebratory Event	-	12,592	-	12,592
Grants awards & prizes	-	20,833	-	20,833
Bursaries	-	243,676	-	243,676
School operating costs and grant making	<u>1,524,941</u>	<u>907,154</u>	<u>139,963</u>	<u>2,572,058</u>
Governance costs	-	13,387	-	13,387
	<u>1,594,385</u>	<u>1,061,119</u>	<u>193,556</u>	<u>2,849,060</u>

Governance costs include remuneration for audit services of £12,866 (2009 £12,190)

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

6. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Musical instruments £	Furniture and academic equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2009	7,350,798	1,366,655	284,632	92,973	9,095,058
Additions	1,109,864	3,400	-	2,750	1,116,014
At 31 August 2010	8,460,662	1,370,055	284,632	95,723	10,211,072
DEPRECIATION					
At 1 September 2009	998,404	273,735	271,831	70,531	1,614,501
Charge for the year	166,675	21,952	6,401	6,298	201,326
31 August 2010	1,165,079	295,687	278,232	76,829	1,815,827
NET BOOK VALUE					
At 31 August 2010	7,295,583	1,074,368	6,400	18,894	8,395,245
At 31 August 2009	6,352,394	1,092,920	12,801	22,442	7,480,557

All fixed assets are held for charitable purposes. Included within musical instruments are string instruments which were included at an insurance value of £970,530 at 31 August 1999 as the Governors were unable to quantify the cost of these assets.

7. INVESTMENTS

All investments are held within the UK

	2010 £	2009 £
Market value at 1 September 2009	2,900,946	900,066
Acquisitions at cost	2,307,146	2,522,381
Disposals at open market value	(925,843)	(583,838)
Unrealised gains	187,535	62,337
Market value at 31 August 2010	4,469,784	2,900,946
Historic cost at 31 August 2010	4,115,819	2,856,031
Investments representing 5% or more of the total portfolio are as follows	Market Value £	Market Value £
Charities Property Fund	-	259,407
Alpha CIF For Endowments (Income Units)	3,072,079	1,878,169
Sarasin Equisar IIID Cls 'B' Inc	1,397,705	750,188
	2010 £	2009 £
Investment Properties		
Valuation at 1 September 2009	860,792	860,792
Valuation at 31 August 2010	860,792	860,792

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

7. INVESTMENTS (CONTINUED)

Riseholme Bungalow, Cobham, Surrey

The School was left Riseholme Bungalow, a freehold property under the will of Professor B Hermelin who died on 14 January 2007. This was included at a probate value of £750,000. Following a review of the value of Riseholme Bungalow in the prior year the Governors believed that the property had declined in value and the reduction in value was reflected in the financial statements for 2009 with a valuation of £550,000. A Planning Permission application for development of the site was made in July 2010 and has now been granted. The Governors believe there has been no significant change to the value at the 2010 year end.

Riverview Gardens, Cobham, Surrey

During the year ended 31 August 2007 the School purchased 70 Riverview Gardens at a market value of £299,950. The property has been included in the accounts at the purchase price plus incidental costs. The Governors believe there is no significant change between the purchase cost and market value at the year end.

Summary of investments	2010	2009
	£	£
Cash held for re-investment	876,672	2,388,239
Investment property	860,792	860,792
Equity investments	4,469,784	2,900,946
	<u>6,207,248</u>	<u>6,149,977</u>

8. DEBTORS: amounts falling due within one year

Amounts due from subsidiary undertaking	34,573	727
Fees and recharges receivable	111,372	29,964
Prepayments & accrued income	26,080	25,831
	<u>172,025</u>	<u>56,522</u>

9. CREDITORS: amounts falling due within one year

Amounts owed to subsidiary undertaking	74,826	13,383
Trade creditors	1,712	-
Fees received in advance	97,389	55,559
Fee deposits held	31,112	29,502
Social security and other taxes	36,820	-
Accruals and deferred income	61,739	78,441
Other creditors	73,940	-
	<u>377,538</u>	<u>176,885</u>

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

10a ENDOWMENT FUNDS

	<i>Balances Brought Forward £</i>	<i>Incoming Resources £</i>	<i>Resources Expended £</i>	<i>Transfers/ Investment (Losses)/ Gains £</i>	<i>Balances Carried Forward £</i>
Expendable Endowments					
Alice Hartley Award	46,273	-	-	3,761	50,034
Madame Phyllis Baker Scholarship	47,105	-	-	2,949	50,054
DFE – swimming pool	-	-	(4,360)	218,000	213,640
Permanent Endowments					
Bursary Endowments					
Esso/Westminster	19,655	-	-	1,650	21,305
Eta Herbst	258,071	-	-	21,668	279,739
Cholmondeley	124,871	-	-	10,486	135,357
Sherman	12,486	-	-	1,046	13,532
Jeanty Raven	2,102	-	-	179	2,281
JGC Mellars	20,000	-	-	-	20,000
Doris Faulkner Violin Scholarship	60,059	-	-	2,653	62,712
Fermoy Masterclass Awards	20,811	-	-	1,755	22,566
Sir Ronald Harris	10,039	-	-	-	10,039
Brackenbury	10,138	-	-	850	10,988
	<u>631,610</u>	<u>-</u>	<u>(4,360)</u>	<u>264,997</u>	<u>892,247</u>

10b RESTRICTED FUNDS

Bursary Funds					
Jeanty Raven	-	100	(100)	-	-
Miller Smiths Scholarship	16,311	453	(45)	955	17,674
Fermoy Masterclass	3,568	833	(833)	-	3,568
Sir Ronald Harris	4,731	380	(37)	800	5,874
Brackenbury	-	403	(40)	-	363
Albert Cowie	1,165	-	-	-	1,165
Esso/Westminster	-	783	(783)	-	-
Eta Herbst	-	10,287	(10,287)	-	-
Cholmondeley	-	4,978	(4,978)	-	-
Sherman	-	497	(497)	-	-
Kissin Award	65,606	1,453	(143)	3,060	69,976
Paloma O'Shea	3,002	-	-	-	3,002
Bursary Fund	-	55,603	(55,603)	-	-
Rolling Stones	105,322	505	(27,334)	(356)	78,137
Doris Faulkner Violin Scholarship	11,134	1,260	(124)	-	12,270
Madame Phyllis Baker Scholarship	-	1,400	(1,400)	-	-
Alice Hartley Award	331	1,785	(176)	-	1,940
Nicolas Chisholm Fund	-	112,438	-	-	112,438
Other Funds					
Digital Music Project DfS	-	75,000	(10,370)	-	64,630
MDS Celebratory Fund	39,375	75,000	(88,653)	-	25,722
Outreach project	48,510	60,645	(44,326)	-	64,829
DFE – Swimming Pool	228,000	-	-	(228,000)	-
	<u>527,055</u>	<u>403,803</u>	<u>(245,729)</u>	<u>(223,541)</u>	<u>461,588</u>

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

10c UNRESTRICTED FUNDS

	Balance brought forward £	Incoming resources £	Resources € £	Unrealised/ Realised Investment Gains/(losses) £	Transfers £	Balance carried forward £
Digital Music						
Sir Siegmund						
Warburg Fund	-	100,000	-	-	-	100,000
Student aid	39,218	14,545	(18,226)	-	-	35,537
Prize Fund	194	-	-	-	-	194
Wallace Curzon	-	-	-	-	-	-
White House Art Fund	1,793	-	-	-	-	1,793
The Rusthall						
Manor Estate	3,018,390	712,709	(136)	144,574	82,240	3,957,777
Riseholme Bungalow	550,000	-	-	-	-	550,000
Riverview Gardens	310,792	-	-	-	-	310,792
Kentner fund	13,176	16,374	(29,550)	-	-	-
The Menuhin Hall	134,700	96,829	(233,260)	-	1,731	-
	<u>4,068,263</u>	<u>940,457</u>	<u>(281,172)</u>	<u>144,574</u>	<u>83,971</u>	<u>4,956,093</u>
General Reserve	1,025,216	2,989,667	(2,598,641)	25,781	(775,019)	667,004
Fixed Assets	<u>7,480,557</u>	-	-	-	<u>701,048</u>	<u>8,181,605</u>
	<u>12,574,036</u>	<u>3,930,124</u>	<u>(2,879,813)</u>	<u>170,355</u>	<u>10,000</u>	<u>13,804,702</u>

ENDOWMENT FUNDS

These are funds where the Governors are required to hold the capital and are not entitled to convert it to income. Income arising from these funds is included within restricted funds and is spent in line with the wishes of the donor.

Bursary Endowment Funds

These funds arise from legacies, grants and donations made for the specific purpose of providing bursaries to students, the recipients and amounts of bursaries are determined by the Headmaster and Governors. The income and expenditure arising from these funds are included within restricted funds.

Fermoy Masterclass

This endowment from Lady Fermoy is to fund Masterclasses by visiting teachers for pupils at the School.

Awards

These represent donations given to provide awards to students.

Department for Education – Swimming Pool

The School received a capital grant from the Department for Education of £218,000 in 2008 as 50% matched funding for improvements to the swimming pool. Work commenced during August 2009 and the pool was completed in March 2010. The Governors have reviewed the terms of the original grant and concluded that it is more appropriate to recognise the grant as an expendable endowment. The fund has been reclassified from restricted funds to expendable endowment this year.

RESTRICTED FUNDS

MDS Celebratory Fund

The Department for Education held an event – “Excellent!” at The Festival Hall to celebrate the Music and Dance Scheme. This fund was provided by Department for Education to cover administration, travel, subsistence and general expenses.

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

Outreach

The School receives a grant from the Department for Education to encourage community outreach and partnership with local Schools and musical organisations

10c UNRESTRICTED FUNDS

Digital Music Project (Restricted and unrestricted fund)

These funds represent donations for the Sir Siegmund Warburg Voluntary Settlement and the Department for Education's Music and Dance Fund to develop the use of digital media in music education

Student Aid

These funds have principally derived from the efforts of students, i.e. concerts and recitals, and are designated to be used for the benefit of students, rather than the School generally

Prize Fund

The prize fund represents money set aside to pay for prizes at the School's discretion

Wallace Curzon

The Wallace Curzon fund represents monies set aside for the purposes of making awards to pupils

White House Art Fund

This includes monies earmarked by the Governors for buying works of Art for displaying in the White House

Rusthall Manor, Tunbridge Wells

This fund contained the above property which, was sold during the year. The net proceeds from the sale and income earned on the funds are at the discretion of the Governors, being held in a separate fund currently applied for public benefit through the award of means-tested bursaries

Riseholme Bungalow, Cobham

This fund contains the above property left to the School in the will of Professor Hermelin. At the discretion of the Governors it is being held in a separate fund

Riverview Gardens, Cobham

70 Riverview Gardens is an investment property, which at the discretion of the Governors is being held in a separate fund

Fixed Asset Fund

The fixed asset fund represents reserves earmarked by the Governors to establish a fund equal to the amount spent on tangible fixed assets by the School

The Menuhin Hall

The Menuhin Hall Fund represents amounts designated by the Governors towards operating The Menuhin Hall

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Permanent Endowment £	Expendable Endowment £	Restricted Funds £	Unrestricted Funds £	Total £
Tangible Fixed Assets	-	213,640	-	8,181,605	8,395,245
Investments	558,519	100,088	28,530	5,520,111	6,207,248
Net Current Assets	20,000	-	433,058	102,986	556,044
Total Net Assets	578,519	313,728	461,588	13,804,702	15,158,537

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

12. PENSION COMMITMENTS

The School participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School.

The latest actuarial valuation of the Scheme by the Government Actuary published in November 2006 relating to the period 1 April 2001 to 31 March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

From 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance the Scheme's assets and liabilities within 15 years as required by the regulations), a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

The next valuation of the Scheme by the Government Actuary due to be prepared as at 31 March 2008 has not yet been published.

The pension charge for the year includes contributions payable to the scheme of £91,236 (2009 £80,169).

The School also runs a defined contribution scheme for non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £37,656 (2009 £39,525).

13. SHARE CAPITAL

The company does not have any share capital and is limited by guarantee.

The liability of the 17 members is limited to £1.00 each.

14. CAPITAL COMMITMENTS

Capital expenditure contracted at 31 August 2010 amounted to £29,257 and related to the Menuhin Hall air conditioning (2009 £467,781 swimming pool).

YEHUDI MENUHIN SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

15. SUBSIDIARY UNDERTAKING

YMS Enterprises Limited is a wholly owned subsidiary undertaking registered in England and Wales, which was incorporated as a company limited by guarantee on 17 December 2008. The principal activities of the company are to offer public and private concerts, summer Schools and associated services and general merchandising, and to provide a musical and general education for children from any part of the world. The total net profit is gifted to the School. A summary of the results of the subsidiary is shown below.

The financial statements of YMS Enterprises Limited for the year to 31 August 2010 which are not consolidated with the School's financial statements, showed the following position:

BALANCE SHEET	31 August 2010	<i>Period to 31 August 2009</i>
	£	£
CURRENT ASSETS		
Cash at bank and in hand	23,111	-
Debtors	79,721	13,383
CREDITORS amounts falling due within one year	<u>(102,832)</u>	<u>(13,383)</u>
TOTAL NET ASSETS	<u>-</u>	<u>-</u>
RESERVES		
Profit and loss account	<u>-</u>	<u>-</u>
PROFIT AND LOSS ACCOUNT		
Turnover	142,737	69,240
Operating costs	<u>(80,150)</u>	<u>(48,623)</u>
GROSS PROFIT	62,587	20,617
Administrative expenses	<u>(28,014)</u>	<u>(19,890)</u>
PROFIT ON ORDINARY ACTIVITIES	34,573	727
Payment under gift aid	<u>(34,573)</u>	<u>(727)</u>
RETAINED PROFIT	<u>-</u>	<u>-</u>

The reduction in income attributed in the School accounts to the Menuhin Hall for 2010 compared to 2009 is due to the formation of the trading company. Appropriate Menuhin Hall activities are now conducted through the trading company.

16 RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption which is conferred by financial reporting standard no 8, 'related party disclosures' that allows it not to disclose intra group transactions where its subsidiary is wholly owned.