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THE D'OYLY CARTE OPERA TRUST LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1989

HARPER BROOM ROBERTS
CHARTERED ACCOUNTANTS

5 BLOOMSBURY PLACE,
LONDON.
WC1A 2PS

THE D'OYLY CARTE OPERA TRUST LIMITED

REPORT OF THE TRUSTEES

The Trustees have pleasure in submitting their Report and the Financial Statements for the year ended 31st December 1989.

ACTIVITIES OF THE TRUST

The main activities of the Trust have been the production of Gilbert & Sullivan operas and the raising of funds to finance these. In 1989 the Trust performed new productions of The Pirates of Penzance and The Mikado which toured in the provinces in the spring and summer and which played for three months in the autumn at the Savoy Theatre, London.

In addition, the Trust continues to receive royalties from recordings and income from the hire of band parts.

REVIEW OF FINANCIAL RESULTS AND FUTURE ACTIVITIES

The income and expenditure account, which is set out on page 4, shows a net operating deficit of £77,919 (December 1988 £305,631).

The other income received amounted to £267,248 and included a sponsorship of £100,000 from British Midland Airways and other donations totalling £167,248.

Administrative expenses amounted to £141,227 and were largely attributable to the costs of producing the two operas, management costs, planning for future seasons and fund raising.

In 1990, the Trust has produced a new, double-billed production of HMS Pinafore and Trial by Jury which, with the 1989 productions of the Pirates of Penzance and The Mikado, has been performed in the provinces.

THE D'OYLY CARTE OPERA TRUST LIMITED

REPORT OF THE TRUSTEES (CONTINUED)

TRUSTEES

The Trustees for the year ended 31st December 1989 were:

Lord Armstrong of Ilminster, GCB, CVO
Mr Richard Baker, OBE, RD
Mr M D Bishop, CBE
Mr J M Haldane
Sir Edmund Liggins, TD
Mr Colin Prestige
Sir Anthony Tuke
Lord Wilson of Rievaulx, KG, OBE, FRS
Sir Hugh Wontner, GBE, CVO

Sir Anthony Tuke, Lord Wilson of Rievaulx and Sir Hugh Wontner retire by rotation under Article 43 of the Articles of Association and being eligible offer themselves for re-election. Mr R Condon and Mr M B Radcliffe having been appointed as Trustees on 15th January 1990 also offer themselves for election.

AUDITORS

Harper Broom Roberts have indicated their willingness to continue as auditors. Accordingly a resolution, in accordance with Section 384 of the Companies Act 1985, proposing their re-appointment will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

Secretary

1 Savoy Hill
London WC2R OBP

22nd May 1990

HARPER BROOM ROBERTS
CHARTERED ACCOUNTANTS

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Our Ref:

Please reply to:

THE D'OYLY CARTE OPERA TRUST LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the Financial Statements on pages 4 to 11 in accordance with Auditing Standards.

In our opinion, the Financial Statements, which have been prepared under the historical cost convention, give a true and fair view of the Company's affairs at 31st December 1989 and of its deficit and source and application of funds for the year ended on that date and have been prepared in accordance with the Companies Act 1985.

Harper Broom Roberts

HARPER BROOM ROBERTS

Chartered Accountants

5 Bloomsbury Place
London WC1A 2PS

22nd May 1990

THE D'OYLY CARTE OPERA TRUST LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1989

	NOTE	1989	9 Months to 31st Dec 1988
Production Receipts		1,732,855	773,980
Production Costs		2,029,210	1,301,679
Deficit on Productions		(296,355)	(527,699)
Other Income		267,248	239,982
		(29,107)	(287,717)
Administrative Expenses	3	141,227	88,451
Deficit for Year		(170,334)	(376,168)
Investment Income		91,428	71,494
Net Deficit before Taxation		(78,906)	(304,674)
Taxation	9	987	(957)
Net Deficit after Taxation		£(77,919)	£(305,631)

The Notes on pages 7 to 11 form part of these Financial Statements

THE D'OYLY CATE OPERA TRUST LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1989

	NOTE	1989	1989	1988	1988
FIXED ASSETS	5		137,297		104,502
CURRENT ASSETS					
Stocks	2b	4,183		4,362	
Debtors	6	77,722		73,713	
Investments	7	249,145		249,145	
Short term deposits		664,349		663,476	
Cash at bank and in hand		1,531		30,964	
		996,930		1,021,660	
CREDITORS - Amounts falling due within 1 year					
Creditors	8	121,780		34,730	
Corporation tax		-		1,066	
		£121,780		£35,796	
NET CURRENT ASSETS			875,150		985,864
			£1,012,447		£1,090,366
CAPITAL FUND ACCOUNTS					
Gift from Dame Bridget D'Oyly Carte	10		1,183,606		1,183,606
Income and Expenditure Account	11		(171,159)		(93,240)
			£1,012,447		£1,090,366

These Financial Statements were approved by the Board of Trustees on 22nd May 1990.

[signatures] TRUSTEES

The Notes on pages 7 to 11 from part of these Financial Statements

THE D'OYLY CARTE OPERA TRUST LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

31ST DECEMBER 1989

		1989		1988
SOURCES OF FUNDS				
Deficit of the Trust for the year before taxation		(78,905)		(304,674)
Adjustment for Items not including the movement of funds: Depreciation		4,403		572
		(74,502)		(304,102)
Freehold from estate of the late Dame Bridget D'Oyly Carte		-		100,000
		(74,502)		(204,102)
APPLICATIONS OF FUNDS				
Acquisition of Freehold	-		100,000	
Fixed Assets purchased	37,198		5,074	
Corporation tax paid	79		-	
		(37,277)		105,074
		£(111,779)		£(309,176)
INCREASE/(DECREASE) IN WORKING CAPITAL				
Stocks		(179)		(138)
Debtors		4,009		(21,840)
Creditors		(30,400)		15,635
		(26,570)		(6,343)
Movement in Liquid Funds:				
Bank balances		(86,082)		(3,858)
Short term deposits		873		(298,975)
		£(111,779		£(309,176)

The notes on pages 7 to 11 from part of these financial statements.

THE D'OYLY CARTE OPERA TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 1989

1. GENERAL

(a) The Company is incorporated under the Companies Act 1948, as a company limited by guarantee and not having a share capital. Members of the Company are liable for the debts and liabilities of the Company up to an amount not exceeding £1 each. There were twelve members of the Company at 31st December 1989. Under the terms of the Trust's Articles of Association no part of the income or property of the Trust can be distributed to Members.

(b) The Company is registered as a charity under the Charities Act 1960, and claims for exemption from taxation on non-trading income have been accepted under Section 360 of the Income and Corporation Taxes Act 1970.

(c) Under the terms of an assignment dated 21st February 1961 from the liquidator of the D'Oyly Carte Opera Company Limited to this Company, the following rights and assets were transferred to this Company in respect of a holding of 5,000 Shares in the Company in liquidation which shares had been donated to the Company by Dame Bridget D'Oyly Carte.

(i) All agreements which the D'Oyly Carte Opera Company Limited had entered into with regard to broadcasting, film and record rights.

(ii) All costumes, scenery, band parts and prompt books relating to Gilbert & Sullivan Operas and 'Cox and Box'.

(iii) All the goodwill of the business of producing Gilbert & Sullivan Operas.

No value has been placed on any of these assets, nor on any other fixed assets purchased between 1961 and 31st March 1988.

(d) Included in fixed assets is the original score of the opera 'Iolanthe'.

THE D'OYLY CARTE OPERA TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. ACCOUNTING POLICIES

The following significant accounting policies were used in the preparation of these financial Statements.

(a) Basis of Accounting:
The Financial Statements have been prepared under the historical cost basis of accounting.

(b) Stock:
Stock is valued at Trustees' Valuation.

(c) Royalties:
Owing to the inevitable delay in determining royalties due for any period, they are dealt with on a cash basis.

(d) Fixed assets:
Fixed assets acquired since 1st April 1988 have been valued at cost and are depreciated at 20% per annum on the written down value, with the exception of lighting equipment bought in 1989. This is depreciated at a rate of £90 per week of usage, which is intended to write this off over the remainder of its useful life. No depreciation has been charged on freehold property.

(e) Donations:
Donations are brought into account on a cash received basis.

(f) Production Costs:
Expenditure incurred in respect of productions is charged against revenue arising in the period during which the production first takes place.

3. ADMINISTRATIVE EXPENSES

	1989		1988	
Auditors' remuneration		2,600		2,750
Depreciation		4,403		572
Staff costs:				
Wages and salaries	83,191		38,657	
Social Security	2,374		882	
Other pension costs	394		804	
		85,959		40,343
Other expenses		110,879		77,531
		203,841		121,196
Less Income received		56,745		32,745
		£147,096		£88,451

THE D'OYLY CARTE OPERA TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. TRUSTEES EMOLUMENTS

Under the terms of the Memorandum of Association emoluments cannot be paid to the Trustees.

5. FIXED ASSETS

COST	Freehold Property	Furniture & Equipment	Total
Cost at at 1.1.89	100,000	5,074	105,074
Additions	-	37,198	37,198
	100,000	42,272	142,272
Depreciation as at 1.1.89	-	572	572
Charge for year	-	4,403	4,403
	-	4,975	4,975
Net Book Value as at 31.12.89	£100,000	£37,297	£137,297
Net Book Value as 31.12.88	£100,000	£4,502	£104,502

The Freehold Property was valued as at 1st January 1990 by Messrs Molyneux Rose, Consultant Surveyors & Valuers, at £300,000.

6. DEBTORS

Amounts falling due within one year

	1989	1988
Trade Debtors	6,759	25,934
Other Debtors	25,284	2,000
Income tax recoverable	21,675	16,665
Prepaid production costs	-	3,960
Prepayments and accrued income	24,004	25,154
	£77,722	£73,713

7. INVESTMENTS

Listed Investments at Probate Value	£249,145	£249,145
Market Value of Investments 31st December 1989	£512,617	£348,512

THE D'OYLY CARTE OPERA TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. CREDITORS

Amounts falling due within one year

	1989	1988
Bank Overdraft	56,650	-
Trade Creditors	19,166	13,612
Other taxation and social security	32,575	1,170
Accruals and deferred income	13,389	19,948
	£121,780	£34,730

9. TAXATION

UK taxation at 25% on profits arising on sales of stocks to associate members:

Charge for year	-	957
Overprovision in previous years	(987)	-
	£(987)	£957
Payable	£ -	£1,066

10. GIFT FROM DAME BRIDGET D'OYLY CARTE

Balance at 1st April 1989	1,083,606	1,083,606
Received from the residue of the Estate:		
Freehold Property	100,000	100,000
Balance at 31st December 1989	£1,183,606	£1,183,606

11. INCOME AND EXPENDITURE ACCOUNT

Balance at 1st January 1989	(93,240)	212,391
Deficit for the period	(77,919)	(305,631)
Balance at 31st December 1989	£(171,159)	£(93,240)

12. CONTINGENT LIABILITY

The Executors of Dame Bridget D'Oyly Carte have transferred shares and other property to the Trust, comprising the residue of the estate, prior to the completion of the administration. Accordingly, the Trust has granted an indemnity to the Executors in respect of any further liabilities not provided for at the date of transfer. It is not currently expected that any amount will be payable under this indemnity.