

THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee)

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2011**

Registered company number: 682766

Registered charity number: 200024



THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee)

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2011

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THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee)

TRUSTEES' REPORT

The Trustees present their annual report and the Financial Statements of the company for the year ended 31 December 2011

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

REFERENCE AND ADMINISTRATIVE DETAILS

The D'Oyly Carte Opera Trust Limited is a charitable company limited by guarantee. The company is registered as a charity under the Charities Act 1993 (charity registration number 200024, company registration number 682766)

Registered and Principal Office	295 Kennington Road London SE11 4QE
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The Trustees who served during the year, and subsequently, were as follows

Major General Peter Baldwin CBE
Mr David Walton
Mr James Martin Haldane (appointed 13 March 2012)

The Trustees constitute Directors of the company for Companies Act purposes

Bankers	Coutts and Co 440 The Strand London WC2R 0QS
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Solicitors	Harbottle and Lewis Hanover House 14 Hanover Square London W1S 1HP
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Independent Examiner	J Thacker FCA DChA Clark Brownscombe Limited 8 The Drive Hove BN3 3JT
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THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee)

TRUSTEES' REPORT – continued

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by Articles of Association. Under those Articles the Trustees are appointed by the Board of Trustees. The Trustees retire by rotation and being eligible offer themselves for re-election.

The members of the company are

Major General Peter Baldwin CBE
Mr David Walton
Mr James Martin Haldane

Each member of the company has undertaken to contribute up to £1 to the company's assets if the company should be wound up.

The Trustees are recruited and appointed by the existing members of the company.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of The D'Oyly Carte Opera Trust Limited for the purposes of Company law) are responsible for preparing the Trustees 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 Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the year and of the surplus or deficit of the company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- observe the methods and principles in the Charities SORP,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

THE D'OYLY CARTE OPERA TRUST LIMITED
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TRUSTEES' REPORT – continued

OBJECTIVES AND ACTIVITIES

The principal activities and objects of the charity company are the production of Gilbert and Sullivan and other Operas for nationwide tours and the raising of funds to support these. The company has a music hire department hiring musical scores to amateur societies and education institutes. It continues to maintain and develop an extensive archive. In addition the company sells merchandise relating to its productions, and merchandise is also gifted by way of publicity and marketing.

PUBLIC BENEFIT

From 1 April 2008 section 4 of the Charities Act 2006 requires all charities to meet the legal requirement that its aims are for the public benefit. The Charity Commission in its "Charities and Public Benefit" guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: firstly there must be an identifiable benefit and secondly the benefit must be to the public or a section of the public.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity. The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above to achieve those aims, meet these principles.

ACHIEVEMENTS AND PERFORMANCE

The movement in funds for the year is set out on page 5.

In 2011 the D'Oyly Carte Opera Trust, which is a registered charity, continued to trade as usual with the D'Oyly Carte Music Hire Library but there were no opera productions. The status of opera productions will be reconsidered when the economic climate improves.

FINANCIAL REVIEW

All reserves are unrestricted funds and can be used at the discretion of the Trustees for the charitable objectives of the Trust. At 31 December 2011 the surplus of reserves amounted to £592,105 (2010 £656,298).

Approved by the Board of Trustees and signed on its behalf by



D Walton
Chair of the Trustees

Date

17 August 2012

295 Kennington Road
London
SE11 4QE

THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee)
(Charity No: 200024)
(Company No: 0682766)

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE D'OYLY CARTE OPERA TRUST LIMITED**

I report on the accounts of the company for the year ended 31 December 2011, which are set out on pages 5 to 12

Respective responsibilities of Trustees and Examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention

- which gives me reasonable cause to believe that, in any material respect, the requirements
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



J Thacker FCA DChA
Clark Brownscombe Limited
Chartered Accountants
8 The Drive
Hove
BN3 3JT

Date 22 Aug 2012

THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee No: 682766)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011**

INCOME AND EXPENDITURE ACCOUNT		Unrestricted Funds 2011	Unrestricted Funds 2010
	Notes		
INCOMING RESOURCES			
From Generated Funds			
Donations, legacies and similar incoming resources	2	360	2,065,479
Investment income	2	<u>11,280</u>	<u>5,962</u>
		11,640	2,071,441
From Charitable Activities	2	<u>23,778</u>	<u>22,140</u>
		<u>35,418</u>	<u>2,093,581</u>
RESOURCES EXPENDED			
Cost of Generating Funds	3	1,617	663
Charitable Activities	3	83,236	94,973
Governance Costs	3	<u>1,325</u>	<u>1,750</u>
		<u>86,178</u>	<u>97,386</u>
Net (expenditure)/income for the year and net movement in funds		(50,760)	1,996,195
Other recognised gains and losses			
(Loss)/surplus on investment assets		<u>(13,433)</u>	<u>19,518</u>
		(64,193)	2,015,713
Fund balances brought forward at beginning of the year		<u>656,298</u>	<u>(1,359,415)</u>
Total funds carried forward		<u>592,105</u>	<u>656,298</u>

The statement of financial activities includes all gains and losses recognised in the year All incoming resources and resources expended derived from continuing activities

The statement of financial activities also complies with the requirements of an income and expenditure account under the Companies Act 2006

The notes on pages 7 to 12 form part of these financial statements

THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee No: 682766)

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	2011	2010
		£	£
Fixed Assets			
Tangible assets	5	189,273	189,680
Investments	6	316,298	302,199
Current Assets			
Stock	7	1,823	2,060
Debtors	8	2,639	3,125
Bank and Cash	9	<u>87,814</u>	<u>169,118</u>
		92,276	174,303
Creditors Amounts falling due within one year	10	<u>(5,742)</u>	<u>(9,884)</u>
Net current assets		<u>86,534</u>	<u>164,419</u>
Net assets		<u>592,105</u>	<u>656,298</u>
Unrestricted funds:			
Revaluation reserve	11	189,000	189,000
General	11	<u>403,105</u>	<u>467,298</u>
		<u>592,105</u>	<u>656,298</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2011 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- Ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of financial period and of its profit or loss for each financial period in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small Companies Act with the Financial Reporting Standard, for Smaller Entities (effective April 2008)

The Financial Statements on pages 7 to 12 were approved by the Trustees and authorised for issue on 7 August 2012 and signed on their behalf by

D Walton
Chair of the Trustees



The notes on pages 7 to 12 form part of these financial statements

THE D'OYLY CARTE OPERA TRUST LIMITED
(A Company Limited By Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. There have been no changes in accounting policies in the year.

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards using the historical cost convention, as modified by the inclusion of certain tangible fixed assets at a valuation, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and the Companies Act 2006.

The company has taken advantage of the exemption available to small companies and has not prepared a cash flow statement.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Incoming resources

Performance related income represents the charity's share of total production income as stipulated in the production agreement, excluding value added tax.

Trading receipts relate to recording royalties and income from the sale of merchandise and are recognized upon the right to receive the royalty or delivery of the merchandise.

Donations and gifts include funds received from various sources and are included in incoming resources when receivable.

Resources expended

Costs of design and construction of sets, props and costumes are charged to expenditure over the period of the relevant tour. Other costs of preparation for productions are written off as they arise. These are all included within cost of generating funds in furtherance of the Charity's objects. Other costs of generating funds include the cost of merchandise sold. All costs are inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

THE D'OYLY CARTE OPERA TRUST LIMITED
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NOTES – continued

1. ACCOUNTING POLICIES – continued

Fixed assets and depreciation

Depreciation has been provided to write off the cost less residual value of fixed assets over their estimated useful lives as follows

Furniture, fixtures and equipment	20% per annum on a straight line basis
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The archive material is not depreciated as in the opinion of the Trustees it has an indefinite life and its residual value is at least as high as its carrying value

The carrying value of fixed assets is reviewed annually for any potential impairment

Leased assets

The excess of amounts due to the lessor over the fair value of the asset at the date of the original purchase is reflected as a finance charge and is written off over the life of the lease

Operating lease costs are charged to the statement of financial activities on a straight line basis over the lease term

Stock

Stock has been valued at the lower of cost and net realisable value

Taxation

The company's charitable activities are exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1988

Fund accounting

Unrestricted funds can be used at the discretion of the Trustees for the charitable objectives of the Trust

2. INCOMING RESOURCES

	2011 £	2010 £
Donations, legacies and similar incoming resources		
Donations from Sir Michael Bishop and the Sir Michael Bishop Foundation	-	2,065,024
Other donations	<u>360</u>	<u>455</u>
	<u>360</u>	<u>2,065,479</u>
 Investment income		
Interest	2,373	359
Dividends	<u>8,907</u>	<u>5,603</u>
	<u>11,280</u>	<u>5,962</u>

THE D'OYLY CARTE OPERA TRUST LIMITED
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NOTES – continued

	2011 £	2010 £
Incoming Resources - continued		
Charitable activities		
Royalty income	7,351	7,647
Music library income	15,556	13,002
Miscellaneous income	871	1,491
	<u>23,778</u>	<u>22,140</u>
 3. RESOURCES EXPENDED	 2011 £	 2010 £
Costs of generating funds		
Castlefield management fees	<u>1,617</u>	<u>663</u>
 Charitable activities		
Salaries, wages and national insurance	68,951	69,890
Purchase of scores and library purchases	241	980
Maintenance	755	1,171
Trailer storage rental	557	546
Postage, printing and stationery	1,192	1,636
Telephone	2,611	2,807
Travel and subsistence	13	387
Depreciation	407	407
London office costs	9,093	10,097
Rates refund	(7,299)	-
Subscriptions	333	450
Sundry	91	74
Computer related expenditure	308	281
Light and heat	525	456
Bank charges	1,512	1,882
Insurance	<u>3,946</u>	<u>3,909</u>
	<u>83,236</u>	<u>94,973</u>
 Governance Costs		
Audit and accountancy	<u>1,325</u>	<u>1,750</u>

THE D'OYLY CARTE OPERA TRUST LIMITED
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NOTES – continued

	2011 £	2010 £
4. STAFF COSTS		
Wages and salaries	63,440	63,837
Social Security costs	<u>5,511</u>	<u>6,053</u>
	<u>68,951</u>	<u>69,890</u>

There were no employees whose emoluments including benefits were in excess of £50,000 in either the current or prior year

The average number of staff, based on full-time equivalents, employed by the company (excluding Trustees) during the year was 2.5 (2010 2.5)

None of the Trustees received any remuneration in respect of their services to the charity (2010 £Nil) and were not reimbursed for any of their expenses in the year (2010 £Nil)

5. TANGIBLE FIXED ASSETS

	Archive Material £	Furniture, fixtures and equipment £	Total £
Cost or valuation			
At beginning of year	189,000	2,037	191,037
Additions	-	-	-
Disposals	-	-	-
At end of year	<u>189,000</u>	<u>2,037</u>	<u>191,037</u>
At cost	-	2,037	2,037
At 2006 valuation	189,000	-	189,000
Depreciation			
At beginning of year	-	1,357	1,357
Charge for the year	-	407	407
Disposals	-	-	-
At end of year	<u>-</u>	<u>1,764</u>	<u>1,764</u>
Net book value			
At 31 December 2011	<u>189,000</u>	<u>273</u>	<u>189,273</u>
At 31 December 2010	<u>189,000</u>	<u>680</u>	<u>189,680</u>

The most recent valuation of the archive material was performed by the Trustees as at 15 May 2006 based on advice received from Christie's International plc. The basis of valuation was open market value. Such archive material includes a Sullivan score and related material. The Trustees believe there have been no material changes in the valuation of the archive material since the last valuation.

THE D'OYLY CARTE OPERA TRUST LIMITED
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NOTES – continued

6. INVESTMENTS	£
Brought forward	302,199
Additions	126,503
Disposals	<u>(99,297)</u>
	329,405
Unrealised loss	<u>(13,107)</u>
Market value at 31 December 2011	<u>316,298</u>

Investments that individually comprised more than 5% of the portfolio value at 31 December 2011 were

	£
165,329 Premier Portfolio Castlefield Monthly	120,754
515 iShares FTSE Gilts UK 05 Income	67,450
20,664 UK Government 8% Stock 2021	31,751
865 DBX – Trackers MSCI USA	17,029
24,609 Premier Portfolio MGD MLT	<u>46,919</u>
	283,903

Investments that individually comprised less than 5% of the portfolio value at 31 December 2011

32,395
316,298

	£
Investment assets in the UK	227,199
Investment assets outside the UK	<u>89,099</u>
	<u>316,298</u>

Investments listed as recognised stock exchange	207,216
Fixed interest investments	<u>109,082</u>
	<u>316,298</u>

7. STOCK	2011	2010
	£	£
Goods held for resale	<u>1,823</u>	<u>2,060</u>

8. DEBTORS	2011	2010
	£	£
Trade debtors	-	506
VAT	856	254
Prepayments and accrued income	<u>1,783</u>	<u>2,365</u>
	<u>2,639</u>	<u>3,125</u>

THE D'OYLY CARTE OPERA TRUST LIMITED
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NOTES – continued

	2011 £	2010 £
9. BANK AND CASH		
Coutts Current Account	(1,609)	(1,913)
Coutts Call Account	60,834	101,658
NatWest Music Library Account	16,986	40,212
Coutts US Dollar account	8,476	7,439
Petty Cash	105	31
Castlefield Investment Cash Account	<u>3,022</u>	<u>21,691</u>
	<u>87,814</u>	<u>169,118</u>
10. CREDITORS: Amounts falling due within one year	2011 £	2010 £
Trade creditors	4,542	6,834
Other taxes and social security	-	950
Accruals	<u>1,200</u>	<u>2,100</u>
	<u>5,742</u>	<u>9,884</u>

11. RECONCILIATION OF MOVEMENT IN RESERVES – UNRESTRICTED

	Revaluation Reserve £	General £	Total £
At beginning of year	189,000	467,298	656,298
Revaluation	-		
Net incoming resources for the year	<u>-</u>	<u>(64,193)</u>	<u>(64,193)</u>
	<u>189,000</u>	<u>403,105</u>	<u>592,105</u>

12. OPERATING LEASES

The following amounts are payable within the next twelve months on operating leases expiring within

	2011		2010	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Less than one year	6,550	-	7,250	-
Two to five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,550</u>	<u>-</u>	<u>7,250</u>	<u>-</u>