

GARSINGTON OPERA LIMITED

(Limited by Guarantee)

Report and Financial Statements

31 October 2006

Company Number 2567390

Charity Number 1003042

Mazars LLP
Seacourt Tower
West Way
Oxford
OX2 0JG

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COMPANIES HOUSE

GARSINGTON OPERA LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 OCTOBER 2006

PRESIDENT

Rosalind Ingrams

CHAIRMAN

Graham Greene CBE

REGISTERED OFFICE

Garsington Manor
28 Southend
Garsington
Oxford
OX44 9DH

TRUSTEES AND DIRECTORS

Mrs R A Ingrams
C Ingrams
D Suratgar
J Drysdale
W Birch Reynardson CBE
G C Greene CBE
N King QC
I F Mackinnon

SECRETARY

A W Jones

AUDITORS

Mazars LLP
Seacourt Tower
West Way
Oxford
OX2 0JG

BANKERS

National Westminster Bank PLC
121 High Street
Oxford
OX1 4DD

GARSINGTON OPERA LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2006

ADVISORY COMMITTEE

The Hon Mrs Susan Baring OBE JP
His Honour Judge Quentin Campbell
Lord Carrington KG CH KCMG MC
Sir John Mortimer CBE QC
Robin Broadley
Mrs Diana Hiddleston
Dr Margaret Bent
Bernard Taylor
Sir Terry Wogan KBE

GENERAL DIRECTOR

Anthony Whitworth-Jones

GARSINGTON OPERA LIMITED

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FOR THE YEAR ENDED 31 OCTOBER 2006

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GARSINGTON OPERA LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2006

1. REFERENCE AND ADMINISTRATION

Trustees

The Trustees, who are also the Directors for the purposes of company law, set out in the table below have held office for the whole of the period from 1 November 2005 to the date of this report unless otherwise stated

Mrs R A Ingrams

C Ingrams

D Suratgar (reappointed 3rd July 06)

J Drysdale

W Birch Reynardson CBE (retired as Chairman 25th Sept 06)

G C Greene CBE (appointed Chairman 25th Sept 06)

N King QC (reappointed 3rd July 06)

I F Mackinnon (appointed 3rd July 06)

Staff

The Staff of the charity during the year were as follows Nicola Creed, Director of Finance and Administration, Susan Hamilton, Director of Artistic Administration, Andrea Walters, Accounts, Anwen Greenaway, Box Office Manager/Office Administrator, Karen Herringshaw, Box Office and Administrative Assistant

Consultants: Anthony Whitworth-Jones, General Director, Simon Sandbach, Development, Clare Adams, Press and PR, Katrina Rowton-Lee, Corporate fundraising, Helen Clarke, Friends development, Sarah Playfair, Casting, Angus Boyd-Heron, Site Supervisor, Andrew Quick, Production Manager, Trevor Davies, Education

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees (who are also the directors of Garsington Opera Limited for purposes of company law) present their annual report together with the financial statements of the Charity for the year ended 31 October 2006. The form and content of the report and financial statements comply with the requirements of the Charities Act 1993 and The Statement of Recommended Practice "Accounting and Reporting by Charities" published in October 2005

GARSINGTON OPERA LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 OCTOBER 2006

Responsibilities of the Trustees

Company law requires the Trustees to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs of the company 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 apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Trustees are responsible for maintaining 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legal status

Garsington Opera Limited is a company limited by guarantee (company number 2567390) and a registered charity (number 1003042) and is administered under the Memorandum and Articles. It is not liable to corporation tax on its charitable activities. The liability of the members (who are the directors) is limited to £1 each in the event of winding up.

Directors

The Directors have the power to appoint, with a simple majority, any person to be a Director of Garsington Opera who is deemed to have the necessary attributes and expertise to assist with the effective running of the Opera Company. All key decisions affecting the direction of the opera company are made by the Directors. Directors are required to retire by rotation every three years, in July 2006 Neil King and David Suratgar retired and were reappointed. The Advisory Committee offers advice to the Board of Directors.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed and are continuing to take steps to ensure that systems are in place to mitigate the exposure to the major risks. In addition, an external consultant undertakes an annual risk assessment and his findings are actioned as appropriate.

Induction and Training of Trustees

People who are invited to join the Board of Directors usually already have considerable knowledge of the Opera having visited performances over many years. In addition to briefing meetings with the President, Chairman, General Director and appropriate members of staff, new Trustees would be given the necessary information to equip them to take on the role including

- Minutes of the previous 3 years Board meetings
- Copies of Garsington Opera Accounts for the previous 3 years
- Past programme books

GARSINGTON OPERA LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 OCTOBER 2006

3. OBJECTIVES AND ACTIVITIES

The objectives of the charity

The objectives of the charity are to promote, maintain, improve and advance education, particularly by the encouragement of the arts, including the arts of opera, music, singing, drama, ballet, literature, sculpture and painting

Mission statement

Garsington Opera, created by Leonard and Rosalind Ingrams in 1989, exists

- To expand knowledge and appreciation of the art of opera, particularly by producing rarely performed works and developing appropriate educational projects
- To enrich the lives of its audiences, participants and staff by presenting opera in the uniquely beautiful setting of Garsington Manor and its gardens
- To discover, encourage and nurture the best young performing talent

Summary of activity

Established in 1989, Garsington Opera is a professional opera company, based five miles outside Oxford, and has established a reputation for producing opera of the highest standard with a repertoire that combines both well known operas with discoveries of little known works. Garsington Opera has promoted young singers and provided a valuable step in their careers, and a number of notable UK debuts have taken place. All operas are sung in the original language and there are supertitles. Garsington Opera has played as full a role as possible in the local community and an educational programme is run in local schools for both primary and secondary children, who then attend dress rehearsals. The Great Barn at Garsington is used for a series of concerts in the spring. Concert performances of Mozart productions have taken place at the Barbican Centre, London for a number of years which enabled Garsington Opera's work to be seen by more people.

Key Aims and Objectives in 2006

- To produce three opera productions of the highest standard within the budget available
- To mount two little known operas (*Mayskaya Noch* by Rimsky-Korsakov and *Der stein der weisen* by Mozart and his contemporaries) to broaden the understanding and knowledge of the opera repertoire
- To appoint young singers to both principal roles and within the chorus
- To develop the schools education programme
- To develop the education programme for the audience
- To mount two spring concerts in the Great Barn
- To mount a Memorial Concert in London in memory of Leonard Ingrams
- To carry out appropriate Risk Assessments for all areas and activities so that the risks may be minimised and the activities carried out as safely as possible

GARSINGTON OPERA LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 OCTOBER 2006

STRATEGY ADOPTED IN 2005-2006 TO MEET OBJECTIVES

- Three new productions were staged in the 2006 festival, *Der stein der weisen* by Mozart and friends, Donizetti's *Don Pasquale* and Rimsky-Korsakov's *Mayskaya Noch*. Highly respected Stage Directors, Conductors, Designers and Lighting Designers were appointed to stage these productions, and singers were selected through a combination of auditions and expertise from our casting consultant and Artistic team
- The opera company continued its policy of appointing young singers to principal roles. The majority of the Mozart chorus were singers performing at Garsington Opera for the first time, all of whom were recent graduates from Music Colleges or similar institutions, and all were found as a result of auditioning over a hundred potentials
- The Education Officer carried out the programme of educational outreach work. Three schools were invited to participate in the programme. Work continued at the local primary school
- A Study Event was held at Garsington Manor to which the audience was invited to learn more about one of the productions being mounted. In addition a presentation by the Artistic Team was made to the Constellation of Garsington Opera on the opera being sponsored by them
- Appropriate chamber musicians were booked to perform a varied programme of music for the two concerts in the Great Barn
- A suitable London venue was booked and a programme was devised for musicians loyal to Garsington Opera to perform a memorial concert to commemorate the life and achievements of Leonard Ingrams, Founder of Garsington Opera

4. ACHIEVEMENTS AND PERFORMANCE

The Productions

The three productions were well received by audiences and critics alike. Artistically the standard continued to be considered high. The choruses in all three productions deserve commendation for the quality of their ensemble particularly in the Rimsky-Korsakov. Choreographers were employed on two of the productions, and three professional dancers added an additional dimension to the dramatic effects in the Mozart. Design for the three productions successfully integrated the natural setting of Garsington Manor with visually creative ideas appropriate to the different operas.

Some comments from the Press

Smooth and colourful playing underpinned one of Garsington's finest achievements Opera Magazine (May Night)

GARSINGTON OPERA LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2006

Finest measure of Leonard Ingrams' achievement is that one of Garsington's Strauss productions is going to New York's Metropolitan Opera. Financial Times

Enterprising spirit of combining old favourites and rediscovered gems Sunday Express

Beautifully directed, ingeniously designed, well sung from top to bottom and played with great smoothness by the orchestra. Independent on Sunday (May Night)

One of its most artistically successful seasons Daily Telegraph

Inventive staging Guardian (Philosophers' Stone)

Irresistible midsummer evening witty and imaginative production The Times (Philosophers' Stone)

Expressive and clear-sighted Financial Times (May Night)

Charming production The Times (May Night)

Beautifully conducted and played by the Garsington Opera orchestra Sunday Times (May Night)

Brilliant Sunday Times (Don Pasquale)

One of Garsington's most successful forays into Italian repertoire Sunday Times (Don Pasquale)

Touching staging.... Performance of style and flexibility . .singing of the highest calibre Sunday Times (Don Pasquale)

Superb production Wall Street Journal (Don Pasquale)

Delightful staging. brilliant designs . sparkling performances Daily Telegraph (Don Pasquale)

The tickets were almost all sold although the Rimsky-Korsakov was slower to sell than previous productions as he is less well known as a composer of opera. A total of 10,329 opera tickets were sold leaving 20 tickets unsold for the whole season

The opera continued to be well supported by the Friends of Garsington Opera, in 2006 there were 1,309 Friends across four categories of support. The voluntary income donated from Friends, the associated Gift Aid, donations on tickets, support from Trust and Foundations as well as private individuals amounted to £1,258,447. The Opera gained Planning Permission to extend the season by one performance for the 2006 season and as a result 66 new Friends were able to join from the waiting list. A further 845 remain on the waiting list and it is gauged that this represents a six to seven year waiting time at present.

The Opera remains grateful to its corporate benefactors from whom the opera gained essential financial support totalling £212,187 in 2006. Without the backing of the corporate sector the ticket prices would have to be raised to an unacceptable level. However the fact that Garsington Opera remains predominantly a place for private individuals to attend in small parties contributes to the unique atmosphere and in 2006 corporate benefactors only made up 12% of the audience.

GARSINGTON OPERA LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2006

Public benefit Many people benefit from the success of Garsington Opera both directly and indirectly. A total of 1,550 people were able to attend the public dress rehearsals free of charge, including 90 children and teachers from local schools. Selected charities receive a pair of Dress Rehearsal tickets which assist them with their fundraising. Over the season over 300 people were directly involved with Garsington Opera including 23 girls and boys who sell programmes, 12 volunteer ushers, 8 car park assistants, 6 domestic staff, 24 people providing medical cover. The three pubs in Garsington Village acknowledge the importance of the opera to their livelihood, and 43 households in the village provided opera personnel with B&B accommodation. In addition the Opera Company included 28 technical crew, 76 singers, 57 in the orchestra, and 32 artistic personnel including designers, directors, conductors, choreographers, stage management, language coaches, music staff, as well as the 5 Opera staff and 6 consultants who are engaged on opera business throughout the year.

The Schools Education Project 2006

a) The Secondary School Project

The 2006 secondary schools workshops were lead by Dominic Harlan, *animateur*, and Karen Gillingham, *director*, and professional singers who were understudying some of the principal roles in the season participated. The Opera was also able to offer a Trainee Opportunity to Alexandra Kennedy, a student attending the Birmingham conservatoire.

Over one hundred students from three local secondary schools – Cherwell School, Henry Box in Witney and Wheatley Park - took part in three two-day workshops specially designed to introduce the students to opera as an art form and specifically to the opera performances which the children later attended at the dress rehearsal. Each school worked with Garsington Opera's education team to create their own piece of music in response to studying the music, themes and story of one of the operas in the 2006 season. As well as developing vocal skills, pupils showed that they could use movement and characterization to great dramatic effect. They enjoyed working with adults outside the teaching profession and learning about opera and the people who make it. The Garsington Opera education team generated a high level of confidence and self-esteem in the pupils, thus emphasizing that this kind of work provides new avenues for young people to express and affirm themselves. In addition the singers taking part learned a great deal about the art of communication and how school-age children respond to opera as an art form.

The climax of the programme was the Schools' Performance Day, held in the new concert hall at Bayards Hill (Oxford County Music Services) at which each school performed their "mini-production" performed by the students and the professional singers. Finally, they came to Garsington Opera armed for the experience, with knowledge of 'their' opera and a feel for the characters.

GARSINGTON OPERA LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 OCTOBER 2006

The workshops were filmed and the videos used for self evaluation and for pupils to evaluate the performances of others. Each year a few pupils have been sufficiently enthused to apply to Garsington Opera for work experience.

The students were from years 8 and 9 (Key stage 3). Many national curriculum criteria were addressed in the course of the workshops, especially

- Performing skills
- Creating and developing musical ideas
- Listening with knowledge and understanding

b) Outreach work at Garsington Primary School

Garsington Primary School has continued to benefit from a wide ranging enrichment programme which is funded jointly by the Garsington Village Trust and Garsington Opera. The Village Trust donated money collected at the opera dress rehearsals which this year was approximately £2,500 and Garsington Opera directly funded an additional £1,250. Every pupil in the school has benefited from this during the course of the school year and has performed at least once in assemblies or a school production.

c) Audience programme

The audience education programme was enhanced in 2006 by the Study Event held prior to a performance of the Mozart opera. Stage Director John Cox, conductor Stuart Bedford and musicologist David Buch discussed how they had collaborated to research the various elements of this little known work and described the development of their ideas and the concept of the production which the audience were about to see.

Spring Concerts

Two concerts were held in the Great Barn during the spring performed by The Endellion String Quartet, and The Barbican Piano Trio with Mary Scully and James Boyd. The high standard of musicianship was much enjoyed by the 470 people who attended the two evenings.

Memorial Concert held in memory of Leonard Ingrams

A sell-out concert was held in the Cadogan Hall, Sloane Square, London with all performers donating their services in memory of the founder of Garsington Opera, Leonard Ingrams who died in July 2005.

Artist in Residence

Robert O'Rourke was appointed as the Artist in Residence for the 2006 season. As well as painting views of the garden and statuary he attended rehearsals of the opera in London and the stage rehearsals at Garsington. There was a marquee where his work was exhibited during the performances.

5. FINANCIAL REVIEW

The total income during 2006 amounted to £2,177,412 representing an increase of £149,549 over the previous year. The expenditure of the opera company totalled £2,065,530 which was an increase of £62,581 over 2005. The company was able to carry forward a surplus of £111,882 as a result of the 2006 season.

GARSINGTON OPERA LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2006

Investment Powers

The charity has the power to make any investments which the Trustees see fit. The charity invested the cash surplus during the year with COIF which is considered to be a low risk and ethically sound policy.

Ethical Policy

There is lift access for disabled visitors to the auditorium and garden. Garsington Opera has an equal opportunities employment policy.

Policy on holding reserves

The Trustees consider that reserves are held at a level necessary for the charity to continue to meet its current needs.

Principal funding sources

The following are the principal funding sources of the charity: Income from ticket sales, donations from Friends of Garsington Opera, financial support from the corporate sector.

6. FUTURE DEVELOPMENTS

Aims and objectives

Three productions will be mounted during the year ending 31 October 2007 and plans are well advanced for the 2008 season. The education programme will continue to be developed around the three productions in the season and at Garsington Primary School. A pre-performance talk is planned at Garsington as well as an understudy showcase in London.

7. STATEMENT OF DISCLOSURE TO AUDITORS

- a) So far as the Trustees are aware, there is no relevant information of which the auditors are unaware.
- b) We have taken all steps that we ought to have taken as Trustees in order to make ourselves aware of the relevant audit information and to establish that the auditors are aware of such information.

Approved by the Board on *30th August 2007*

and signed on its behalf by John Drysdale

John Drysdale

GARSINGTON OPERA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GARSINGTON OPERA LTD FOR THE YEAR ENDED 31 OCTOBER 2006

We have audited the financial statements of Garsington Opera Limited for the year ended 31 October 2006 which comprise of the Statement of Financial Activities and the Balance Sheet and related notes. These financial statements have been prepared under accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described in the Statement of Trustees' Responsibilities the trustees, who are also the directors of Garsington Opera Limited for the purposes of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees'/Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees/Director's Report and consider the implications for our report if we become aware of any misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of state of the charitable company's affairs as at 31 October 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements

Emphasis of matter – Dispute with HM Revenue and Customs with respect to VAT

Without qualifying our opinion we draw attention to Note 21 to the financial statements, which appropriately describes the significant uncertainty related to the outcome of a dispute with HM Revenue and Customs. Although the Trustees acknowledge that there is significant uncertainty related to the outcome of the dispute, the Trustees believe they will be able to successfully defend the charitable company's position and, accordingly, no provision for any liability that may result has been recognised in the financial statements



Mazars LLP
Chartered Accountants
and Registered Auditors
Seacourt Tower, West Way
Oxford, OX2 0JG

3 August 2007

GARSINGTON OPERA LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2006

		Unrestricted Funds	Restricted Funds	2006 Total	As Restated 2005 Total
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming Resources from Generated Funds	2				
Voluntary Income		1,127,641	130,806	1,258,447	1,084,064
Activities for Generating Funds		261,212	-	261,212	330,858
Investment Income		17,895	-	17,895	16,418
Incoming Resources from Charitable Activities	3	639,858	-	639,858	594,795
Other Incoming Resources	4	-	-	-	1,728
Total Incoming Resources		2,046,606	130,806	2,177,412	2,027,863
RESOURCES EXPENDED					
Cost of Generating Funds	6				
Cost of generating voluntary income		(105,705)	-	(105,705)	(87,253)
Fundraising		(114,671)	-	(114,671)	(85,726)
Charitable Activities	7	(1,584,234)	(130,806)	(1,715,040)	(1,711,401)
Governance Costs	8	(43,846)	-	(43,846)	(49,779)
Other Resources Expended	9	(86,268)	-	(86,268)	(68,790)
Total Resources Expended		(1,934,724)	(130,806)	(2,065,530)	(2,002,949)
NET INCOMING RESOURCES		111,882	-	111,882	24,914
Funds balance brought forward at 01 11 05		222,744	-	222,744	197,830
RETAINED SURPLUS CARRIED FORWARD		334,626	-	334,626	222,744

The charity's income and expenditure all relates to continuing operations
The charity has no recognised gains or losses other than the surplus for the year
The notes on pages 13 to 23 form part of these accounts

GARSINGTON OPERA LIMITED**BALANCE SHEET****AS AT 31 OCTOBER 2006**

	Notes 20	2006 £	As Restated 2005 £
FIXED ASSETS			
Tangible assets	12	391,091	425,004
CURRENT ASSETS			
Debtors	13	95,405	42,399
Cash at bank		396,540	179,754
		491,945	222,153
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(548,410)	(424,413)
NET CURRENT LIABILITIES		(56,465)	(202,260)
TOTAL ASSETS LESS CURRENT LIABILITIES		£334,626	£222,744
FUNDS			
Unrestricted funds	17	334,626	222,744
Restricted funds	16	-	-
		£334,626	£222,744

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the board on *30th August 2007*
and signed on its behalf by John Drysdale

John Drysdale

The notes on pages 13 to 23 form part of these accounts

GARSINGTON OPERA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with applicable accounting standards, and the Statement of Recommended Practice – “Accounting and Reporting by Charities” published in October 2005 and under the historical cost convention in accordance with the following accounting policies

(a) Incoming Resources from Generated Funds

All monetary donations and sponsorship are included in full when receivable, unless they relate to a specified future period in which case they are deferred

(b) Incoming resources from Charitable Activities

Represents money received from the sale of tickets for operatic performances and Spring Concerts and the sale of merchandise at the performances

(c) Other incoming resources

Includes income from other sundry sources when received

(d) Resources Expended

Expenditure, which is charged on an accruals basis to represent the expenses for the season, is allocated by nature between

- expenditure incurred to generate voluntary income
- expenditure incurred for fundraising
- expenditure incurred to fulfil the Charitable Activities
- expenditure incurred for Governance
- expenditure incurred on other costs including donations paid and irrecoverable VAT

(e) Depreciation

Depreciation is calculated to write down the cost of fixed assets to their estimated residual value over their expected useful lives. Assets currently under construction are not depreciated. All assets are depreciated once they have been brought into use. Each asset is charged with a full year's depreciation in the year in which it is brought into use. Office equipment is depreciated by equal annual instalments over a 5 year period. The estimated useful life of other assets is considered to be 11 years being the remaining term of the planning permission obtained by the company. Only assets costing above the pre agreed de minimus limit of £400 are capitalised.

(f) Allocation of Support Costs

Support costs are allocated on a basis consistent with the use of resources

(g) Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund. Unrestricted funds are donations, the sale of tickets or other incoming resources received or generated for expenditure on the general activities of the charity.

(h) Operating Leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

GARSINGTON OPERA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2006****2. INCOMING RESOURCES****2a. Voluntary Income**

	Unrestricted Funds	Restricted Funds	2006 Total	As Restated 2005 Total
	£	£	£	£
Ticket Donations	586,233	-	586,233	533,789
Friends & Other Donations	318,594	-	318,594	312,458
Tax Recovery	187,108	-	187,108	156,217
Trust & Foundations	5,500	78,000	83,500	81,600
Production Syndicate	-	52,806	52,806	-
Memorial Concert Donations	30,206	-	30,206	-
	£1,127,641	£130,806	£1,258,447	£1,084,064

2b. Activities for Generating Funds

	Unrestricted Funds	Restricted Funds	2006 Total	As Restated 2005 Total
	£	£	£	£
Sponsorship	212,187	-	212,187	254,870
Advertising & Other Income	25,145	-	25,145	16,575
Memorial Concert	23,880	-	23,880	-
Fundraising Concert	-	-	-	22,856
Barbican Concert	-	-	-	36,557
	£261,212	-	£261,212	£330,858

2c. Investment Income

	Unrestricted Funds	Restricted Funds	2006 Total	As Restated 2005 Total
	£	£	£	£
Bank Interest	17,895	-	17,895	16,418
	£17,895	-	£17,895	£16,418

GARSINGTON OPERA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2006****3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds	Restricted Funds	2006 Total	As Restated 2005 Total
	£	£	£	£
Ticket Income	538,741	-	538,741	483,382
Programme & Libretti Sales	45,649	-	45,649	42,781
Concessions	42,527	-	42,527	45,650
Sundry Sales	2,121	-	2,121	8,581
Concert Income	10,820	-	10,820	14,401
	£639,858	-	£639,858	£594,795

4. OTHER INCOMING RESOURCES

	Unrestricted Funds	Restricted Funds	2006 Total	As Restated 2005 Total
	£	£	£	£
Sale of Rossini Set	-	-	-	1,728
	-	-	-	£1,728

GARSINGTON OPERA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2006****5. RESOURCES EXPENDED – SUPPORT COSTS**

Support costs are allocated as per the table below on a basis consistent with the use of resources

Support Cost	Voluntary Income £	Fundraising £	Opera £	Governance £	Total 2006 £	As Restated Total 2005 £
Staff Costs	41,240	26,354	42,229	8,784	118,607	110,128
Consultancy	13,500	13,500	13,500	4,500	45,000	-
General Admin	13,011	6,435	25,897	2,108	47,451	47,599
Rent, Rates & Utilities	4,323	3,974	7,424	1,325	17,046	15,521
Press, PR, Fundraising	33,631	48,403	-	-	82,034	71,653
Legal & Professional	-	-	-	12,368	12,368	25,205
Total	£105,705	£98,666	£89,050	£29,085	£322,506	£270,106

6. COST OF GENERATING FUNDS**6a. Cost of Generating Voluntary Income**

Cost	2006 £	As Restated 2005 £
Staff Costs	41,240	38,625
Consultancy	13,500	-
General Admin	13,011	13,919
Rent, Rates & Utilities	4,323	4,170
Press Officer & Fundraising	33,631	30,539
Total	£105,705	£87,253

6b. Cost of Fundraising

	2006 £	As Restated 2005 £
Support Costs	98,666	74,463
Memorial Concert	14,793	-
Fundraising Concert	-	10,229
Sponsorship Brochure	1,212	1,034
Total	£114,671	£85,726

GARSINGTON OPERA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2006

7. CHARITABLE ACTIVITIES

7a. Opera Costs

	Unrestricted	Restricted	2006	As Restated
	Funds	Funds	Total Funds	Total Funds
	£	£	£	£
Opera performance fees	218,234	116,806	335,040	308,908
Production teams	138,909	-	138,909	137,342
Orchestral fees	288,039	-	288,039	265,755
Costumes, sets and props	161,634	-	161,634	178,817
Stage and technical staff	176,273	-	176,273	171,080
General seasonal staff	35,906	-	35,906	34,126
Production administration	53,537	-	53,537	54,814
Music hire and royalties	11,334	-	11,334	16,126
Other production costs	6,837	-	6,837	5,742
Hire of equipment	166,006	-	166,006	153,187
Performance refreshments	10,221	-	10,221	10,993
Purchases	1,080	-	1,080	1,941
Transport	8,000	-	8,000	7,722
Photography	2,960	-	2,960	2,595
Site manager's fees	19,557	-	19,557	19,488
Depreciation	38,230	-	38,230	37,078
Special printing – programme	22,750	-	22,750	19,498
Seasonal costs	11,128	-	11,128	11,215
Facility rent	53,504	-	53,504	54,842
Car park rent	10,688	-	10,688	10,377
Service Charge	33,229	-	33,229	22,645
Scenery Barn Rental	4,240	-	4,240	4,067
Health & Safety	1,505	-	1,505	325
Repairs After Season	(386)	-	(386)	4,410
Support Costs	89,050	-	89,050	70,404
Opera Consultants Fee	13,252	-	13,252	13,005
	£1,575,717	£116,806	£1,692,523	£1,616,502

GARSINGTON OPERA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2006

7b. Spring Concerts

	Unrestricted Funds	Restricted Funds	2006 Total Funds	As Restated 2005 Funds
	£	£	£	£
Performers' Fees	4,965	-	4,965	7,320
Expenses	3,513	-	3,513	4,707
Total	£8,478	-	£8,478	£12,027

7c. Education Project

	Unrestricted Funds	Restricted Funds	2006 Total Funds	As Restated 2005 Funds
	£	£	£	£
Education project	39	14,000	14,039	14,761
Total	£39	£14,000	£14,039	£14,761

7d. Barbican Concert

	Unrestricted Funds	Restricted Funds	2006 Total Funds	As Restated 2005 Funds
	£	£	£	£
Barbican Concert	-	-	-	33,005
Total	-	-	-	£33,005

7e. CD Production

	Unrestricted Funds	Restricted Funds	2006 Total Funds	As Restated 2005 Funds
	£	£	£	£
Tchaikovsky	-	-	-	35,106
Total	-	-	-	£35,106

	Unrestricted Funds	Restricted Funds	2006 Total Funds	As Restated 2005 Total Funds
	£	£	£	£
Total	£1,584,234	£130,806	£1,715,040	£1,711,401

GARSINGTON OPERA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2006****8. GOVERNANCE COSTS**

	2006	As Restated
	Unrestricted	2005
	Funds	Total Funds
	£	£
Charity secretarial costs	8,700	8,175
Audit & Accounts	6,061	3,618
Support Costs	29,085	37,986
	<u>£43,846</u>	<u>£49,779</u>

9. OTHER RESOURCES EXPENDED

	2006	As Restated
	Unrestricted	2005
	Funds	Total Funds
Donations Paid	1,525	1,500
Bad Debt Write-off	2,728	-
Irrecoverable VAT	82,015	67,290
	<u>£86,268</u>	<u>£68,790</u>

10. STAFF COSTS

	2006	2005
	£	£
Wages and salaries	107,943	100,277
Social security costs	10,664	9,851
	<u>£118,607</u>	<u>£110,128</u>

	2006	2005
	Number	Number
The average number of persons employed by the company, excluding trustees, in the year was		
Administration	<u>5</u>	<u>5</u>

Staff costs do not include general seasonal staff of £27,419 (2005 £34,126) No emoluments were paid to the Trustees in the year and no expenses were reimbursed to the Trustees in the year except as disclosed in note 19 There were no employees with emoluments over £50,000 in the year

11. TAXATION

Garsington Opera Limited is a charity registered under the Charities Act 1993, number 1003042 As such the charity is entitled to take advantage of the exemptions granted by section 505 of the Income and Corporation Taxes Act 1988

GARSINGTON OPERA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2006

12. TANGIBLE FIXED ASSETS

COST

	Canopy	Venue Facilities	Barn Restaurant	Barn Dressing Rooms	Opera Equipment	Office Equipment	Arena Seating	Props Workshop	Tree and Leaf Screens	Stables	Total
	£	£	£	£	£	£	£	£	£	£	£
As at 1 November 2005	236,500	100,731	40,507	191,232	63,167	32,896	237,300	9,068	5,497	100,963	1,017,861
Additions during the year	-	3,500	-	-	-	2,090	-	-	3,024	-	8,614
As at 31 October 2006	236,500	104,231	40,507	191,232	63,167	34,986	237,300	9,068	8,521	100,963	1,026,475

DEPRECIATION

As at 1 November 2005	193,430	60,886	40,190	119,122	22,588	21,887	109,234	2,419	1,465	21,636	592,857
Charge for the year	3,916	3,940	29	6,556	3,689	4,298	11,642	604	641	7,212	42,527
As at 31 October 2006	197,346	64,826	40,219	125,678	26,277	26,185	120,876	3,023	2,106	28,848	635,384

NET BOOK VALUE

As at 31 October 2006	£39,154	£39,405	£288	£65,554	£36,890	£8,801	£116,424	£6,045	£6,415	£72,115	£391,091
As at 31 October 2005	£43,070	£39,845	£317	£72,110	£40,579	£11,009	£128,066	£6,649	£4,032	£79,327	£425,004

GARSINGTON OPERA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2006****13. DEBTORS - DUE WITHIN ONE YEAR**

	2006	2005
	£	£
Trade debtors	19,494	1,903
Other debtors	1,314	1,194
Other tax and social security	38	-
Payments on account	18,617	2,540
Prepayments	55,942	36,762
	£95,405	£42,399

14. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Trade creditors	83,352	44,103
Other tax and social security	3,038	2,704
Other creditors	4,161	13,316
Accruals and deferred income	457,859	364,290
	£548,410	£424,413

All deferred income is to be released to the Statement of Financial Activities within the next year

15. LEASE COMMITMENTS

At 31 October 2006, the Charity had annual commitments of £1,186 (2005 £1,186) under a non cancellable operating lease in respect of equipment hire. The lease expires between 2 and 5 years

The charitable company has now entered into a lease in respect of its occupation of Garsington Manor. The lease expires after more than five years and the annual commitment for the opera premises under the lease is £69,571 (2005 £62,674)

The company has formalised the arrangement for the use of the car park and has entered into a lease with a trust of which Mrs Ingrams is a trustee and of which Mr Ingrams was a trustee until the date of his death. The lease expires after more than five years and the annual commitment under this lease is £11,009 (2005 £10,689)

GARSINGTON OPERA LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 OCTOBER 2006****16. RESTRICTED FUNDS**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes

	Balance at 31 October 2005	Movement in Funds			Balance at 31 October 2006
	£	Income £	Transfers £	Expenditure £	£
Rimsky-Korsakov Production	-	106,806	-	(106,806)	-
Educational Project	-	14,000	-	(14,000)	-
Understudy Scheme	-	10,000	-	(10,000)	-
	£-	£130,806	£-	£(130,806)	£-

Rimsky-Korsakov Production

The following Foundations gave donations towards the production costs of May Night

Monica Amstad

John S Cohen Foundation

Peter Moores Foundation

Garfield Weston Foundation

A Production Syndicate was also established to support the Production

Educational Project

The Educational Project was set up to assist the education of school children in the field of opera. The following donations were received for this purpose

Bergqvist Trust

D'Oyly Carte Charitable Trust

Eranda Foundation

PF Charitable Trust

Understudy Scheme

A donation was received from The Jerwood Charitable Foundation for the Understudy Scheme

17. UNRESTRICTED FUNDS

The following foundations have made unrestricted donations to Garsington Opera Limited during the year

Colman Foundation

Gamlen Charitable Trust

Idlewild Trust

Inverforth Trust

Lynn Foundation

The Weinstock Fund

GARSINGTON OPERA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2006

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

All assets relate to unrestricted funds

19. RELATED PARTY TRANSACTIONS

The series of opera performances is held by the company during the summer of each year on property owned by Mrs R A Ingrams who is a member of the Board of Trustees, and by the late Mr L V Ingrams OBE, who was a Board Member until his death on 27 July 2005

With effect from 1 August 2003, the company entered into a thirteen year lease in respect of its occupation of Garsington Manor with LV Ingrams Holdings Limited, a company in which Mrs Ingrams is a shareholder, and in which Mr Ingrams was a shareholder until the date of his death. The lease replaced the previous agreement, and was entered into following advice from company's legal advisers and the Charity Commission in order to provide security of tenure to the company. At the same time, the company entered into a thirteen year lease in respect of the use of the car park with a trust of which Mrs Ingrams is a trustee, and of which Mr Ingrams was a trustee until the date of his death. The lease charges for both leases have been independently assessed and compiled in consultation with the Charity Commission

During the year ended 31 October 2006 an amount of £96,138 (2005 £82,643) was paid to LV Ingrams Holdings Limited. This includes £53,504 (2005 £53,464) for the rental of the land and buildings forming part of Garsington Manor and Garsington Home Farm, £9,405 (2005 £7,472) for the rental of the administration office and a related service charge of £33,229 (2005 £21,707). The related service charge will be used to pay the relevant service providers. The amount due under the Car Park lease in the year ended 31 October 2006 was £10,689 (2005 £10,377)

Reimbursed expenses to Directors totalled £1,733 (2005 £8,518)

20. RESTATEMENT OF 2005 FIGURES

Comparative figures for 2005 have been restated to reflect the requirements of SORP 2005

21. VAT

The Trustees, having taken advice from Lawrence Graham LLP Solicitors and relying on that advice, are of the view that VAT amounting to £70,000 reclaimed for the period May 2004 to October 2006 is properly recoverable on the basis adopted in the submitted returns. The Trustees believe there is no need to make provision for the payment of the sum involved despite the fact that HM Revenue and Customs do not agree.

It is the Trustees' present policy, again on the strength of legal advice received, to robustly argue this position with HM Revenue and Customs at tribunal and through the courts if necessary. Any future action will have regard to the best use of charitable funds and any evolution of advice received.