

Company Registered number: SC312903
Charity number: SC039119

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

DIRECTORS' REPORT and FINANCIAL STATEMENTS

For the year ended 30 June 2025

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

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**REFERENCE and ADMINISTRATIVE DETAILS of the CHARITABLE COMPANY, ITS DIRECTORS
and ADVISERS**

For the year ended 30 June 2025

Directors	Fiona Davis Fiona Duncan Dr Lois Fitch Benny Higgins, Chairman Luke McCullough (Appointed 1 September 2024) Karen McFadyen (Appointed 1 September 2024) Catherine Muirden Paul Philbert MBE (Resigned 17 November 2025) Sally-Ann Loudon (Appointed 1 November 2024)
Company Registered Number	SC312903
Charity Registered Number	SC039119
Registered Office	Raploch Community Campus Drip Road Stirling FK8 1RD
Independent Auditor	CT Audit Limited Chartered Accountants and Statutory Auditors 61 Dublin Street Edinburgh EH3 6NL
Bankers	Bank of Scotland The Mound Edinburgh EH1 1YZ
Chief Executive Officer	Vicky Williams
Director of Music and Curriculum	David Munn
Director of Children, Young People and Communities	Paul Sullivan
Patron	Gustavo Dudamel
Big Noise Big Sister	Nicola Benedetti CBE
Ambassador	Dame Evelyn Glennie

**SISTEMA SCOTLAND
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CHAIRMAN'S STATEMENT

The Chairman presents this statement for the period:

2024/25 has been an extraordinary year for Sistema Scotland, and it has been a privilege to witness the incredible impact of Big Noise on children and young people across Scotland. One of the most remarkable milestones was the launch and growth of Big Noise United Orchestra, the charity's first ever national orchestra. Seeing over 100 young musicians from five Big Noise programmes come together was a truly inspiring moment for the organisation and I am looking forward to seeing this orchestra develop in the years to come.

Over the past year, I have been pleased to see the fresh appointments to the charity's senior leadership team confidently settle into their respective positions. Julie Macdonald, as Head of Fundraising, and Nigel Owen, as Head of Finance, now lead in these vital roles which sustain and support the efforts of the whole organisation.

We were also delighted to strengthen our Board with the appointment of three new members in early 2025. The new appointments will join existing members to guide and provide strategic direction to the charity as we support thousands of children and young people through the power of music and nurturing relationships. Former Chief Executive of COSLA, Sally Loudon, joins us, alongside BBC Scotland's Head of Corporate Affairs and Public Policy, Luke McCullough and Karen MacFayden, who brings a wealth of experience in both banking and the third sector.

Across the year, we enjoyed several high-profile engagements including welcoming First Minister, John Swinney to Big Noise Raploch to witness the impact of the programme first hand, and our children and young people proudly performing at the 25th anniversary of the Scottish Parliament. Big Noise Govanhill's recognition as 'Arts Champion of the Year' at the Glasgow Times Community Champion Awards was another testament to the efforts of our staff and volunteers.

None of this would be possible without the dedication of our staff teams and volunteers across the country. I am continually inspired by their creativity and unwavering commitment to the wellbeing of our children, young people, and communities. I am also deeply grateful to our funders and partners, whose support enables Big Noise to flourish and transform lives across Scotland.



**Benny Higgins
Chairman**

SISTEMA SCOTLAND (A Company Limited by Guarantee)

DIRECTORS' REPORT

For the year ended 30 June 2025

The directors (who are also charity trustees for the purposes of charity law) present their Annual Report together with the audited financial statements of Sistema Scotland (the company) for the year ended 30 June 2025. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The directors confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 383, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

OBJECTIVES AND AIMS

Big Noise is delivered by the charity Sistema Scotland. We work alongside children and young people in their communities, providing high-quality free music education and nurturing relationships, while challenging inequality, encouraging creativity, and building confidence and wellbeing over the long term.

Big Noise uses the symphony orchestra as a community through which children gain an invaluable range of life skills and experiences, removing barriers and supporting them to reach their potential and lead successful and fulfilled lives.

We run six Big Noise programmes - in Raploch & Fallin (Stirling), Govanhill (Glasgow), Torry (Aberdeen), Douglas (Dundee), and Wester Hailes (Edinburgh). Big Noise Raploch was our first programme, starting in April 2008, with six musicians supporting 35 young schoolchildren. We now work with around 3,900 children and young people across five cities.

Big Noise is underpinned by its accessible and inclusive practice and is committed to breaking down barriers to creativity and widening access to music education and cultural experiences. As such, all instruments, activities, daily meals and snacks, are free of charge, and we work hard to make sure all children and young people can participate and feel welcome and valued regardless of their needs or abilities.

Our unique seven delivery principles inform all aspects of the Big Noise programmes. These principles are:

- Quality relationships: people change lives
- Longevity and commitment
- Inclusivity and accessibility
- Intensity and immersion
- Innovation and flexibility
- Collective and cooperative learning
- Excellence, aspiration and inspiration

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

During 2024/25, Sistema Scotland's inclusive, immersive, and fun Big Noise programmes have supported the learning and wellbeing of more children and young people than ever before. Around 3,900 participants have improved their life skills, learning, and wellbeing through taking part in Big Noise during school time, after school, and during the holidays along with many inspiring and memorable performance opportunities.

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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

ACHIEVEMENTS AND PERFORMANCE *(continued)*

Our evidenced Big Noise orchestra and social programmes have continued to support children and young people in communities across Scotland facing significant challenges:

- Big Noise Raploch in Stirling (est. 2008)
- Big Noise Govanhill in Glasgow (est. 2013)
- Big Noise Torry in Aberdeen (est. 2015)
- Big Noise Douglas in Dundee (est. 2017)
- Big Noise Fallin in Stirling, (est. 2021)
- Big Noise Wester Hailes in Edinburgh (est. 2022)

The Big Noise model is place-based in targeted, geographically identified communities, providing early intervention and long-term commitment through a continuous pathway from birth to adulthood. It is designed to strengthen the communities where it is based, developing relationships with participants and their families based on mutual respect, trust and a commitment to working together to tackle inequalities for the long term. We deliver immediate improvements to the lives of the families and communities we work with, and provide long-term, sustainable support to deliver positive changes, working to break the cycle of reduced opportunity.

The programme is immersive and follows a curriculum designed to encourage continued engagement alongside steady and continuous progress providing an invaluable range of life skills and experiences. Participants develop confidence, teamwork, resilience, pride, and aspiration, as well as the capacity to work hard, and are supported to reach their potential to lead successful and fulfilled lives. Big Noise is free and non-auditioned, with all in eligible age groups within our Big Noise communities encouraged to take part. The programme includes tuition, instruments, healthy snacks, day trips, residential trips, performances, and t-shirts.

Key events and activities

Overview

2024/25 was a landmark year for Sistema Scotland, highlighted by the launch of Big Noise United Orchestra (BNUO), our first ever national orchestra. Bringing together over 100 young musicians aged 12–18 from across our programmes, BNUO is an inclusive, non-auditioned orchestra, that gives our young musicians the opportunity to demonstrate their skill at a national level. Following its successful debut concert in Dundee in July 2024, the second BNUO gathering, at Dundee's Caird Hall in April 2025, showcased a wide range of music, including original compositions by participants. The project, shaped by a youth committee, has become Big Noise's flagship orchestra and annual residential trip, fostering collaboration, friendship, and confidence across all our centres.

In August 2024, First Minister John Swinney visited our Big Noise Raploch programme and announced the Scottish Government's continued investment of £2.6 million, recognising more than a decade of national support for our work.

In September, 92 young people from all six Big Noise centres performed 'Highland Cathedral' to mark the 25th anniversary of the opening of the Scottish Parliament, with performances screened to MSPs and Their Majesties The King and Queen in what marked a very proud moment for our young musicians.

Big Noise Govanhill was named Arts Champion of the Year at the Glasgow Times Community Champion Awards in December 2024, a testament to the dedication of the local team and community. We also welcomed three new Board members in early 2025 with Sally Loudon, Luke McCullough, and Karen MacFayden joining to help strengthen our work and provide strategic direction for the charity.

Throughout 2025, we have been developing our 2026–30 organisational strategy, shaped by feedback from over 1,100 staff, participants, partners, and families. This strategy will guide the next five years of our work and launch in early 2026.

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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

ACHIEVEMENTS AND PERFORMANCE *(continued)*

Programme activity and participant engagement

Across our six Big Noise centres in Raploch, Fallin, Govanhill, Torry, Douglas, and Wester Hailes, we now reach around 3,900 children and young people each week through a rich curriculum and mix of activity. From Little Noise sessions for babies and pre-school children, to immersive after-school orchestral programmes and holiday clubs, Big Noise provides musical, social, and emotional support for children of all ages across Scotland.

Our after-school and holiday programmes offer a safe and joyful space, with free food and nurturing relationships that strengthen communities and improve lives. Targeted support for priority families ensures that our most vulnerable participants receive individualised care and connection with local services.

Older participants continue to thrive through our Young Leader sessions, paid summer internships, and nationally recognised Youth Achievement Awards, which celebrate their progress and equip them with skills for education and employment.

Performance opportunities remain an important part of the Big Noise journey, from regular community concerts to side-by-side concerts with the Royal Scottish National Orchestra, and through our highly successful Big Noise United Orchestra.

Partnership working

Our work continues to thrive through strong partnerships across education, culture, and the third sector. We are grateful to our local authority partners at Stirling Council, Glasgow City Council, Dundee City Council, Aberdeen City Council and City of Edinburgh Council for enabling in-school access and facilities, and to the Royal Scottish National Orchestra for inspiring collaborations that bring young people onto world-class stages.

Partnerships with the Royal Conservatoire of Scotland, Forth Valley College, and North-East Scotland College provide valuable training pathways for both Big Noise participants and university students.

Our leadership team continues to contribute to national forums including the Poverty Alliance, Together Scotland, and the Music Education Partnership Group, sharing expertise and advocating for the power of music to transform lives. Locally, Big Noise teams work closely with schools, health visitors, and social work services to support children and families holistically.

Inclusive practice

Big Noise is free, non-auditioned, and open to every child in our communities. We continue to embed inclusion across all areas of our work, from bespoke support for children with additional needs to diverse musical repertoires that reflect and celebrate our participants' identities.

Our Music and Inclusion Committee, anti-racism working group, and new LGBTQIA+ inclusion group drive forward principles in Equality, Diversity, and Inclusion, ensuring every child feels represented, supported, and valued.

Sustainability

Working in partnership with an external consultant, a carbon audit of all centres and the wider organisation was completed in 2024/25. This has provided a clear and complete picture of our current carbon footprint and possible areas for reduction. These findings will inform an action plan for reducing both upstream and downstream emissions and meeting our wider sustainability objectives. We are moving forward with various planned actions, including:

- adoption of an organisation-wide environmental policy;
- re-invigorating a green champions group to drive forward change at a centre level;
- moving recruitment processes online;

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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

ACHIEVEMENTS AND PERFORMANCE *(continued)*

- reducing business travel by encouraging online meetings and training;
- updating staffing policies to incentivise public transport and active travel; this includes enhancing the mileage rate for car sharing and the introduction of a Ride to Work scheme and cycling mileage rate;
- where possible using locally supplied food for snacks and meals at after-school and holiday clubs and encouraging participants to bring reusable water bottles;
- improving local recycling procedures where this is within our control; and
- reducing waste and excess procurement, by sharing left over food with our communities and by participants trading in their Big Noise T-shirts when a new size is required.

Volunteers

Over 40 volunteers gave their time across Big Noise centres this year, supporting children's learning and community activities. Volunteers receive full training, ongoing supervision, and can gain Saltire Awards in recognition of their contribution. We are deeply grateful for their enthusiasm, skill, and kindness.

LOOKING AHEAD: THRIVING TOGETHER THROUGH MUSIC

We will continue working towards our vision of thriving together through music.

Continued commitment to our communities

Our priority is to continue to create safe, caring, and respectful spaces for every child to come to be their best self, and to help build firm foundations for a fairer future. Everything we do works towards giving children the best start to life and we are committed to ensuring we are there for the long-term in the six communities we work with.

To help achieve this we will invest in our organisational infrastructure, building capacity, efficiency, and the resilience of the organisation to deliver broadened impact, whilst sustaining our underpinning values across all centres. Two key areas this year will be investing in the fundraising team to implement a new sustainable fundraising strategy and strengthening our IT systems to ensure efficiency and security.

Strategy

A significant area of work this year will be the launch of the next organisational strategy. This strategy is informed by listening and responding to the voices of children, young people and their families, staff, and partners. Our new strategy will help strengthen our ability to respond to emerging challenges and opportunities in the evolution of our programmes, ensure we remain at the forefront of best practice, and are in the strongest position to deliver maximum impact within communities.

Support

We will do all we can to stay with young people as they go through key transition points in their lives. To help support this, we will continue to strengthen our Big Noise United Orchestra (BNUO) offer, creating an inclusive and progressive orchestra that provides an opportunity for all high school participants to perform in a non-auditioned full symphony orchestra that suits their needs and ability. BNUO will put on big concerts which are celebratory, joyful, inclusive, and inspiring, creating aspiration in younger participants. Participation in BNUO will also provide an opportunity to go on a cross centre residential trip, helping build relationships and increase confidence, ambition, and maturity.

Monitor and evaluate

We will continue to develop our monitoring and evaluation processes, creating a consistent approach to capturing activity across the organisation in all facets of our work.

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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

LOOKING AHEAD: THRIVING TOGETHER THROUGH MUSIC *(continued)*

The publication of an independent evaluation in 2026, building on the longitudinal evaluation led by the Glasgow Centre for Population Health, will be a substantial focus of this work. We will use the evaluation findings to ensure we are working at all levels to maximise impact for our communities.

FINANCIAL REVIEW

Overview

Financial results for 2024/25 reflect a strategic investment in the growth and development of the Big Noise programmes and infrastructure. This has been supported through the planned draw on our restricted funds of £518k. Notably, £228k of this allocation is from income secured in the previous financial year. Additionally, £290k has been drawn from a long-standing reserve dedicated to the establishment and growth of the most recently opened Big Noise centre in Wester Hailes. We have also delivered a healthy net surplus of £105k on unrestricted funds bolstering this key underlying reserve.

On the income side, we are delighted to report a significant rise in private sector funding, which has grown by approximately 11% to reach £1.7m. This is driven by income in year of £850k from the Players of People's Postcode Lottery, among others. Public sector support has decreased slightly to £3.2m due to lower local authority funding, however, this critical income stream is reinforced by a substantial £2.6m award from the Scottish Government. We have also secured multi-year funding from the Scottish Government over the next two years. It is also encouraging to note that our investment income has increased by £26k, thanks to improved returns through our new Flagstone investment platform.

Expenditure year-on-year has increased by £445k (8%), largely driven by changes in staff costs, which rose by £411k (9%). Part of this uplift (£43k) was due to the impact of the rise in employer NI costs. However, most of the spending commitment on staff was made in support of growth of our Big Noise centres, particularly in Douglas and Wester Hailes, improvements in IT infrastructure and services, and to strengthen the central management team.

Our financial strategy remains focussed on continuing to develop existing and new funding sources, with particular emphasis on securing replacement funding for Wester Hailes as the initial reserve gets drawn down, on maintaining good cost control, and on ensuring that the funding we receive delivers the maximum benefit for the communities we support.

Reserves policy

The directors are committed to ensuring the long-term sustainability of each of our Big Noise programmes and have agreed a reserves policy that requires a minimum of four months' projected expenditure be held in free, unrestricted reserves. On a quarterly basis the Finance Committee reviews the level of reserves to ensure they are sufficient to honour its contractual obligations.

At the year end the charity held reserves of £2.49m. This is equivalent to between 4 and 5 months of our budgeted expenditure for our financial year ending June 2026 (£6.53m) which is in line with our current reserves policy.

Fundraising

We are enormously grateful to all who have generously supported the work of Sistema Scotland in this period, those listed here and many others who prefer to remain anonymous:

Aberdeen Solicitors Property Centre
 AC Ceilidh
 Amati Global Investors
 Baillie Gifford

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DIRECTORS' REPORT (continued)

For the year ended 30 June 2025

FINANCIAL REVIEW (continued)

Blackadders LLP
Misses Barrie Charitable Trust
Cannonmills Church
WA Cargill Fund
Miss Caroline Jane Spence Fund
Creative Scotland
Lorne Campbell
CMS Charitable Trust
Dennis Donald
The Ellem Foundation
Esmée Fairbairn Foundation
The estate of Elizabeth Fairhurst
Firebird Foundation
Garfield Weston Foundation
The Gannochy Trust
Glasgow Children's Holiday Food Programme
Glasgow City Council
Glasgow Communities Fund
Gordon Fraser Charitable Trust
Fiona Grant
The Harrison-Frank Family Foundation
Imajica Brand Evolution
Lethendy Charitable Trust
Mary Janet King Memorial Fund
The National Lottery Community Fund – Young Start
The National Lottery Community Fund – Improving Lives
Northwood Charitable Trust
Parabola Foundation
The Peter Cundill Foundation
Pear Tree Fund for Music
Players of People's Postcode Lottery awarding funds from Postcode Culture Trust
Rowena Alison Goffin Charitable Trust
The RS Macdonald Charitable Trust
Scottish Children's Lottery Trust
The Scottish Government
The Scottish Government's Children, Young People, Families and Adult Learning Third Sector Fund
Stanley Morrison Charitable Trust
Stirling Council
Stirlingshire Educational Trust
Bruce Stout
Tay Charitable Trust
Thirkleby Trust
Trades Widows Fund
University of Stirling
Voices from the Heart
William Grant Foundation
Donations in memory of David Wilson
Ruth and Robin Woodburn
Diana Yates-Watson

Sistema Scotland is also very grateful for the cooperation of local authorities in delivering the Big Noise programmes. We thank Glasgow and Stirling City Councils for their continued financial contribution and Aberdeen, Dundee, and Stirling City Councils for their in-kind provision of office spaces and other services.

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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

FINANCIAL REVIEW *(continued)*

Investment policy and objectives

In 2024/25, the organisation began investing in the Flagstone cash management platform to ensure it had greater flexibility when depositing available cash sums and to seek better returns. This new cash management tool has also helped maximise FSCS cover and spread the investment risk through diversification.

Consequently, from the current year, cash reserves of the charity are held in either a current account, interest-bearing deposit accounts or within a cash management platform. The balance of funds in each account or platform is kept under regular review to ensure that the organisation maintains sufficient liquidity to manage its short and medium-term commitments. A policy has also been established to ensure that sums are invested with bodies with an appropriate credit rating.

Going concern

The Board is acutely aware of the continuingly challenging fiscal environment, increased demand for funding and the altered profile of the charity's public sector investment. The trustees have considered the effects on the operations and any going concern implications for the charity post year-end.

After making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Risk management

An organisational risk register is in place, detailing the key risks facing the organisation and the systems and procedures implemented to mitigate these risks. It includes an assessment of the impact and likelihood of each risk, along with a risk heat map. The risk register is compiled and updated by the leadership team. It is kept under consideration by the Audit Committee at each of its meetings and is reviewed biannually by the Board.

The directors consider that the principal risks facing the organisation are:

- safeguarding (including child protection);
- securing and maintaining funding levels to ensure the long-term sustainability of the organisation;
- managing external and internal cost pressures including inflation, other fiscal changes, and built-in programme growth; and
- a loss of IT functionality and data integrity through a cyber breach.

Detailed mitigating actions have been identified in relation to each of these risks and the Audit Committee has instigated a 'deep dive' analysis of all major risks over a rolling twelve-month period.

Underpinning the organisation's management of risk is a range of policies and procedures including Safeguarding (encompassing child protection, one-to-one and online teaching), Health & Safety Protection of Vulnerable Groups, Data Protection, Confidentiality and several other staffing and operational policies. These are reviewed every two years (every year for Child Protection & Safeguarding and Health & Safety) or sooner if necessary. All policies and procedures are communicated to new staff as part of the induction process and to existing staff via team meeting. Copies are available online for all staff.

Child Protection and Safeguarding is on the weekly Leadership Team agenda, and along with Health and Safety, are standing items on the Board agenda.

**SISTEMA SCOTLAND
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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is limited by guarantee and governed by its Memorandum and Articles of Association. It obtained charitable status on 3 January 2008. The liability of its members is limited to £1 each. The company is accepted as a charitable body by HM Revenue & Customs. The Board of Directors sets the policies of the company; the day to day running of the company is controlled by the leadership team.

Recruitment and appointment of new directors

Directors are selected to bring a balance of skills and expertise to the Board, the composition of which is reviewed by the Nominations Committee.

Induction and training of new directors

All newly appointed directors receive a tailored induction programme to familiarise themselves with the work of the charity. This includes briefings from the Chairman and Chief Executive, meetings with other Board members and staff members, and observation visits to the Big Noise programmes.

Organisational structure

Sistema Scotland is governed by a Board which meets at least quarterly and is responsible for the strategic direction of the charity. The Board currently comprises nine non-executive members drawn from a variety of professional backgrounds relevant to the work of the charity. The mix of skills and experience on the Board ensures that members can maintain robust and effective oversight of the affairs of the organisation. Trustee indemnity insurance is in place for the benefit of the charity trustees.

The Board has established six sub-committees:

1. Audit Committee – the committee meets at least twice per year to oversee the audit of the annual financial statements, appointment of auditors, risk management, internal control and financial procedures, IT, compliance and health and safety.
2. Finance Committee – the committee meets at least quarterly to scrutinise the management accounts, to review any significant investment plans and to monitor cash flow projections and the progress of fundraising activities.
3. Music & Inclusion Committee – the committee gives independent advice and support to the Director of Music and Curriculum and the Director for Children, Young People and Communities on all musical matters as well as inclusive practice.
4. Remuneration & Nominations Committee – the committee meets at least twice per year and reviews and makes recommendations to the Board of Sistema Scotland on all salary levels across the organisation including for new posts and the key roles of Chief Executive Officer, Director of Music and Curriculum, and Director for Children, Young People and Communities. The committee also oversees and makes recommendations regarding the balance of skills on the Board, succession planning, and the recruitment and appointment of Board members.
5. Ethics Committee – the committee has been constituted should it be necessary for the Board to consider ethical matters including certain major new partnerships and funding commitments.
6. Public Affairs Committee - the committee meets at least quarterly to oversee the public affairs activities of the organisation.

The leadership team is headed by a Chief Executive who reports to the Board. The Director of Music and Curriculum and the Director for Children, Young People and Communities report to the Chief Executive. Other senior leadership roles include those managing programme delivery at the Big Noise

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DIRECTORS' REPORT *(continued)*

For the year ended 30 June 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Centres as well as those overseeing functions such as HR & Organisational Development, IT & Operations, Fundraising & Marketing and Finance.

Pay policy for senior staff

All directors give of their time freely and no director received remuneration during the year.

The Remuneration Committee reviews the annual salary of all staff, including key management personnel and makes recommendations to the Board. The committee considers any changes or additional responsibilities in roles, benchmarks proposals with comparable organisations and considers affordability in the context and external and environmental factors.

Related parties

Sistema Scotland owns 100% of the share capital of Sistema Scotland (Trading) Limited, which was set up on 22 August 2011. The wholly owned subsidiary is non-trading.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the charitable company will continue in operation.

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

Disclosure of information to auditors

Each of the persons who are directors at the time when the Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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DIRECTORS' REPORT *(continued)*


For the year ended 30 June 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES*(continued)*

Auditors

The auditor, CT Audit Limited, has indicated their willingness to continue in office. The directors will propose a motion reappointing the auditor at a meeting of the directors.

This report was approved by the directors, on 2 December 2025 and signed on their behalf by:



Karen McFadyen
Director

**INDEPENDENT AUDITOR'S REPORT to the DIRECTORS of
SISTEMA SCOTLAND
(A Company Limited by Guarantee)**

For the year ended 30 June 2025

OPINION

We have audited the financial statements of Sistema Scotland (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for Opinion

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

Conclusions relating to going concern

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

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

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

Other Information

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

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

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT to the DIRECTORS of
SISTEMA SCOTLAND
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For the year ended 30 June 2025 *(continued)*

Opinion on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

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

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

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risks of acts by the charitable company which were contrary to applicable laws and regulations, included fraud. These included but were not limited to the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

**INDEPENDENT AUDITOR'S REPORT to the DIRECTORS of
SISTEMA SCOTLAND
(A Company Limited by Guarantee)**

For the year ended 30 June 2025 *(continued)*

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of Board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Directors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Directors as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Chittleburgh (Senior Statutory Auditor)

For and on behalf of CT Audit Limited
Chartered Accountants and Statutory Auditors
61 Dublin Street, Edinburgh, EH3 6NL

Date: 11 December 2025

CT are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

STATEMENT of FINANCIAL ACTIVITIES
(incorporating Income and Expenditure Account)

For the year ended 30 June 2025

	Note	Restricted 2025 £	Un- restricted 2025 £	Total Funds 2025 £	Restricted 2024 £	Un- restricted 2024 £	Total Funds 2024 £
Income from:							
Donations and legacies	3	59,574	300,751	360,325	68,129	647,930	716,059
Grants	3	4,541,222	431,865	4,973,087	4,554,460	410,945	4,965,405
Charitable activities – other income		2,728	2,241	4,969	6,247	136	6,383
Investments – Bank interest		-	111,098	111,098	-	85,169	85,169
Total income		4,603,524	845,955	5,449,479	4,628,836	1,144,180	5,773,016
Expenditure on							
Raising funds	4	190,148	22,148	212,296	175,971	27,422	203,393
Charitable activities	5	4,931,662	718,420	5,650,082	4,373,484	840,615	5,214,099
Total expenditure		5,121,810	740,568	5,862,378	4,549,455	868,037	5,417,492
Net movement in funds		(518,286)	105,387	(412,899)	79,381	276,143	355,524
Reconciliation of funds							
Total funds brought forward		1,807,239	2,382,549	4,189,788	1,727,858	2,106,406	3,834,264
Net movement in funds		(518,286)	105,387	(412,899)	79,381	276,143	355,524
Total funds carried forward		1,288,953	2,487,936	3,776,889	1,807,239	2,382,549	4,189,788

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources are derived from continuing activities

The notes on pages 19 to 28 form part of these financial statements.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

BALANCE SHEET

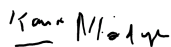
As at 30 June 2025

	Notes	£	2025 £	£	2024 £
Fixed assets					
Investments	10		100		100
Current assets					
Debtors	11	150,213		68,689	
Investments		119,474		114,359	
Cash investments		2,542,716		1,014,583	
Cash and cash equivalents		1,249,524		3,316,628	
		-----		-----	
		4,061,927		4,514,259	
Creditors: amounts falling due within one year	12	(285,138)		(324,571)	
		-----		-----	
Net current assets			3,776,789		4,189,688
			-----		-----
Total net assets			3,776,889		4,189,788
			=====		=====
Charity funds					
Restricted funds	14		1,288,953		1,807,239
Unrestricted funds	14		2,487,936		2,382,549
			-----		-----
Total funds			3,776,889		4,189,788
			=====		=====

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the directors on 2 December 2025 and signed on their behalf by:



Karen McFadyen
Director

Company number: SC312903

The notes on pages 19 to 28 form part of these financial statements.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

STATEMENT of CASH FLOWS

For the year ended 30 June 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	15	(644,955)	192,022
		-----	-----
Cash flows from investing activities			
Dividends, interest and rents from investments		111,098	85,169
Additional money held on deposit		(1,533,247)	895,194
		-----	-----
Net cash provided by investing activities		(1,422,149)	980,363
		-----	-----
Change in cash and cash equivalents in the year		(2,067,104)	1,172,385
Cash and cash equivalents at the beginning of the year		3,316,628	2,144,243
		-----	-----
Cash and cash equivalents at the end of the year		1,249,524	3,316,628
		=====	=====

Analysis of change in net funds

	2024 £	Cash flows £	2025 £
Cash at bank and in hand	3,316,628	(2,067,104)	1,249,524
	=====	=====	=====

The notes on pages 19 to 28 form part of these financial statements.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

1. General information

The charity is a company limited by guarantee and the registered office is Raploch Community Campus, Drip Road, Stirling, FK8 1RD. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sistema Scotland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In common with other charitable organisations, Sistema Scotland is dependent on income from its donors, grant givers and other supporters to ensure its objectives continue to be achieved for the longer term. The directors have reviewed and updated the charity's forecasts and cashflows for potential future income streams and activities including actions that could be taken should income reduce. The charity has good relationships with its suppliers and funders and has no reason to believe that this will not continue in the current and future years. After taking all these factors into account, the directors are of the opinion that Sistema Scotland has and will have adequate financial resources to continue its activities for at least the next 12 months from when the financial statements are approved and hence the financial statements are prepared on a going concern basis.

Group financial statements

The company does not prepare consolidated group financial statements as it is entitled for the year ended 30 June 2025 to the exemption conferred by Section 405 of the Companies Act 2006, as the exclusion of the subsidiary company is not considered by the directors to be material for the purpose of giving a true and fair view. Information is therefore presented for the individual company and not its group. The principal activity, net assets and results of the subsidiary company are detailed in note 10.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of a probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Grants are included in the Statement of Financial Activities on receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

2. Accounting policies *(continued)*

Income *(continued)*

Donated professional services and facilities are recognised on the basis of the value of gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Raising funds expenditure comprises costs incurred in connection with administration of the company and compliance with constitutional and statutory requirement.

All expenditure is inclusive of irrecoverable VAT.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Tangible fixed assets and depreciation

For accounting purposes Sistema Scotland establishes £15,000 as the threshold amount for minimum capitalisation of fixed assets and instruments. Any item costing below this amount will be expenses in the Statement of Financial Activities incorporating income and expenditure account.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Investments

Fixed asset investments

Investments in subsidiaries are valued at cost less provision for impairment.

Current asset investments

Monies held on deposit with a maturity date exceeding three months are classified as current asset investments.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments.

**SISTEMA SCOTLAND
(A Company Limited by Guarantee)**

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

2. Accounting policies *(continued)*

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure account on a straight line basis over the lease term.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Critical accounting estimates and areas of judgement

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires the trustees to exercise judgements in applying the charity's accounting policies. The trustees have reviewed these and concluded there are no areas requiring a higher degree of judgement, or complexity, and no areas where assumptions or estimates are most significant to the financial statements.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

	Restricted 2025 £	Un- restricted 2025 £	Total funds 2025 £	Total funds 2024 £
3. Income from donations and legacies				
Grants				
Local authority funding	282,944	-	282,944	316,554
Scottish government funding	2,600,001	-	2,600,001	2,600,000
Other public funding	316,311	56,875	373,186	505,994
Private sector funding	491,966	374,990	866,956	742,857
Postcode Culture Trust	850,000	-	850,000	800,000
	-----	-----	-----	-----
	4,541,222	431,865	4,973,087	4,965,405
	-----	-----	-----	-----
Donations	59,574	130,822	190,396	237,742
Legacies	-	-	-	323,933
Gifts in kind	-	144,407	144,407	133,872
Gift Aid	-	25,522	25,522	20,512
	-----	-----	-----	-----
	59,574	300,751	360,325	716,059
	-----	-----	-----	-----
	4,600,796	732,616	5,333,412	5,681,464
	=====	=====	=====	=====
Public sector funding is split as follows;				
			2025 £	2024 £
Glasgow City Council			231,944	235,373
Aberdeen City Council			-	78,616
Stirling Council			51,000	2,565
Scottish Government			2,600,001	2,600,000
Creative Scotland			56,875	-
Scottish Government's CYPFAL Third Sector Fund			313,294	505,173
Access to Work			3,017	821
4. Expenditure on raising funds				
	Restricted 2025 £	Un- restricted 2025 £	Total funds 2025 £	Total funds 2024 £
Fundraising	8,856	396	9,252	10,880
Staff costs	181,292	21,752	203,044	192,513
	-----	-----	-----	-----
	190,148	22,148	212,296	203,393
	=====	=====	=====	=====

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

5. Analysis of expenditure by activities	Direct costs 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Charitable expenditure	3,976,625 =====	1,673,457 =====	5,650,082 =====	5,214,099 =====
	Restricted 2025 £	Un-restricted 2025 £	Total funds 2025 £	Total funds 2024 £
Analysis of direct costs				
Staff costs	3,244,805	337,909	3,582,714	3,204,416
Room hire	14,011	2,290	16,301	34,240
Miscellaneous programme costs	120,843	17,605	138,448	82,125
Children's catering	84,521	420	84,941	82,740
Performances, trips and events	24,595	4,219	28,814	57,126
Staff training	36,779	16,228	53,007	55,659
Instruments	36,367	36,033	72,400	92,174
	----- 3,561,921 =====	----- 414,704 =====	----- 3,976,625 =====	----- 3,608,480 =====
Analysis of support costs				
Staff costs	994,936	110,758	1,105,694	1,084,498
Insurance	15,904	5,685	21,589	17,105
Telephone and IT	83,776	20,503	104,279	113,581
Postage and stationery	7,429	5,762	13,191	13,123
Sundries	18,161	3,267	21,428	15,068
Recruitment costs	12,676	-	12,676	15,989
Development	11,351	258	11,609	17,065
Translation	-	1,827	1,827	1,727
Bank charges	56	1,842	1,898	1,754
Marketing, evaluation and website	32,591	16,674	49,265	20,352
Office expenses	12,923	5,091	18,014	14,881
Property costs	90,313	113,864	201,177	188,320
Travel subsistence	11,631	2,408	14,039	12,033
Governance costs	77,994	15,776	93,770	90,123
	----- 1,369,742 =====	----- 303,715 =====	----- 1,673,457 =====	----- 1,605,619 =====

Governance costs include staff costs of £65,590 (2024: £65,496).

6. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £15,180 (2024: £11,500) and non-audit fees of £Nil (2024: £3,200).

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

7. Staff costs	2025	2024
	£	£
Wages and salaries	4,304,100	3,976,003
Social security costs	363,441	301,919
Other pension schemes	194,031	180,422
	-----	-----
	4,861,572	4,458,344
External consultants and self employed musicians fees	95,471	88,578
	-----	-----
	4,957,042	4,546,922
	=====	=====

The average number of persons employed by the charitable company during the year was as follows:

	2025	2024
	No.	No.
Management and administration staff	39	38
Musicians and support workers	152	143
	-----	-----
	191	181
	=====	=====

Five employees received remuneration between £60,000 - £69,999 in 2025 (2024: two).

The company considers its key management personnel to comprise of the Trustees, the Chief Executive Officer, Directors and the heads of various functions and centres. The total employer benefits of the key management personnel were £769,551 (2024: £614,067).

8. Directors' remuneration and expenses

During the year, no directors received any remuneration or other benefits (2024: £Nil).

During the year ended 30 June 2025, travel and subsistence expenses totalling £Nil (2024: £223) were reimbursed to no directors (2024: two directors).

9. Gifts in kind

Gifts in kind included the following:

Stirling Council provided services and accommodation to the value of £38,405 (2024 - £36,892).
Aberdeen City Council provided services and accommodation to the value of £41,450 (2024 - £30,257).
Dundee City Council provided services and accommodation to the value of £31,363 (2024 - £30,128).
Musical instruments were gifted from a variety of sources worth approximately £21,463 (2024 - £30,422).
Arnold Clark provided a people carrier and vans for a FOC value £1,434 (2024 - £1,465).
Wester Hailes Baptist Church provided services and accommodation to the value of £1,040 (2024 - £Nil).
RSNO provided musician services worth approximately £3,983 (2024 - £3,398).
Other gifts in kind totalled £5,271 (2024 - £1,310).

These have been entered as gifts in kind in income and in the appropriate expenditure category.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

	Investments In subsidiary companies £
10. Fixed asset investments	
Cost or valuation	
At 1 July 2024	100
	=====
At 30 June 2025	100
	=====

Principal subsidiaries

The following was subsidiary undertaking of the charitable company:

Name	Holding %
Sistema Scotland (Trading) Limited – Dormant	100
	=====

The aggregate of the share capital and reserves at 30 June 2025 of the subsidiary undertaking was as £45 (2024: £45).

11. Debtors	2025	2024
	£	£
Due within one year		
Trade debtors	500	7,500
Other debtors	3,373	36,489
Prepayments and accrued income	146,340	24,700
	-----	-----
	150,213	68,689
	=====	=====

12. Creditors: amounts falling due within one year	2025	2024
	£	£
Trade creditors	78,110	63,578
Other taxation and social security	137,549	81,014
Other creditors	17,965	44,502
Accruals and deferred income	51,514	135,477
	-----	-----
	285,138	324,571
	=====	=====

Deferred income

Balance as at 1 July 2024	-	81,196
Amount released to incoming resources	-	(81,196)
Amount deferred in year	3,772	-
	-----	-----
	3,772	-
	=====	=====

Deferred income represents performance related donations for future periods.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

	Balance at 01 July 2024 £	Income £	Expend- iture £	Balance at 30 June 2025 £
13. Statement of funds				
Unrestricted funds				
General	2,382,549	845,955	(740,567)	2,487,937
Restricted funds				
Big Noise Raploch & Fallin	16,039	627,026	(618,169)	24,895
Big Noise Govanhill	58,666	909,320	(940,587)	27,399
Big Noise Torry	27,412	468,844	(472,721)	23,535
Big Noise Douglas	71,101	401,548	(468,649)	4,000
Big Noise Wester Hailes	1,185,000	344,382	(611,382)	918,000
Postcode Culture Trust	300,000	850,000	(925,000)	225,000
Scottish Government's CYPFAL Third Sector Fund	104,431	313,294	(417,725)	-
Core costs	44,590	689,110	(667,578)	66,123
Total restricted funds	1,807,239	4,603,524	(5,121,811)	1,288,952
Total	4,189,788	5,449,479	(5,862,378)	3,776,889

	Balance at 01 July 2023 £	Income £	Expend- iture £	Balance at 30 June 2024 £
Statement of funds				
Unrestricted funds				
General	2,106,406	1,144,180	(868,037)	2,382,549
Restricted funds				
Big Noise Raploch & Fallin	10,032	727,779	(721,772)	16,039
Big Noise Govanhill	64,624	897,579	(903,537)	58,666
Big Noise Torry	16,668	628,517	(617,773)	27,412
Big Noise Douglas	203,080	369,795	(501,774)	71,101
Big Noise Wester Hailes	1,235,000	282,076	(332,076)	1,185,000
Postcode Culture Trust	150,000	700,000	(550,000)	300,000
Scottish Government's CYPFAL Third Sector Fund	-	505,173	(400,742)	104,431
Core costs	48,454	517,917	(521,781)	44,590
Total restricted funds	1,727,858	4,628,836	(4,549,455)	1,807,239
Total	3,834,264	5,773,016	(5,417,492)	4,189,788

Big Noise restricted income is made up of income awards from a variety of sources where the use of funds is restricted to use in a specific Big Noise location. Funding to be carried forward from the Postcode Culture Trust and the Scottish Government's Children, Young People, Families & Adult Learning Third Sector Fund will be used in the first quarter of the next financial year in line with the agreed project deliverables. Core costs relate to funding specifically received for central costs which support the delivery of the Big Noise programmes including the Chief Exec, the two Director roles and the functions of HR & OD, Finance, Fundraising and Marketing, IT & Operations and Administration. Restricted Core funding to be carried forward is to be used by March 2025 and relates to investment in staffing and strategy development.

SISTEMA SCOTLAND
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 30 June 2025

14. Analysis of net assets between funds

Current year	Restricted 2025 £	Un- restricted 2025 £	Total 2025 £
Fixed asset investments	-	100	100
Current assets	1,288,952	2,772,975	4,061,927
Creditors due within one year	-	(285,138)	(285,138)
	=====	=====	=====
Total	1,288,952	2,487,937	3,776,889
	=====	=====	=====

Prior year	2024 £	2024 £	2024 £
Fixed asset investments	-	100	100
Current assets	1,807,239	2,707,020	4,514,259
Creditors due within one year	-	(324,571)	(324,571)
	=====	=====	=====
Total	1,807,239	2,382,549	4,189,788
	=====	=====	=====

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	(412,899)	355,524
	=====	=====
Adjustments for:		
Dividends and interest	(111,098)	(85,169)
(Increase)/decrease in debtors	(81,525)	(20,680)
Increase/(decrease) in creditors	(39,433)	(57,653)
	=====	=====
	(644,955)	192,022
	=====	=====

16. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the company. Contributions payable are charged in the income and expenditure as incurred. Contributions of £194,031 were payable (2024: £180,187). Payments of £32,199 (2024: £30,243) were due at the year end.

SISTEMA SCOTLAND
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NOTES to the FINANCIAL STATEMENTS

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17. Operating lease commitments

At 30 June 2025 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Within one year	9,785	10,627
In 2 – 5 years	-	2,134
	-----	-----
	9,785	12,760
	=====	=====

Lease payments recognised as an expense in the Statement of Financial Activities totalled £75,813 (2024 £67,966).

18. Contingent Assets

As at the year end, the charity has been notified of one (2024: one) legacies where the disbursements had not been concluded at the year-end. Therefore, no amount has been accrued into the financial statements in respect of this legacies, which has an estimated value of £130,000 (2024: £130,000).

19. Related parties

One Director is also Director of the Royal Conservatoire of Scotland. During the year the charity paid the Royal Conservatoire of Scotland fees for services totalling £986 (2024: £2,369). During the year the charity received from the Royal Conservatoire of Scotland £1,500 (2024: £1,500). At the year end there was a creditor balance of £Nil (2024; £Nil) due to the Royal Conservatoire of Scotland.

Two Directors are also Directors of the Corra Foundation. During the year the charity received grants from the Corra Foundation (CYPFAL) totalling £208,862 (2024: £406.402). At the year end there was a creditor balance of £Nil (2024: £Nil) due to the CYPFAL.

One Director is also Vice Chair of the Scottish Ballet. During the year the charity paid the Scottish Ballet a contribution to HAS Launch event of £100 (2024: £Nil).

One Director is also the Chairman of the National Galleries of Scotland. During the year the charity received £1,056 (2024: £Nil) towards travel costs. At the year end there was a creditor balance of £Nil (2024; £Nil) due to the National Galleries of Scotland.