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

TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

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 2014

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THE D'OYLY CARTE OPERA TRUST LIMITED
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TRUSTEES' REPORT

The Trustees present their annual report and the Financial Statements of the company for the year ended 31 December 2014.

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:	N302 North Block Westminster Business Square Durham Street London SE11 5JH

The Trustees who served during the year, and subsequently, were as follows:

Mr David Walton
Mr James Martin Haldane

The Trustees constitute Directors of the company for Companies Act purposes.

Bankers:	Coutts and Co 440 The Strand London WC2R 0QS
Solicitors:	Harbottle and Lewis Hanover House 14 Hanover Square London W15 1HP
Independent Examiner	J. Thacker FCA DChA Clark Brownscombe Limited 8 The Drive Hove BN3 3JT

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:

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.

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 2014 the D'Oyly Carte Opera Trust, which is a registered charity, continued to trade as usual with the D'Oyly Carte Music Hire Library. There was not a co-production with Scottish Opera in 2014, but there are plans for a further production in 2016.

Future collaborations with Scottish Opera are planned.

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 2014 the surplus of reserves amounted to £358,894 (2013: £275,678).

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

N302 North Block
Durham Street
Westminster Business Square
London
SE11 5JH

DWalL
....
David Walton
Chair of the Trustees

Date: 8 September 2015

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 2014, 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: 16 September 2015

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014

INCOME AND EXPENDITURE ACCOUNT	Notes	Unrestricted Funds 2014	Unrestricted Funds 2013
INCOMING RESOURCES			
From Generated Funds			
Donations, legacies and similar incoming resources	2	**60,233**	82,293
Investment income	2	**168**	2,967
		60,401	85,260
From Charitable Activities	2	**18,152**	42,436
		78,553	127,696
RESOURCES EXPENDED			
Cost of Generating Funds	3	**251**	1,289
Charitable Activities	3	**124,711**	338,805
Governance Costs	3	**1,250**	1,220
		126,212	341,314
Net (expenditure)/income for the year and net movement in funds		**(47,659)**	(213,618)
Other recognised gains and losses			
Surplus/(deficit) on investment assets		**(125)**	18,224
Revaluation of archive material		**131,000**	-
		83,216	(195,394)
Fund balances brought forward at beginning of the year		**275,678**	471,072
Total funds carried forward		**358,894**	275,678

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 2014

	Note	**2013** £	**2013** £	2012 £	2012 £
Fixed Assets					
Tangible assets	5		**320,400**		189,534
Investments	6		**-**		32,093
Current Assets					
Stock	7	**1,545**		1,532	
Debtors	8	**2,816**		13,258	
Bank and Cash	9	**38,473**		43,503	
		42,834		58,293	
Creditors: Amounts falling due within one year	10	**4,340**		(4,242)	
Net current assets			**38,494**		54,051
Net assets			**358,894**		275,678
Unrestricted funds:					
Revaluation reserve	11		**320,000**		189,000
General	11		**38,894**		86,678
			358,894		275,678

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2014.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2014 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:
(a) Ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
(b) 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
8 September 2011 and signed on their behalf by:

D Walton

....
David Walton
Chair of the Trustees

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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.

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

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 archive was sold in early 2015 for £320,000, so archive material was valued at this figure at 31 December 2014.

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 charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

2. INCOMING RESOURCES

	2014	2013
	£	£
Donations, legacies and similar incoming resources		
Michael Bishop Foundation	**60,000**	82,000
Other donations	**233**	293
	60,233	82,293
Investment income		
Interest	**21**	180
Dividends	**147**	2,787
	168	2,967

NOTES – continued

	2014	2013
Incoming Resources - continued	**£**	£
Charitable activities		
Royalty income	**4,925**	29,660
Music library income	**12,684**	11,450
Miscellaneous income	**543**	1,326
	18,152	42,436

3. RESOURCES EXPENDED

	2014	2013
	£	£
Costs of generating funds		
Castlefield management fees	**251**	1,289
Charitable activities		
Opera production	**29,825**	245,750
Salaries, wages and national insurance	**65,327**	69,238
Purchase of scores and library purchases	**289**	678
Maintenance	**494**	918
Trailer storage rental	**624**	624
Postage, printing and stationery	**1,431**	1,301
Telephone	**3,792**	2,728
Travel and subsistence	**282**	28
Depreciation	**134**	133
London office costs, including office relocation	**13,164**	7,168
Rates	**411**	1,036
Advertising	**750**	-
Subscriptions	**337**	387
Sundry	**126**	14
Computer related expenditure	**79**	2,632
Light and heat	**335**	514
Bank charges	**1,582**	1,305
Foreign exchange losses	**1,161**	-
Insurance	**4,568**	4,351
	124,711	338,805
Governance Costs		
Independent examination and accountancy	**1,250**	1,200

NOTES – continued

	2014	2013
4. STAFF COSTS	**£**	£
Wages and salaries	**62,139**	63,622
Social Security costs	**3,188**	5,616
	65,327	69,238

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 (2013 2.5).
None of the Trustees received any remuneration in respect of their services to the charity (2013: £Nil) and were not reimbursed for any of their expenses in the year (2013: £Nil).

5. TANGIBLE FIXED ASSETS	**Archive Material**	**Furniture, fixtures and equipment**	**Total**
	£	**£**	**£**
Cost or valuation			
At beginning of year	189,000	667	189,667
Revaluation	131,000	-	131,000
At end of year	320,000	667	320,667
At cost	-		
At 2014 valuation			320,000
Depreciation			
At beginning of year	-	133	133
Charge for the year	-	134	134
At end of year	-	267	267
Net book value			
At 31 December 2014	**320,000**	**400**	**320,400**
At 31 December 2013	189,000	534	189,000

The archive material was revalued by the Trustees at £189,000 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 archive material was sold in early 2015 for £320,000 to the British Library and the archive material has been revalued to this figure at 31 December 2014.

6. INVESTMENTS	**£**
Brought forward	32,093
Additions	-
Disposals	(32,093)
Market value at 31 December 2014	-

7. STOCK

	2014	2013
	£	£
Goods held for resale	1,545	1,532

8. DEBTORS

	2014	2013
	£	£
Trade debtors	-	360
VAT	929	11,284
Prepayments and accrued income	1,887	1,614
	2,816	13,258

9. BANK AND CASH

Coutts Current Account	196	(3,236)
Coutts Call Account	19,940	22,799
NatWest Music Library Account	9,893	14,788
Coutts US Dollar account	8,193	7,708
Petty Cash	137	263
Castlefield Investment Cash Account	114	1,181
	38,473	43,503

10. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	3,140	3,042
Accruals	1,200	1,200
	4,340	4,242

11. RECONCILIATIONOF MOVEMENT IN RESERVES – UNRESTRICTED

	Revaluation Reserve	General	Total
	£	£	£
At beginning of year	189,000	86,678	275,678
Net incoming/(outgoing) resources for the year	131,000	(47,784)	83,216
	320,000	38,894	358,894

NOTES – continued

12. OPERATING LEASES

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

	2014 Land and Buildings £	**2014** Other £	2013 Land and Buildings £	2013 Other £
Less than one year	**6,550**	-	6,550	-
Two to five years	-	-	-	-
	6,550	-	6,550	-