

Royal Conservatoire of Scotland  
A Company Limited by Guarantee  
Report of the Governors  
and  
Financial Statements  
For the Year Ended 31 July 2013

Company Registration No.SC04703



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OFFICE BEARERS

Patron	His Royal Highness The Prince Charles, Duke of Rothesay
President	Sir Cameron Mackintosh FRSAMD
Vice President	The Right Honourable Lord Gill FRSAMD
Chairman of Governors	Lord Vallance of Tummel
Principal	Professor John Wallace CBE FRSAMD
Secretary	Ewan Hainey
Registered Office	100 Renfrew Street Glasgow G2 3DB

## REPORT OF THE GOVERNORS

The Governors present their report together with the accounts for the year ended 31 July 2013.

**Constitution**

The Royal Conservatoire of Scotland is a company having a share capital limited by guarantee with a Company Registration No.SC04703. It was incorporated as the Glasgow Athenaeum in December 1900, having been established in 1847 to provide further education for adults in the fields of commerce, science and the arts. It is now an institution of Higher Education and was awarded Degree Awarding Powers by the Privy Council on 13 May 1994.

The terms of the constitution, membership, powers and proceedings of the Board of Governors are set down in the Memorandum and Articles of Association as varied by, and in conformity with the provisions of, The Royal Scottish Academy of Music and Drama (Scotland) Order of Council 1995. The Conservatoire is in the process of submitting amendments to these provisions to reflect the change of name and several changes to the membership due to changes to the management structure.

The Conservatoire is recognised by HMRC as a charity and is registered with the Office of the Scottish Charity Regulator – No.SC015855.

**Principal activity**

The principal activity of the Conservatoire is the provision of teaching, learning and research in the performing arts ranging from pre-higher education through to post doctoral study.

The vision of the Conservatoire is to create the future for performance.

The Conservatoire's mission is to:

Be the place where developing artists from across the world converge to become the artistic leaders of tomorrow; create, in Scotland, a crucible for artistic innovation and creativity in performance and production; become integral to evolving national strategies and initiatives for widening access to life-long learning in and through the performing arts.

The Conservatoire's strategic plan 'Creating the Future for Performance' has 6 underpinning strategic aims:

- 1. Provide each student with a unique, individualised and transformative learning experience, which will enable them to make a contribution in the world as artists, educators, advocates and citizens.*
- 2. Achieve excellence in learning, teaching, performance and research.*
- 3. Develop national and international partnerships which will enrich our artistic and academic activities, improve our operational effectiveness and enhance our national and international reputation.*
- 4. Become integral to evolving national strategies and initiatives for widening access to life-long learning in and through the performing arts.*
- 5. Embed equality and diversity and enhance the sustainability of every aspect of our operation.*
- 6. Through all of the above, to enhance our position and profile as a world-class artistic learning, teaching and research community.*

**Values**

*Within our learning and artistic community we value:*

*Each other - we respect the uniqueness of each individual and the ability to work and play as a team*

*Creativity - we are adventurous, imaginative and innovative*

*Integrity - we are open, honest and self-aware*

*Equality and Diversity - we celebrate the spirit of humanity*

*Passion - we bring exceptional depth to our approach to learning and the arts*

*Operating and Financial Review**Overview*

The Conservatoire has continued to make good progress towards achieving the objectives set out in its strategic plan: 'Creating the Future for Performance' 2012-2015. This past year has seen the launch of the new undergraduate curriculum and the feedback from both students and staff has shown that we are on track towards successful delivery. We look forward to enhancing the curricular offer further after an analysis of the first year of operation. Educational activities beyond the core undergraduate and postgraduate programmes have expanded further, with a growing range of short courses on offer throughout the year, particularly during the summer trimester.

Construction work has commenced on the second phase of the capital programme at Speirs Locks. This development will mark the completion ahead of time of the ambitious estate strategy set out initially in 2007.

The current tuition fee regime for students from the rest of the UK (RUK) commenced in 2012-13. This category of students represents a high proportion of the undergraduate population and as the new intake were 'fees-only' students it was important that the target numbers were achieved, as was the case. This new dynamic presents a number of challenges for the Conservatoire and will require careful monitoring as it is phased in over the next three years. Continuing to attract the Scottish-domiciled students and sustaining recruitment of RUK and international students remains a key objective in terms of maintaining reputation, profile and financial health. The Conservatoire continues to attract a growing amount of scholarships in support of this objective. This year undergraduate and postgraduate students received a total of £1,057,000 in scholarships compared with £837,000 in the previous year.

The Board of Governors decided to use the Conservatoire's unique corporate structure as a company having a share capital limited by guarantee to make the governance arrangements more inclusive and generate a greater sense of partnership and institutional ownership amongst staff and students. Accordingly, and with the kind agreement of Dr Helen Cargill-Thompson, the Conservatoire's only existing shareholder, the Board of Governors agreed that the Chairman, the Principal, the President of the Students' Union and the two elected staff members of the Board of Governors should be each issued with a shareholding in the company equal to that of Dr Cargill-Thompson's (i.e 60 shares each). Although largely symbolic (the shares have no economic value) it is anticipated that this new structure will lead to more meaningful and inclusive annual general meetings.

During the year the Principal, Professor John Wallace, announced his intention to retire at the end of academic session 2013-14. The Board has mapped out a timeline to find and appoint a successor in good time and the recruitment process is well advanced.

<i>Financial Summary</i>	2013 £'000	2012 £'000
Income	16,818	16,543
Expenditure	<u>16,567</u>	<u>16,230</u>
Surplus on continuing operations	<u>251</u>	<u>313</u>
Capital expenditure	<u>1,175</u>	<u>872</u>
Cash at bank and in hand	<u>1,920</u>	<u>1,262</u>
Net current assets	<u>1,179</u>	<u>1,127</u>
Pension asset/(liability)	<u>597</u>	<u>(1,722)</u>

Outlook for 2013-14 and beyond

The overall recurrent grant award to the Conservatoire for 2013-14 is a modest cash increase which represents a cut in real terms. The continuing reduction in capital funding combined with the Scottish Government Spending Review settlement announced in September 2013 for Higher Education, increases budgetary pressures. Generating additional income from other sources and ensuring that resources are expended as effectively and efficiently as possible are therefore key priorities. A Financial Sustainability Group has been re-constituted by the Board of Governors to afford Governors the opportunity to support and challenge the Senior Management Team to develop effective strategies to mitigate against the risk of future reductions in funding. The Conservatoire is also focussing on the development of and investment in a comprehensive recruitment strategy to address the increasingly volatile and competitive market to attract the highest quality students from Scotland and internationally.

The Conservatoire continued to work with the Scottish Funding Council (SFC) in the development of Outcome Agreements. The SFC has indicated that the Conservatoire's performance in respect of the 2012-13 Outcome Agreement was satisfactory and an Outcome Agreement was approved by the SFC and the Board for session 2013-14 which is consistent with the Conservatoire's current strategic plan.

The Conservatoire awaits the publication of the National Youth Arts Strategy and continues to hope to play a part on its realisation.

The Scottish Code of Good Higher Education Governance

The Scottish Code of Good Higher Education Governance was published in July 2013 and comes into effect from 1 August 2013. The Chairman of the Board of Governors was appointed as Special Adviser to the Steering Group to represent the interests of the small specialist institutions. The Conservatoire is content that it will be able to comply with the Code.

In anticipation of formal acceptance of the Code the Conservatoire has taken the opportunity to consolidate various statements in respect of Board and Officer responsibilities in a single and comprehensive Statement of Primary Responsibilities, which is laid out below. Additionally, the Board of Governors took the opportunity presented by the appointments process for the new Principal to involve its staff and student Governors in that process and also to formally include these Governors in the membership of the Board's Nominations Committee.

**The Board of Governors of the Royal Conservatoire of Scotland**

The Board of Governors of the Royal Conservatoire of Scotland is unambiguously and collectively responsible for overseeing the Royal Conservatoire's activities, determining its future direction and fostering an environment in which the Royal Conservatoire's mission is achieved and the potential of all of its students is maximised. The Board of Governors will ensure that the Royal Conservatoire complies with the legislative, regulatory and best-practice framework within which Scottish higher education operates.

**Primary Responsibilities**

To approve the mission, strategic vision and values of the Royal Conservatoire of Scotland, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.

Under the general control and direction of the Board, to delegate authority to the Principal, as Chief Executive, for the academic, corporate, financial, estate and personnel management of the Royal Conservatoire and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the Principal.

To retain strategic responsibility for quality and provide public accountability for all aspects of institutional activities, including quality assurance and enhancement.

To delegate to the Academic Board the function of the Board relating to the overall planning, co-ordination, development and supervision of the academic work of the Royal Conservatoire and such other functions of the Board of Governors as may be assigned to the Academic Board by the Board of Governors. Under these arrangements, the Board of Governors must satisfy itself that there are appropriate processes in place with regard to quality assurance and enhancement of educational provision.

To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, procedures for handling internal grievances, complaints from students/staff and others (including whistleblowing) and for managing conflicts of interest.

To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the Royal Conservatoire against the plans and approved key performance indicators, which should be – where possible and appropriate – benchmarked against other comparable institutions.

To establish processes to monitor and evaluate the performance and effectiveness of the Board of Governors itself.

To establish processes to monitor and evaluate the performance and effectiveness of the Chairman of the Board of Governors.

To conduct its business in an open and transparent manner and in accordance with the Scottish Code of Good HE Governance, bearing in mind the principle of proportionality and relevance to the nature of the Royal Conservatoire, and with the principles of public life drawn up by the Committee on Standards in Public Life.

To ensure that the Royal Conservatoire meets its commitments to the Scottish Funding Council for Higher and Further Education and other funding providers.

To safeguard the good name and values of the Royal Conservatoire.

To appoint the Principal as Chief Executive, and to put in place suitable arrangements for monitoring her/his performance.

To appoint a Secretary to the Board of Governors and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.

To be the employing authority for all staff in the Royal Conservatoire and to be responsible for establishing a human resources strategy.

To be the principal financial and business authority of the Royal Conservatoire, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the Royal Conservatoire's assets, property and estate.

To ensure that public funds are appropriately applied and are properly accounted for and that the Royal Conservatoire delivers value for money.



To be the Royal Conservatoire's legal authority and, as such, to ensure that systems are in place for meeting all of the Royal Conservatoire's legal obligations, including those arising from contracts and other legal commitments made in the Royal Conservatoire's name.

To make such provision as it thinks fit for the general welfare of students, in consultation with the Academic Board.

To act as custodian for any legacy, endowment, bequest or gift made directly to the Royal Conservatoire.

To ensure that the Royal Conservatoire's constitution is followed at all times and that its business is conducted in accordance with its various statutory obligations and that appropriate advice is available to enable this to happen.

To both constructively challenge and support the management of the Royal Conservatoire.

**Reserved Powers**

The appointment and dismissal of the Chairman of the Board of Governors.

The appointment and dismissal of the Principal.

The appointment and dismissal of all core and co-opted Governors and the dismissal of elected Governors.

The appointment and dismissal of the Secretary.

The approval of changes to the Royal Conservatoire's Articles of Association and related Statutory Instruments.

The approval of the committee structure of the Board of Governors.

The approval of capital projects with a value greater than £500,000.

The approval of the Royal Conservatoire's policies in respect of:

- Health and safety
- Equality of opportunity
- Human resources
- The identification and mitigation of risk

The approval of the constitution of the Students' Union.

Any matters which might have a significant bearing on the reputation of the Royal Conservatoire.

Any other matters which may be identified by the Scottish Funding Council for Further and Higher Education as requiring the approval of the full Board.

### Summary of investment performance

The Conservatoire's investments are managed on a discretionary basis by a professional fund manager on behalf of the Board and monitored by the Finance Committee. The total return for the year across the managed portfolio was +15.32% compared with a benchmark of +9.8%. The Board considers this performance to be satisfactory.

### National and International Profile and Status

To help enhance its presence at the Edinburgh festivals the Conservatoire, together with the University of Edinburgh, made a joint fixed-term appointment to act as a facilitator and promoter. As a result, a series of joint Conservatoire/University performances took place as part of the 2013 Fringe programme. The Conservatoire will look to build on that success in future years.

Students and staff from the Conservatoire will be participating in an ambitious partnership project with the BBC Scottish Symphony Orchestra in India in the lead up to the 2014 Commonwealth Games. Links have been made with several conservatoires from Commonwealth countries to develop projects linked to the Games and our students will be involved in both the opening and closing ceremonies.

The Conservatoire will host three prestigious international conferences in each of the next three years: the European League of the Institutes of the Arts (ELIA) in 2014, the Association of European Conservatoires (AEC) in 2015 and the International Society of Music Educators (ISME) in 2016. This represents a unique opportunity to build networks and enhance the reputation and profile of both the Conservatoire and the City of Glasgow.

### Curricular Activity and Quality Enhancement

The tri-ennial Enhancement-Led Institutional Review (ELIR) took place in 2013 and the Conservatoire achieved the highest rating which is expressed thus: "the institution has effective arrangements for managing academic standards and the student learning experience. These arrangements are likely to continue to be effective in the future."

Preparations have begun for a fundamental review of the Conservatoire's taught postgraduate provision, along the same lines as Curriculum Reform as applied to our undergraduate programmes. Two new postgraduate programmes in Gaelic Drama and in Arts Practice will be launched in 2014-15.

The Conservatoire participated for the first time in the National Student Survey in 2012-13 achieving an overall student satisfaction rating of 84% which compared with a peer group average of 81%.

Under the auspices of Conservatoires UK (CUK), IFF Research, an expert organisation in this field have been commissioned to undertake a major longitudinal study of the employment and career development of alumni of participating institutions. This is the most comprehensive study ever undertaken by the sector and will provide valuable data to inform programme developments and allow an evaluation of the contribution which conservatoire graduates make to the UK's economy and cultural life.

### Research and Enterprise

Preparations continue for the submission to the Research Excellence Framework in December 2013, which, for the first time, will include drama. More than one hundred outputs were considered for inclusion and the final submission is likely to include 24 researchers (just under 15 FTE) and nearly 70 individual outputs.

Two Senior Research Fellows have been appointed to enlarge and deepen the research profile, bringing significant expertise in areas of strategic importance to the Conservatoire. In the past year, other appointments of Early Career Researchers to lecturer and co-ordinator posts, and the appointment of an experienced researcher as Head of Strings, have also strengthened our research capabilities.

Through its small grants and Athenaeum Awards, the Conservatoire has continued to support staff research projects; new initiatives have included a series of innovative research development sessions known as the 'CAKE Sessions'.

Knowledge Exchange activity has included several Innovation Voucher awards, and work on arts in prisons has been consolidated with the appointment of a Lecturer in Arts in Social Justice Settings with a specific remit for Knowledge Exchange.

The Conservatoire has been successful in winning major AHRC funding in partnership with the other CUK conservatoires, the Musicians' Union and the Association of British Orchestras, in a 3-year project to investigate the health and well-being of professional musicians. Further afield, we have also achieved success as part of a multi-national consortium bid for the 5-year European Music Archaeology Project (EMAP). This will involve digital film and television students and staff in the creation of moving image artifacts for the travelling exhibition, a documentary of the process and hosting of the world premiere of a concert bringing the replica instruments and performers together.

### Estates and Infrastructure

Although it took longer than anticipated to obtain the necessary agreements and consents for the second phase of the Speirs Locks development, this has finally been achieved and the contractor commenced work on site in June 2013. The development, which will provide a further eight flexible rehearsal spaces at a cost of £5M, is scheduled for completion in March 2014.

At the Renfrew Street building air-conditioning was installed in the Stevenson Hall, the Ledger Recital Room and the Chandler Studio Theatre. This means that all the main venues are now thus equipped and will provide a much-improved environment for performers and audience members alike. Variable speed drives have been installed on the motors of all air handling units which will reduce electricity consumption.

A review of all teaching spaces was undertaken to ensure that adequate visibility could be maintained into each one as part of a wider review of safety procedures.

An internal survey of the estate was carried out during the year which indicated that 50% was classified as category 'A' (as new) with the other 50% as category 'B' (fit for purpose).

New timetabling and space planning software is presently being implemented and will go live in Spring 2014 as part of plans to improve overall space utilisation which will also include more regular space audits.

The Conservatoire continues to engage with Glasgow City Council in looking at the strategic development of the 'North Quarter' of the city within the context of the wider City Plan and has representation on the Board that has been established to draw up proposals for the Council to consider.

### Human Resources

The Conservatoire conducted a thorough review of its policies, procedures and practices in relation to its pre-HE activities. The results of the review were generally positive and progress on the resulting action plan to tighten procedures further will be monitored regularly by the Board of Governors.

There continues to be a focus on improving the health and safety culture and awareness throughout the Conservatoire by means of devolved responsibility, better reporting structures, investment in specialist staff support and a suite of training programmes in which all staff and students are required to participate as necessary.

### Equality, Diversity and Widening Participation

The Conservatoire has been awarded additional recurrent funding which will build up over the next four years to provide access programmes in all disciplines to pre-HE students from under-represented socio-economic groups badging the initiative as Transitions 20/40. The first 40 students commenced in August 2013. The objective is that in due course a number of these students will apply and gain a place on merit to an undergraduate programme at the Conservatoire. This initiative arose from dialogue with SFC during the formulation of the Outcome Agreement and forms an important part of the Conservatoire's engagement with the widening access agenda. A research study will also be undertaken on the initiative from the outset.

The breadth of provision at pre-HE level continues to expand and attracts students of all ages. The programmes are increasingly being shaped to create pathways which will encourage participants to consider applying to study at HE level. In addition to Transition 20/40 the Conservatoire continues to recruit students from schools which are part of the access initiative involving higher education students in the West of Scotland (FOCUS West). Of the first year intake of students in 2012 3.4% came from FOCUS West schools (2011: 1.3%).

The Scottish Government requested the Conservatoire to administer a grant of £1M to fund the purchase of musical instruments by Local Authority Education Departments to provide better access to young people across Scotland currently deprived of the opportunity to learn to play an instrument. The Conservatoire devised a bid scheme, approved by the Scottish Government, which invited submissions from all Local Authorities. The scheme is on-going and the first grant awards were made in August 2013. It is envisaged that the full sum will be disbursed during the course of the coming financial year.

A Conservatoire-wide equality impact assessment was undertaken during the year and an action plan has been created to embed further equality and diversity in all aspects of the operation.

Access and employment of disabled persons

The Conservatoire's building and facilities are predominantly accessible in accordance with the requirements of the Equality Act 2010 and each refurbishment or new development continues to enhance our overall level of accessibility.

Applications from disabled persons for employment are always fully considered, and if a disabled candidate meets the minimum essential criteria for a post they are always invited to attend an interview. Ultimately, however, the most suitable applicant for a post is selected, whether or not that person is disabled. It is the policy of the Conservatoire that the training, career development and promotion of disabled persons should, as far as possible, provide equality of opportunity to that available to other employees. In the event of existing employees becoming disabled, every effort is made to ensure that their employment within the Conservatoire continues and appropriate adjustments to the workplace and/or work patterns are made, along with the provision of relevant training to undertake suitable alternative employment.

Going Concern

As noted in the Operating and Financial Review the Conservatoire has produced an operating surplus for the year under review and is forecasting a surplus in the forthcoming year. There are currently no borrowings and the liquidity and cash generation position are also outlined in this review and in the cash flow statement. The Governors believe that the Conservatoire is well placed to manage its business risks successfully despite the current uncertain economic outlook and have a reasonable expectation that the Conservatoire will continue to receive adequate support from the SFC and accordingly will have sufficient resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Staff and student involvement

Staff and students are involved at all levels of the formal committee structure of the Conservatoire including the Board of Governors and the Academic Board.

Payment of creditors

It is the Conservatoire's policy to obtain the best terms for all goods and services. There is thus no single policy as to the terms used. In agreements negotiated with suppliers, the Conservatoire endeavours to include and abide by specific payment terms. The creditors' balance at 31 July 2013 represented 7% of total purchases for the year, equivalent to 24 creditor days. No interest was paid in terms of the Late Payments of Commercial Debts (interest) Act 1998.

**Monitoring of Performance**

Performance indicators are produced annually to assist the Board of Governors to monitor performance across the range of the Conservatoire's activities. These include:

	2012-13	2011-12
	%	%
Student progression/graduation rate (UG/PG all years)	94.6	96.5
2011/12 music undergraduates in employment or further study (based on respondents)	96.5	92.1
2011/12 drama undergraduates in employment or further study (based on respondents)	84.0	86.1

Any underperformance or negative trend in the key performance indicators is considered by the appropriate Conservatoire committee.

**Student enrolments and applications**

Enrolments	2012-13	2011-12
School of Music		
Full-time students (including BEd)	526	516
Part-time students	-	-
Research students	13	13
Youthworks students	955	970
School of Drama		
Full-time students	376	365
Research students	3	2
Youthworks and Short Course students	1,634	1,360
	<u>3,507</u>	<u>3,226</u>
Applications for full-time courses	2,972	3,013
Overall ratio of applicants to places	8.9:1	8.6:1

The Board has agreed a more comprehensive suite of institutional KPIs to assist with monitoring institutional health and progress. These will be presented annually to the Board under the following headings:

- Income growth and diversity
- Infrastructure
- Applicant demand, student achievement and satisfaction
- External perceptions and position in peer group and league tables
- Leadership and adaptive capacity

**Honorary doctorates of the Royal Conservatoire of Scotland**

The following received honorary doctorates during the academic session 2012-13

Doctor of the Conservatoire

Bridget McConnell

Doctor of Music

Patricia McMahon

Doctor of Drama

Phyllida Law

Jenny Sealey

Emma Thompson



**Governors' interests**

Matthew Chinn	60 ordinary shares of £1
Iain Jennison	60 ordinary shares of £1
Mark Saunders	60 ordinary shares of £1
Lord Vallance (Chairman)	60 ordinary shares of £1
John Wallace	60 ordinary shares of £1

The Memorandum and Articles prohibit payment of any dividend on the shares, prohibit any distribution to the shareholders in the event of a liquidation and require the Chairman to vote in accordance with the wishes of the Governors on certain matters. The Conservatoire maintains a register of governors' interests and a register of gifts to governors and staff.

**Fixed assets**

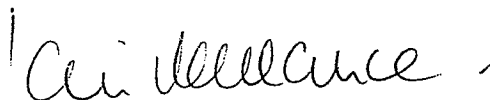
The fixed asset movements for the year are detailed in Note 10 to the Accounts.

**Auditors**

In accordance with Section 485 of the Companies Act 2006 a resolution for the re-appointment of Grant Thornton UK LLP as auditors of the Conservatoire is to be proposed at the forthcoming annual general meeting.

APPROVED BY THE GOVERNORS ON 25 OCTOBER 2013  
AND SIGNED ON THEIR BEHALF BY

Lord Vallance of Tummel  
Chairman



## CORPORATE GOVERNANCE STATEMENT

The Royal Conservatoire of Scotland is committed to following best practice in all aspects of corporate governance. This statement summarises the manner in which the Conservatoire has applied the principles set out in the UK Corporate Governance Code issued by the Financial Reporting Council in 2010. The Conservatoire is fully compliant with the code as far as it applies to Higher Educational Institutions with the exception of section A1.2 regarding the disclosure of individual attendance by Governors at Board and committee meetings. In serving this academic institution individual Board members give of their time voluntarily and contribute greatly to the furtherance of the work of the Conservatoire in a variety of ways that are not necessarily reflected through attendance at meetings. The Board is therefore of the view that it is inappropriate to disclose this information.

The Board of Governors has adopted a Code of Practice for the Conduct of Public Business which sets out the corporate and individual responsibilities of Governors; the procedures for their appointment, induction and training; the role of the Chairman, Principal (as Designated Officer) and Secretary; guidelines for conflicts of interest and procedures for matters related to openness, whistle blowing and independent review.

The Conservatoire is supportive of the principles embodied in the Guide for Members of Higher Education Governing Bodies in the UK issued by the Committee of University Chairmen in November 2004.

Details of the Governors are set out on page 12.

The Board consists of

1. lay members with proven experience in industrial, commercial or employment matters or the practice of any profession
2. Governors ex officis – the Principal, the Director of one of the schools and the President of the Students' Union
3. a Governor appointed by the Academic Board, a Governor elected by academic staff and a Governor elected by academic support staff
4. Governors who have experience of local government, education and other relevant sectors who may be co-opted.

The Board elects the Chairman and Vice-Chairmen from those in category 1 above.

The business of the Conservatoire is overseen by the Board of Governors who may exercise all the powers of the company. The statement of Governors' responsibilities for preparing the accounts is set out on pages 16 and 17.

The Board may delegate any of its powers to any committee of one or more Governors. The functions of the Board of Governors relating to the overall planning, co-ordination, development and supervision of the academic work of the Conservatoire are delegated to the Academic Board. The Board of Governors is responsible for the Conservatoire's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve its business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

In respect of its strategic and development responsibilities the Governing Body holds an annual off-site meeting to discuss the key issues.

The Board meets four times per year and has several committees, membership of which is listed of page 45. All of these committees are formally constituted with terms of reference. Four of these committees are particularly important in ensuring that the Conservatoire follows the Code of Best Practice.

The **Finance Committee** inter alia recommends to the Governing Body the Conservatoire's annual revenue and capital budgets and monitors performance in relation to the approved budgets. The membership comprises the Chairman of the Board of Governors, Principal and five lay Governors.

The **Remuneration Committee** is responsible for reviewing and advising on the remuneration levels and terms and conditions of employment of Senior Management. The membership comprises the Chairman of the Board of Governors, one of the Vice-Chairmen and two lay Governors experienced in employment matters.

The **Nominations Committee** receives and considers proposals from any source and makes recommendations to the Board of Governors. The current membership consists of the Chairman, two Vice-Chairmen, Principal, Student President, elected academic staff Governor, elected support staff Governor and one lay Governor.



The **Audit Committee** was established by the Board of Governors to ensure the effective discharge of its duties in respect of:

- proper financial management
- the effectiveness of the internal control and management systems
- safeguarding the Conservatoire's assets
- the economy, efficiency and effectiveness of the Conservatoire's activities
- corporate governance and the conduct of the Conservatoire's operations
- the audit needs analysis
- risk management systems

It is responsible to the Board of Governors for reviewing and advising on the appointment, fees, scope and effectiveness of internal and external auditors, for receiving their reports and discussing appropriate action with senior management and the Board of Governors in relation to the effectiveness of the Conservatoire's financial and other control systems and for ensuring that value for money is achieved and that risk management systems are in place. The Committee reviews relevant reports from the Scottish Funding Council Finance and Corporate Resources Group. The Committee advises the Governing Body on its compliance with corporate governance requirements and good practice guidance.

The current membership of the Committee consists of two lay Governors who are not members of the Finance Committee and one lay Governor who may be a member but not the Convenor of the Finance Committee. The Convenor of the Finance Committee is in attendance. Whilst the Director of Finance and Estates attends meetings of the Audit Committee, he is not a member of the Committee. Once a year the Committee formally meets with the external auditor and the internal auditor for independent discussions.

#### **Risk Control**

The approach to risk management has been reviewed during the year with the Conservatoire Senior Management Team taking over the remit of the Risk Management Group with responsibility for the strategic risk register. Operational risk registers are being developed at departmental level so that risks are properly identified, owned and managed at all levels of the institution. The strategic risk register is prioritised in terms of the overall net impact each identified risk has on the achievement of the business objectives of the institution. The risk register is regularly reviewed by the Risk Management Group and by the Audit Committee.

New areas of risk and/or weaknesses identified by the Risk Management Group (which reports through the Audit Committee to the Board of Governors) have been addressed. Where opportunities further to enhance the control environment have been identified, appropriate action has been defined and completion dates scheduled, so that progress can be monitored closely.

In summary, a suitable process for identifying, evaluating and managing the significant risks faced by the Conservatoire has been in place for the year under review and up to the date of approval of these financial statements. The process is regularly reviewed and accords with the guidance in the Accounts Direction for Scottish Higher Education Institutions for 2012-13.

The on-going review of risk and associated controls was compliant with the terms of the Turnbull Report.

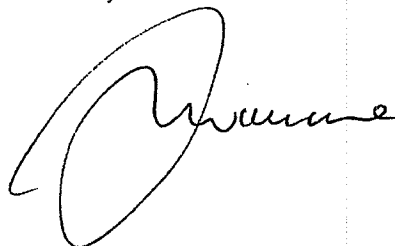
In October each year the Board of Governors receives an Annual Report, forwarded through the Audit Committee, which details changes in the control environment.

Approved by the Governors on 25 October 2013 and signed on their behalf by

Lord Vallance of Tummel  
Chairman



John Wallace  
Principal



**RESPONSIBILITIES OF THE GOVERNORS**

In accordance with the Companies Act 2006 and the Financial Memorandum with the Scottish Funding Council, the Governors are responsible for the administration and management of the affairs of the Royal Conservatoire of Scotland, including ensuring an effective system of internal control, and are required to present audited accounts for each financial year which disclose a true and fair view of the state of affairs of the Conservatoire and of the surplus or deficit and cash flows for that year.

The Governors are responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Conservatoire and which enable them to ensure that the accounts are prepared in accordance with the Companies Acts, the Accounts Direction issued by Scottish Funding Council, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions effective from 1 August 2007 and other relevant accounting standards.

In causing the accounts to be prepared, the Governors have ensured that:-

- \* suitable accounting policies are selected and applied consistently
- \* judgements and estimates are made that are reasonable and prudent
- \* applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- \* accounts are prepared on a going concern basis unless it is inappropriate to presume that the Conservatoire will continue in operation. The Governors are satisfied that the Conservatoire has adequate resources to continue in operation for the foreseeable future: for this reason the going concern basis continues to be adopted in the preparation of the accounts.

The Governors have taken reasonable steps to:-

- \* ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Funding Council may from time to time prescribe
- \* ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- \* safeguard the assets of the Conservatoire and hence to take reasonable steps to prevent and detect fraud and other irregularities
- \* secure the economical, efficient and effective management of the Conservatoire's resources and expenditure, and
- \* ensure sound corporate governance and the proper conduct of the Conservatoire's operations.

The key elements of the Conservatoire's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:-

- \* clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments
- \* a comprehensive short and medium-term planning process, supplemented by detailed annual income, expenditure and capital budgets
- \* regular reviews of key performance indicators and business risks and financial results involving variance reporting and updates of forecast outturns
- \* clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board of Governors
- \* comprehensive financial regulations, detailing financial controls and procedures, approved by the Audit Committee and Finance Committee
- \* a firm of Chartered Accountants offering internal audit services, whose annual programme is approved by the Audit Committee and endorsed by the Board of Governors, provides the Board of Governors with a report on the internal audit activity within the Conservatoire and an opinion on the adequacy and effectiveness of the Conservatoire's system of internal controls, including internal financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

**Statement as to disclosure of information to auditors**

The Governors have taken all the necessary steps to make themselves aware, as Governors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the Governors are aware, there is no relevant audit information of which the company's auditors are unaware.

This report was approved by the Board of Governors on 25 October 2013 and signed on its behalf by:

Lord Vallance of Tummel  
Chairman



**Independent auditors report to the Board of Governors of the Royal Conservatoire of Scotland**

We have audited the financial statements of the Royal Conservatoire of Scotland for the year ended 31 July 2013 which comprise the income and expenditure account, the balance sheet, the statement of historical cost surpluses and deficits, the cash flow statement, the statement of total recognised gains and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Board of Governors, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and under Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Board of Governors those matters we are required to state to it 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 Board of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the Board of Governors and auditors**

As explained more fully in the Statement of Responsibilities of the Governors set out on pages 16 and 17, the governors (who are also the directors of the Conservatoire for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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.

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 responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Conservatoire's affairs as at 31 July 2013 and of its incoming resources and application of resources, including its income and expenditure, recognised gains and losses and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the 2007 Statement of Recommended Practice: Accounting for Further and Higher Education; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Opinion on other matters**

In accordance with the Scottish Funding Council's Financial Memorandum January 2006, we are required to report to you whether, in our opinion, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation, and any other terms and conditions attached to them; and
- funds provided by the Scottish Funding Council have been applied in accordance with the Financial Memorandum and the mandatory requirements attached to the Financial Memorandum.

**Matters on which we are required to report by exception**

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

- the Conservatoire has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Grant Thornton UK LLP*

David Barnes  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
LONDON

*5 November 2013*

## Income and Expenditure Account for the year ended 31 July 2013

	Note	2013 £'000	2012 £'000
<b><i>INCOME</i></b>			
Funding body grants	2	10,166	9,476
Tuition fees and education contracts	3	5,519	4,812
Research grants and contracts	4	35	46
Other income	5	985	1,966
Endowment and investment income	6	113	243
<b>Total Income</b>		<u>16,818</u>	<u>16,543</u>
<b><i>EXPENDITURE</i></b>			
Staff costs	7	11,621	10,569
Other operating expenses	9	3,973	4,634
Depreciation	10	973	1,027
<b>Total Expenditure</b>		<u>16,567</u>	<u>16,230</u>
<b>Surplus on continuing operations retained within general reserves</b>		<u>251</u>	<u>313</u>

The income and expenditure account is in respect of continuing activities.

## Statement of Historical Cost Surpluses and Deficits for the year ended 31 July 2013

	Note	2013 £'000	2012 £'000
Surplus on continuing operations		251	313
Surplus for the year retained within general reserves	20	251	313
Difference between historical cost depreciation and the actual charge for the year calculated on the revalued amount	19	9	9
<b>Historical cost surplus for the year</b>		<b>260</b>	<b>322</b>

## Statement of Total Recognised Gains and Losses for the year ended 31 July 2013

	Note	2013 £'000	2012 £'000
Surplus on continuing operations credited to revenue reserves	20	251	313
Pension reserve movement	27	2,331	(2,294)
Increase in valuation of investments	19	134	7
		2,716	(1,974)
Decrease in endowment and restricted funds	17	(668)	(131)
<b>Total recognised gains/ (losses) relating to the year</b>		<b>2,048</b>	<b>(2,105)</b>
<b>Reconciliation</b>			
Opening reserves and endowments		10,088	12,193
Total recognised gains/ (losses) relating to the year		2,048	(2,105)
<b>Closing reserves and endowments</b>		<b>12,136</b>	<b>10,088</b>

Balance Sheet as at 31 July 2013  
(Company Registration No.4703)

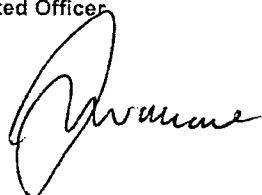
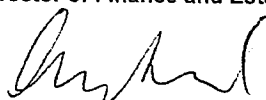
	Note	2013 £'000	2012 £'000
Tangible assets	10	31,603	31,401
Investments	11	1,744	1,551
<b>Total fixed assets</b>		<u>33,347</u>	<u>32,952</u>
Pension asset / (liability)	27	597	(1,722)
Endowment assets	12	6,729	7,397
Debtors	13	1,609	1,108
Cash at bank and in hand		1,920	1,262
<b>Total current assets</b>		<u>3,529</u>	<u>2,370</u>
<b>Less: Creditors - amounts falling due within one year</b>	14	<u>(2,350)</u>	<u>(1,243)</u>
<b>Net current assets</b>		<u>1,179</u>	<u>1,127</u>
<b>Total assets less current liabilities</b>		41,852	39,754
Less: Provisions for liabilities and charges	15	<u>(597)</u>	<u>(622)</u>
<b>Net assets</b>		<u>41,255</u>	<u>39,132</u>
Deferred capital grants	16	29,111	29,037
Endowment funds	17		
Permanent		1,554	1,430
Expendable		5,175	5,967
		<u>6,729</u>	<u>7,397</u>
<b>Share capital</b>	18	8	7
Revaluation reserve	19	955	1,037
Capital reserve	20	505	505
Revenue reserves	20	3,350	2,871
<b>Reserves excluding pension reserve</b>		<u>4,810</u>	<u>4,413</u>
Pension reserve	20	597	(1,722)
<b>Total reserves</b>		<u>5,407</u>	<u>2,691</u>
<b>Total</b>		<u>41,255</u>	<u>39,132</u>

The accounts on pages 20 to 44 were approved by the Board of Governors on 25 October 2013 and were signed on its behalf on that date by:

Professor John Wallace  
Designated Officer

A Smith  
Director of Finance and Estates

Lord Vallance of Tummel  
Chairman




## Cash Flow Statement for the year ended 31 July 2013

	Note	2013 £'000	2012 £'000
Net cash inflow/(outflow) from operating activities	23	73	(942)
Returns on investments and servicing of finance	24	87	206
Capital expenditure and financial investment	25	(276)	(115)
<b>Decrease in cash in the year</b>	26	<u>(116)</u>	<u>(851)</u>

## Reconciliation of net cash flow to movement in net funds

	Note	2013 £'000	2012 £'000
Decrease in cash in the year and movement in net funds	26	(116)	(851)
Net funds at 1 August	26	<u>7,578</u>	<u>8,429</u>
Net funds at 31 July	26	<u>7,462</u>	<u>7,578</u>

## Notes to the Financial Statements

## 1 Statement of Principal Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

## a Basis of Accounting

The accounts have been prepared under the historical cost convention, modified to include investments at market value and the revaluation of certain musical instruments, and in accordance with the requirements of the Companies Act 2006, the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions (2007) and applicable accounting standards.

## b Tangible Fixed Assets

## 1. Land and Buildings

The Conservatoire's buildings are specialised buildings and therefore it is not appropriate to value them on the basis of open market value. Land and buildings are stated in the balance sheet at cost. The main Conservatoire freehold buildings are depreciated over their expected useful economic life to the institution of 100 years. Speirs Locks Studios which is built on leasehold land is depreciated over 30 years.

Where land and buildings are acquired with the aid of specific grants or donations they are capitalised and depreciated as above. The related grants or donations are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Work-in-progress refers to buildings and equipment costs associated with phase 2 of the Speirs Locks Studios development which will be transferred to land and buildings and equipment as appropriate on completion of the project.

## 2. Equipment

Equipment costing less than £10,000 for a group of related items is written off to the income and expenditure account in the year of acquisition. All other equipment is normally capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Furniture, Fittings, Fixtures and Equipment	20% per annum
---	---------------

## 3. Musical Instruments

Musical instruments costing less than £2,000 are written off to the income and expenditure account in the year of acquisition. All other musical instruments, with the exception of certain stringed instruments and pianos, are normally capitalised at cost.

Stringed instruments with a value of £2,000 and above have been incorporated at market value as at July 2009 as assessed by Mr Michael Byrd, an external professional valuation expert. There has been no diminution in the overall value of these instruments since the 2009 valuation. These stringed instruments were originally brought onto the balance sheet at valuation, there is therefore no historical cost associated with these assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. A revaluation of stringed instruments will be carried out every five years.

Capitalised musical instruments are depreciated over their useful economic life as follows:

Stringed instruments	1% per annum
Other musical instruments	10% per annum

## Notes to the Financial Statements (continued)

## 1 Statement of Principal Accounting Policies (continued)

It is not possible to disclose the historical cost and depreciation for the stringed instruments as this relates to donated items, which do not have a cost attached to them.

## c Investments

Listed investments held as fixed assets are shown in the balance sheet at market value. Revaluation surpluses on general investments are carried to revaluation reserves. Revaluation deficits are offset against any previous revaluation surpluses carried forward with any residual deficit being charged to the income and expenditure account. Revaluation surpluses or deficits on endowment asset investments are carried to endowments.

## d Liquid Resources

Liquid resources represent sums on short-term deposits with recognised banks.

## e Provisions

Provisions are recognised when the institution has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## f Recognition of Income

Grants for recurrent expenditure are credited to the income and expenditure account in the year in which they are received. Recurrent grants relating to specific projects are credited to the income and expenditure account in the year in which expenditure is incurred.

Capital grants, special initiative grants and other receipts relating to capital expenditure are credited to deferred capital grants and receipts. An amount is transferred to the income and expenditure account over the estimated useful life of the relevant fixed assets. Receipts relating to expenditure not yet incurred are held as deferred income.

Tuition fee and education contract income is recognised in the year to which it relates.

Income from investments, including tax credits, is recognised on a receivable basis.

General donations which are unrestricted are credited to the income and expenditure account in the year in which they are received. Donations received for a restricted revenue purpose are credited to expendable endowments and released to the income and expenditure account in the year in which the expenditure is incurred or over the number of years specified by the donor. The Conservatoire's Capital Campaign Fund is classified as an expendable endowment which will be transferred to deferred capital grants to match expenditure upon the commencement of the building project. Capital donations received for a restricted purpose are credited to permanent endowments. The investment income from these endowments is credited to the income and expenditure account in the year in which it is earned with any excess over endowment expenditure carried forward as accumulated income within the endowment fund.

## g Maintenance of Premises

The Conservatoire has a rolling long-term maintenance plan, which forms the basis of the on-going maintenance of the estate. The cost of long-term and routine corrective maintenance is charged to the income and expenditure account as incurred.

## Notes to the Financial Statements (continued)

## 1 Statement of Principal Accounting Policies (continued)

## h Pension Costs

The Conservatoire participates in two pension schemes providing benefits based on final pensionable pay, the Scottish Teachers Superannuation Scheme and the Strathclyde Pension Fund. Both schemes are available to staff of more than one employer, are contracted out of the State Earnings-Related Pension Scheme, and the assets of the schemes are held separately from those of the Conservatoire. The Funds are valued by actuaries, the rates of contributions being determined by the trustees on the advice of the actuaries. The schemes are accounted for under Financial Reporting Standard 17 - Retirement Benefits (FRS17).

## Strathclyde Pension Fund

The scheme is a defined benefit scheme.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as at the financial year end. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is taken to the income and expenditure account. The actuarial gains and losses are shown in the statement of total recognised gains and losses.

## Scottish Teachers' Superannuation Scheme

The Conservatoire also participates in the Scottish Teachers' Superannuation Scheme. The scheme is available to staff of more than one employer and it is not possible to identify each participating institution's share of the underlying assets and liabilities on a consistent and reasonable basis. Accordingly, the Conservatoire has utilised the provisions of FRS 17 whereby the contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the Conservatoire's income and expenditure account is equal to the contribution payable to the scheme for the relevant accounting period.

The Conservatoire also provides enhanced pensions to former employees who accepted early retirement and provision is made on an actuarial basis for the liability to those former employees at the time of their retirement.

## i Taxation Status

The Conservatoire is a charity within the meaning of the Charities and Trustee Investment (Scotland) Act 2005 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity NO. SC015855). Accordingly the Conservatoire is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The Conservatoire receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to tangible fixed assets is included in their cost.

## j Operating Leases

Operating Leases and the total payments made under them are charged to the Income and Expenditure account on a straight line basis over the lease term.

## Notes to the Financial Statements (continued)

## 2 FUNDING BODY GRANTS

	Note	2013 £'000	2012 £'000
SFC:			
Recurrent grant for teaching		9,232	8,306
Research development foundation		132	165
Research postgraduate grant		70	70
Specific initiative grants:			
Part-Time Incentive		-	4
Disabled student premium		52	50
SORSAS		7	-
Knowledge Exchange Innovations		20	20
Energy Efficiency		7	-
Knowledge Transfer Grant		73	73
Employability		-	30
Deferred capital grants released in year:			
Buildings	16	224	374
Equipment	16	349	384
		<u>10,166</u>	<u>9,476</u>

## 3 TUITION FEES AND EDUCATION CONTRACTS

Scotland and European Union(EU) students U/G	91	87
RUK students(old fee rates) U/G	244	312
RUK students(new fee rates) U/G	380	-
Scotland and European Union(EU) students P/G	473	279
RUK students P/G	279	252
Non -EU students	1,755	1,552
UK further education students *	1,304	1,279
Registration Fees	140	132
Total fees paid by or on behalf of individual students	<u>4,666</u>	<u>3,893</u>
Higher Education contracts	832	898
Other contracts	21	21
Total	<u>5,519</u>	<u>4,812</u>

\* relates to Short Courses and Youthworks programme

## Notes to the Financial Statements (continued)

## 4 RESEARCH GRANTS AND CONTRACTS

	Note	2013 £'000	2012 £'000
Miscellaneous research grants and contracts		35	46

## 5 OTHER INCOME

Income from front of house		237	250
Sundry income		136	145
Esmee Fairbairn project		-	15
European Funded Projects		25	23
RCS Works		46	24
Sponsorship and donations		112	459
Ambition project		-	35
JISC Transformations Programme		5	4
Gaelic Masters Project		7	-
ESRC Studentships		40	19
QAA Income		12	-
Rent received		17	63
Student residences *		10	601
Release of Opera School appeal donations	16	53	54
Release of Deferred Capital Grants ( non SFC):			
Buildings	16	167	166
Equipment	16	23	56
Focus West project grant		54	52
Gain on sale of investments		41	-
		<u>985</u>	<u>1,966</u>

\* Student rents are no longer processed by the Conservatoire instead students pay rents direct to the provider, Liberty Living.

## 6 INVESTMENT AND ENDOWMENT INCOME

Investment income		56	54
Bank interest		5	11
Pension Fund net interest		26	141
		<u>87</u>	<u>206</u>
Endowment Income		26	37
		<u>113</u>	<u>243</u>

## Notes to the Financial Statements (continued)

## 7 STAFF COSTS

The average number of employees expressed as full-time equivalents was:

	2013 Number	2012 Number
Senior Management	5	5
Teaching staff	156	149
Teaching support	25	20
Research grants and contracts	5	2
Other support services	16	15
Administration and central services	56	50
Premises	32	32
Other income generating activities	2	2
	<u>297</u>	<u>275</u>

Staff costs for the above persons:

	Note	2013 £'000	2012 £'000
Wages and salaries		9,671	8,886
Social security costs		685	655
Other pension costs	27	1,073	915
Other staff costs		192	113
		<u>11,621</u>	<u>10,569</u>
Senior Management		504	491
Teaching staff		6,831	6,453
Teaching support		666	525
Research grants and contracts		215	100
Other support services		635	616
Administration and central services		1,980	1,723
Premises		744	642
Other income generating activities		46	19
		<u>11,621</u>	<u>10,569</u>

Governors' salaries(included therein)

Salaries(staff members)	305	296
Pension contributions	46	43
	<u>351</u>	<u>339</u>

The number of Governors accruing benefits under pension schemes during the year was 6 (2012:6)





## Notes to the Financial Statements (continued)

## 9 OTHER OPERATING EXPENSES

	2013 £'000	2012 £'000
Teaching departments	1,274	1,180
Contracted-out lecturing services	264	299
Teaching support services	78	64
Other support services	170	162
Administration and central services	660	861
General education	182	178
Premises costs	560	446
Repairs, renewals and maintenance	230	359
Other income generating activities	189	131
Residences *	11	608
Agency Staffing Costs	58	44
Other expenses	297	302
	<u>3,973</u>	<u>4,634</u>

\* Student rents are no longer processed by the Conservatoire instead students pay rents direct to the provider, Liberty Living.

Other operating expenses include:	2013 £'000	2012 £'000
Auditors' remuneration		
External audit	15	16
FFELP Contract	2	2
Internal audit	24	7
Loss on disposal of assets	2	5
Loss on sale of investments	-	16

## Notes to the Financial Statements (continued)

## 10 TANGIBLE ASSETS

	Freehold Building £'000	Short Leasehold £'000	Work in Progress £'000	Furn/Fixt/ Fittings/ Equipment £'000	Stringed Instruments £'000	Other Musical Instruments £'000	Total £'000
<i>Cost or valuation</i>							
At 1 August 2012	28,302	5,698	1,166	4,140	883	168	40,357
Additions	-	-	767	348	20	40	1,175
Disposals	-	-	-	(94)	-	-	(94)
At 31 July 2013	28,302	5,698	1,933	4,394	903	208	41,438
<i>Aggregate Depreciation</i>							
At 1 August 2012	5,586	378	-	2,792	81	119	8,956
Depreciation charge	283	190	-	478	9	13	973
Disposals	-	-	-	(94)	-	-	(94)
At 31 July 2013	5,869	568	-	3,176	90	132	9,835
<i>Net Book Value</i>							
NBV at 1 August 2012	22,716	5,320	1,166	1,348	802	49	31,401
NBV at 31 July 2013	22,433	5,130	1,933	1,218	813	76	31,603
<i>Financed by :</i>							
SFC capital grants and receipts	17,450	560	1,165	588	44	51	19,858
Other grants	4,555	3,722	768	75	21	-	9,141
Other	428	848	-	555	748	25	2,604
	22,433	5,130	1,933	1,218	813	76	31,603

The Conservatoire building on Renfrew Street may not be sold without the prior approval of the First Minister of the Scottish Government, to whom the Conservatoire is accountable for the proceeds of the sale.

The Alexander Gibson Opera School may not be sold without the written permission of Creative Scotland. In the event of a sale or disposal Creative Scotland's share of the proceeds shall be in direct proportion to the share of the project costs originally met from the Lottery.

## Notes to the Financial Statements (continued)

## 11 INVESTMENTS

			General Fund 2013 £'000	Total 2012 £'000
Market value at 1 August			1,551	1,595
Additions			831	155
Disposals			(772)	(205)
Increase in market value			134	6
Market value at 31 July			1,744	1,551
Listed investments				
	2013 Market Value £'000	2013 Cost £'000	2012 Market Value £'000	2012 Cost £'000
Fixed interest stocks	666	634	661	466
Equities	1,078	868	890	770
	1,744	1,502	1,551	1,236

All the investments shown above are quoted on the UK Stock Exchange.

## 12 ENDOWMENT ASSETS

	Prize Fund £'000	Piano Fund £'000	Capital Campaign £'000	Other £'000	2013 Total £'000	2012 Total £'000
Market value at 1 August	438	643	-	-	1,081	1,058
Additions	218	314	-	-	532	69
Disposals	(222)	(301)	-	-	(523)	(69)
as at 31 July	36	61	-	-	97	23
Market value at 31 July	470	717	-	-	1,187	1,081
Cash and debtors (Note 26)	358	9	5,110	65	5,542	6,316
	828	726	5,110	65	6,729	7,397
Fixed interest stocks	174	255	-	-	429	473
Equities	296	462	-	-	758	608
Cash and debtors	358	9	5,110	65	5,542	6,316
	828	726	5,110	65	6,729	7,397

All the investments shown above are quoted on the UK Stock Exchange.

## Notes to the Financial Statements (continued)

## 13 DEBTORS

	2013 £'000	2012 £'000
Amounts falling due within one year:		
Trade debtors	98	123
Debts due from students - net of provision for doubtful debts	53	105
Other debtors	44	35
Prepayments and accrued income	1,358	771
	<u>1,553</u>	<u>1,034</u>
Amounts falling due after one year:		
Other debtors	<u>56</u>	<u>74</u>

## 14 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	458	276
Other creditors	135	144
Accruals and deferred income	492	436
Taxation and Social Security costs	-	217
Deferred grant receipts	265	170
Scottish Government Instrument Fund - Amounts payable to recipients	1,000	-
	<u>2,350</u>	<u>1,243</u>

Deferred grant receipts refer to monies received from the Scottish Funding Council.

## 15 PROVISIONS FOR LIABILITIES AND CHARGES

	Pensions £'000
Balance at 1 August 2012	622
Increase in provision	19
Paid/released	(44)
Balance at 31 July 2013	<u>597</u>

A valuation of the existing pension provision was carried out at 31 July 2013 by Hymans Robertson, an independent firm of actuaries.

## Notes to the Financial Statements (continued)

## 16 DEFERRED CAPITAL GRANTS AND RECEIPTS

	SFC Grants £'000	SOEID Grants £'000	Opera School Donations £'000	Other £'000	Total £'000
Balance at 1 August 2012					
Buildings	4,822	14,610	4,604	3,589	27,625
Equipment	1,082	-	-	330	1,412
<b>Total</b>	<b>5,904</b>	<b>14,610</b>	<b>4,604</b>	<b>3,919</b>	<b>29,037</b>
Received during the year					
Buildings	-	-	-	767	767
Equipment	25	-	-	98	123
Released to Income and Expenditure Account					
Buildings depreciation	(34)	(190)	(53)	(167)	(444)
Equipment depreciation	(349)	-	-	(23)	(372)
<b>Total</b>	<b>5,546</b>	<b>14,420</b>	<b>4,551</b>	<b>4,594</b>	<b>29,111</b>
Balance at 31 July 2013					
Buildings	4,788	14,420	4,551	4,189	27,948
Equipment	758	-	-	405	1,163
<b>Total</b>	<b>5,546</b>	<b>14,420</b>	<b>4,551</b>	<b>4,594</b>	<b>29,111</b>

## Notes to the Financial Statements (continued)

## 17 ENDOWMENT FUNDS - PERMANENT

	Prize Fund Capital £'000	Prize Fund Accumulated Income £'000	Piano Fund Capital £'000	Total £'000
Balance at 1 August 2012	599	187	644	1,430
<i>Income</i>				
Funds Introduced	11	(11)	-	-
Investment income	-	17	26	43
Gain on sale of investments	-	11	25	36
Increase in value of investments	36	-	61	97
	<u>646</u>	<u>204</u>	<u>756</u>	<u>1,606</u>
<i>Expenditure</i>				
Prizes	-	(17)	-	(17)
Transfer to income and expenditure account to meet expenditure incurred	-	(2)	(26)	(28)
Management fees	-	(3)	(4)	(7)
Balance at 31 July 2013	<u>646</u>	<u>182</u>	<u>726</u>	<u>1,554</u>

Prize Funds are held in trust and are used to make prizes to students at the Conservatoire.

The Piano Fund consists of capital gifts, the income from which contributes towards the leasing costs of the Conservatoire's fleet of pianos.

## Notes to the Financial Statements (continued)

## 17 ENDOWMENT FUNDS - EXPENDABLE

	Instrument Fund £'000	International Chair/Fellows Fund £'000	Capital Campaign Fund £'000	Total £'000
Balance at 1 August 2012	-	30	5,937	5,967
<i>Income</i>				
Funds/capital introduced	45	-	-	45
Investment income	-	-	30	30
	<u>45</u>	<u>30</u>	<u>5,967</u>	<u>6,042</u>
<i>Expenditure</i>				
Transfer to deferred capital grant	-	-	(857)	(857)
Transfer to income and expenditure account to meet expenditure incurred	-	(10)	-	(10)
Balance at 31 July 2013	<u>45</u>	<u>20</u>	<u>5,110</u>	<u>5,175</u>
Of which:				
Capital	-	-	4,939	4,939
Accumulated income	<u>45</u>	<u>20</u>	<u>171</u>	<u>236</u>
	<u>45</u>	<u>20</u>	<u>5,110</u>	<u>5,175</u>

The Instrument Fund comprises of two donations which have been made to fund the purchase of two collections of brass and woodwind instruments.

The International Chair/Fellows Fund is a donation to fund an International Fellow over a period of 5 years to 2014-15.

The Capital Campaign Fund is a donation which is utilised to support the Conservatoire's estate development plans.

## Notes to the Financial Statements (continued)

## 18 SHARE CAPITAL

	2013 £	2012 £
<u>Authorised:</u>		
15,000 Ordinary Shares of £1 each	15,000	15,000
<u>Allotted, Issued and Fully Paid:</u>		
7,284 Ordinary Shares of £1 each	7,284	7,284
<u>Allotted and Issued</u>		
300 Ordinary Shares of £1 each	300	-
	<u>7,584</u>	<u>7,284</u>

## 19 REVALUATION RESERVE

	Investments £'000	Tangible Assets £'000	Total £'000
Balance at 1 August 2012	314	723	1,037
Transfer to general reserves in respect of gain on disposal of investments	(207)	-	(207)
Revaluation of investments	134	-	134
Transfer from revaluation reserve to general reserve in respect of depreciation on revalued assets	-	(9)	(9)
Balance at 31 July 2013	<u>241</u>	<u>714</u>	<u>955</u>

## 20 GENERAL RESERVES

	Capital £'000	Revenue £'000	Pension £'000	Total £'000
Balance at 1 August 2012	505	2,871	(1,722)	1,654
Surplus for the year before transfers from revaluation reserve	-	251	-	251
Transfer from revaluation reserve	-	216	-	216
Pension reserve (Note 27)	-	-	2,331	2,331
Transfer between reserves	-	12	(12)	-
Balance at 31 July 2013	<u>505</u>	<u>3,350</u>	<u>597</u>	<u>4,452</u>



## Notes to the Financial Statements (continued)

## 21 LEASE OBLIGATIONS

	2013 £'000	2012 £'000
Annual operating lease commitments in respect of lease of premises expiring:		
Over five years	657	673
Annual operating lease commitments in respect of lease of musical instruments expiring:		
Within one year	-	26
Within two and five years inclusive	114	114
Over five years	-	-

## 22 CAPITAL COMMITMENTS

	2013 £'000	2012 £'000
Commitments contracted at 31 July	3,951	392
Authorised but not contracted at 31 July	-	4,527

Capital commitments authorised but not contracted relate to the estimated remaining cost to complete the second phase development at Speirs Locks.

## 23 RECONCILIATION OF OPERATING SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £'000	2012 £'000
Surplus before transfers		
Pension costs less contributions payable	251	313
Loss on sale of assets	12	(143)
(Gain)/Loss on sale of investments	2	5
Increase in value of investments	(77)	32
Depreciation charge (Note 10)	(231)	(29)
Transfer from deferred grant (Note 16)	973	1,027
Transfer from Opera School appeal donations (Note 5)	(763)	(980)
Increase/(Decrease) in creditors	(53)	(54)
Increase in debtors	1,107	(361)
Net cash flow from investments	(501)	(391)
Net decrease in endowment funds	(87)	(206)
Net transfers from provisions	(535)	(131)
	(25)	(24)
Net cash inflow/(outflow) from operating activities	73	(942)

## Notes to the Financial Statements (continued)

## 24 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2013 £'000	2012 £'000
Investment income	56	54
Other interest received	5	11
Pension fund net interest	26	141
	<u>87</u>	<u>206</u>

## 25 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2013 £'000	2012 £'000
Capital and special initiative grants	890	732
Additions to tangible fixed assets - excluding donated assets (Note 10)	(1,175)	(872)
Proceeds - sale of investments	1,372	249
Purchase of fixed asset investments (Note 11)	(831)	(155)
Purchase of endowment asset investments (Note 12)	(532)	(69)
	<u>(276)</u>	<u>(115)</u>

## 26 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 August 2012 £'000	Cash Flows £'000	At 31 July 2013 £'000
Cash in hand and at bank	1,262	658	1,920
Endowment asset cash and debtors	6,316	(774)	5,542
	<u>7,578</u>	<u>(116)</u>	<u>7,462</u>

## Notes to the Financial Statements (continued)

## 27 PENSION COMMITMENTS

The Conservatoire's employees belong to two principal pension schemes; the Scottish Teachers' Superannuation Scheme (STSS) and a Local Government Pension Scheme administered by the Strathclyde Pension Fund (SPF) which are of the defined benefit type.

The Conservatoire also makes pension payments to former employees who have taken early retirement.

The total pension cost for the year was :

	2013 £'000	2012 £'000
Contributions to STSS	403	364
Contributions to SPF	651	530
	<u>1,054</u>	<u>894</u>
Increase in pension provision	19	21
	<u>1,073</u>	<u>915</u>

The actual cost of contributions paid by the Conservatoire during the year for the SPF was £615,000. Contributions for 2014 are estimated to be £631,000.

There were no outstanding contributions payable at 31 July 2013.

**Scottish Teachers' Superannuation Scheme**

The STSS is an unfunded multi-employer defined benefit scheme. Contributions, on a pay as you go basis, are credited to the exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purpose of determining contribution rates. Under the definitions set out in the Financial Reporting Standard 17 'Retirement Benefits', the STSS is a multi-employer pension scheme. The Conservatoire is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly the Conservatoire has accounted for its contributions as if it were a defined contribution scheme. The pensions cost is assessed every four years in accordance with the advice of the Government Actuary. The assumptions and other data at 31 March 2005 that had the most significant effect on the determination of the contribution levels were as follows:-

Valuation Method: Prospective benefits	
Investment return per annum:	6.5%
Rate of real earnings growth:	1.5%
Notional value of assets at date of valuation:	£18,474M
Present value of liabilities at date of valuation:	£19,310M

The results of this valuation were rolled forward to give a liability of £23,600M at 31 March 2012 on the basis of the following assumptions

Rate of return (discount rate)	4.85%
Rate of return in excess of:	
Earning increases:	0.60%
Price increases	2.80%

## Notes to the Financial Statements (continued)

## 27 PENSION COMMITMENTS(continued)

The employer contribution rate for the period from 1 August 2012 to 31 July 2013 was 14.9% of pay. The employee contribution rate from 1 August 2012 to 31 July 2013 was a variable rate depending on the level of salary ranging from 7.9% to 11.2%. The scheme is an unfunded scheme and it is not intended that the scheme will have a level of financial assets which match the liabilities of the scheme. The full actuarial review of the scheme is available from the Government Actuary's Department.

**Strathclyde Pension Fund**

The Strathclyde Pension Fund provides benefits on final pensionable salary for employees of local government and some other institutions. This scheme, a multi-employer defined benefit scheme, covers past and present employees. In accordance with FRS17 the Conservatoire accounts for the scheme on a defined benefit basis.

The employer contribution rate for the period from 1 August 2012 to 31 July 2013 was 19.3% of pay. The employee contribution rate for the period from 1 August 2012 to 31 July 2013 was a variable rate dependent upon the level of salary ranging from 5.5 % to 9%.

A valuation of the Conservatoire's benefit obligations in respect of its members has been made by a qualified independent actuary based on the 31 March 2011 valuation results, rolled forward onto the FRS 17 assumptions at 31 July 2013.

The major assumptions used are shown below.

Principal actuarial assumptions (expressed as weighted averages) at the end of the year were as follows:

**Financial assumptions**

	2013	2012
	%	%
Pension increase	2.8	2.2
Salary increase rate	5.1	4.5
Expected return on assets	5.8	4.9
Discount rate	4.6	4.1

**Mortality assumptions**

The remaining life expectancies used to determine benefit obligations are as follows:

	Male	Female
Current pensioners	21.0 years	23.4 years
Future pensioners	23.3 years	25.3 years

The fair value of the plan assets and the return on those assets were as follows:

	2013		2012	
	Long term rate of return %	Value £'000	Long term rate of return %	Value £'000
Equities	6.4	11,343	5.5	8,664
Bonds	3.8	2,090	3.3	1,543
Property	4.6	1045	3.7	949
Cash	3.4	448	2.8	712
		<u>14,926</u>		<u>11,868</u>

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Fair value of plan assets	14,926	11,868	10,492	9,019	7,298
Present value of funded defined benefit obligations	(14,329)	(13,590)	(10,063)	(9,254)	(8,283)
Present value of unfunded defined benefit obligations	-	-	-	-	-
Net asset/(liability)	<u>597</u>	<u>(1,722)</u>	<u>429</u>	<u>(235)</u>	<u>(985)</u>

## Notes to the Financial Statements (continued)

## 27 PENSION COMMITMENTS(continued)

<b>Movements in fair value of plan assets</b>	2013 £'000	2012 £'000
At 1 August	11,868	10,492
Expected return on plan assets	597	689
Actuarial losses	1,817	133
Contributions by the employer	613	532
Contributions by members	208	181
Benefits paid	(177)	(159)
At 31 July	<u>14,926</u>	<u>11,868</u>
<b>Movements in present value of defined benefit obligations</b>	2013 £'000	2012 £'000
At 1 August	13,590	10,063
Current service cost	651	530
Interest cost	571	548
Actuarial (gains)/losses	(514)	2,427
Contributions by members	208	181
Benefits paid	(177)	(159)
At 31 July	<u>14,329</u>	<u>13,590</u>
<b>Expense recognised in the income and expenditure account</b>	2013 £'000	2012 £'000
Current service cost	651	530
Total operating charge	<u>651</u>	<u>530</u>
Expected return pension scheme assets	(597)	(689)
Interest cost	571	548
Total net finance return	<u>(26)</u>	<u>(141)</u>
Total pension cost recognised in the income and expenditure account	<u>625</u>	<u>389</u>

## Notes to the Financial Statements (continued)

## 27 PENSION COMMITMENTS(continued)

	2013	2012
	£'000	£'000
Statement of total recognised gains and losses		
Actuarial gain/(loss) in present value of defined benefit obligations	514	(2,427)
Actuarial gain in fair value of plan assets	1,817	133
	<u>2,331</u>	<u>(2,294)</u>
Cumulative actuarial losses	<u>(1,248)</u>	<u>(3,579)</u>

The history of the plan for the current period is as follows:

	2013	2012
	£'000	£'000
Balance sheet		
Present value of scheme liabilities	(14,329)	(13,590)
Fair value of scheme assets	14,926	11,868
Net asset/(liability)	<u>597</u>	<u>(1,722)</u>

## 28 CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 July 2013 (2012: Nil).

## 29 RELATED PARTY TRANSACTIONS

Due to the nature of the Conservatoire's operations and the composition of the Board of Governors (being drawn from public and private sector organisations in Scotland) it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arm's length and in accordance with the Conservatoire's financial regulations and normal procurement procedures.

## 30 DISCRETIONARY AND CHILDCARE FUNDS

	Childcare £'000	Discretionary £'000	Total £'000
Balance unspent at 1 August 2012	9	(9)	-
Allocation Received in year	15	39	54
Expenditure	(5)	(32)	(37)
Balance unspent at 31 July 2013	<u>19</u>	<u>(2)</u>	<u>17</u>
Repayable as claw back	<u>19</u>	<u>(2)</u>	<u>17</u>

Grants for discretionary and childcare funds are available solely for students: the Conservatoire acts only as paying agent. The grants and related disbursements are therefore excluded from the income and expenditure account.

**MEMBERSHIP OF COMMITTEES**

Members of main committees reporting to the Board of Governors served during the whole of the year to 31 July 2013 unless otherwise stated.

**Academic Board**

Principal (Convenor)  
 Vice Principal  
 Deans of Schools  
 Head of Information Services  
 President of the Students' Union  
 Vice President of the Students' Union  
 Director of Finance and Estates  
 Head of Research Music  
 Elected - academic staff- School of Music  
 Elected - academic staff- School of Drama  
 Elected - student body  
 Co-opted – other academic institution – Professor Dorothy Miell  
 Co-opted - music profession – Aaron Shorr  
 Co-opted - drama profession – Joyce Deans  
 Professor Norman Sharp

**Finance**

James Miller (Convenor)  
 Chair of the Board  
 Principal  
 Joyce Goodwin  
 Eileen Mackay  
 Donald MacRae OBE (from 11 January 2013)  
 Gavin Reid (from 11 January 2013)  
 Philip Oppenheim (to 31 March 2013)

**Audit**

John Hylands (Convenor)  
 Eileen Mackay  
 Norman Sharp OBE

**Buildings**

Thomas Gilchrist  
 Gavin Reid (from 11 January 2013)  
 Philip Oppenheim (to 31 March 2013)  
 James Miller  
 Chair of the Board  
 Steve Inch OBE (Convenor)  
 Donald MacRae OBE (from 11 January 2013)

**Nominations**

Chair of the Board  
 Principal  
 Bridget McConnell (to 30 April 2013)  
 Sandy Crombie  
 Eileen Mackay (from 30 April 2013)  
 Academic support staff representative  
 Academic staff representative  
 Student Union President  
 Brian McMaster CBE

**Health and Safety**

Chris Parr(Convenor) (to 5 July 2013)  
 Vice Principal  
 Director of Finance and Estates  
 Director of Human Resources  
 Dean of Music  
 Dean of Drama, Dance, Production and Screen  
 President of the Students' Union  
 Academic Staff Representative  
 Academic Support staff representative  
 Trade union representative  
 Health and Safety Adviser

**Remuneration Committee**

Chair of the Board  
 Sandy Crombie  
 Eileen Mackay  
 James Miller

**Risk Management Group**

Director of Finance (Convenor)  
 Dean – School of Music  
 Dean – School of Drama  
 Registrar  
 Head of Marketing  
 Head of Information Services  
 IT Manager  
 Director of Human Resources  
 Head of Fundraising  
 Health and Safety Adviser  
 Conservatoire Secretary  
 Head of Estates  
 Student Union President

**PROFESSIONAL ADVISERS**

*Bankers*

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*Internal Auditors*

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*Solicitors*

MacRoberts  
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Glasgow G2 4TB

Pinsent Masons  
123 St Vincent Street  
Glasgow G2 5EA

*Investment Advisers*

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