

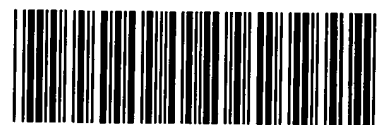
Companies House

**CHARITY NUMBER 208743
COMPANY NUMBER 00533973**

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**TRUSTEES REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2014**

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COMPANIES HOUSE

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

FOR THE YEAR ENDED 31ST DECEMBER 2014

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The following do not form part of the statutory financial statements:

23	New Generation Programme – Income and Expenditure Account
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**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

The directors of the charitable company are its Trustees for the purpose of charity law. Throughout this report they are collectively referred to as Trustees.

Trustees

John Botts C.B.E. (Chairman)
Paul Collins
Claire Enders (Resigned 26th June 2014)
Peter Loescher (Resigned 31st December 2014)
Michael Lynch (Resigned 31st December 2014)
Lord Rothermere (Resigned 31st December 2014)
Sir Martin Smith (Resigned 31st December 2014)
Lady Helen Taylor (Resigned 31st December 2014)
Henry Wyndham (Resigned 31st December 2014)

All of the retiring Trustees will be recognised as the Glyndebourne Advisory Council.

Audit and Finance Committee

Hamish Forsyth (Chairman)
John Botts C.B.E.
Paul Collins
Michael Lynch

Company Secretary

Sarah Hopwood

Registered Office and Principal Office

Glyndebourne
Lewes
East Sussex
BN8 5UU

Statutory Auditors

Clark Brownscombe Limited
Chartered Accountants &
Statutory Auditors
2 St Andrews Place
Lewes
East Sussex
BN7 1UP

Bankers

Lloyds TSB plc
25 Gresham Street
London
EC2V 7HN

Investment Managers

Rothschild Wealth Management UK Ltd
New Court
St Swithin's Lane
London
EC4N 8AL

Solicitors

Adams & Remers
Trinity House
School Hill
Lewes
East Sussex
BN7 2NN

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

The Trustees have pleasure in presenting their annual report and financial statements for the year ended 31st December 2014.

OBJECTIVES AND PRINCIPAL ACTIVITIES

The object of Glyndebourne Arts Trust ("GAT") is the promotion of aesthetic education and the cultivation and improvement of public taste in music, opera or the other arts and the doing of all such other things as are incidental to the attainment of the above objects, including specifically the support of any charitable associations in any way connected with the purposes of the Trust.

This involves the development of income streams that are transferred to Glyndebourne Productions Limited ("GPL") on an annual basis to contribute towards the operating costs and other specific projects, predominantly subscription income from a range of memberships, the Annual Fund, and the New Generation Programme. The further object is to achieve a prudent investment return and to generate revenue from other sources, i.e. legacies, to build the reserves of the Charity over the longer term.

The principal activity of the Charity, which did not change during the year under review, is to raise funds to finance opera produced by GPL. However, on 31st December 2014, GAT was acquired by GPL. Both charities had identical objectives and beneficiaries and having undertaken appropriate due diligence, the Trustees of both Charities concluded that efficiencies would be gained by effectively merging the respective businesses. The majority of Trustees of GAT have resigned, but will maintain a non-fiduciary relationship with GPL by comprising the Glyndebourne Advisory Council, with some members of this group continuing to sit on sub-committees of the Board, such as the Audit & Finance and New Generation Programme Committees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Glyndebourne Arts Trust is incorporated under the Companies Act 2006, number 00533973, and registered as a charity (charity registration no: 208743). It is a Company limited by guarantee not having a share capital. It is governed by a Memorandum & Articles of Association dated 31st May 1954.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice 'Accounting and Reporting by Charities (2005)'.

The Board of Trustees is responsible for the overall governance of GAT. Trustees are elected by the Board, on the basis of proposals put forward by any member of the Board and following meetings between prospective candidates and other existing members of the Board. In conjunction with the aforementioned acquisition, during the year a special resolution was passed to amend the Articles whereby the total number of Trustees may not be less than two, as opposed to five previously, nor more than fourteen. The induction process for new board members includes the provision of background information, details of the constitution of GAT and its connected parties, budgets, recent financial statements, minutes of recent Board meetings and papers dealing with key current issues, plus the opportunity for meetings with key executives of GPL. Effective partnership between GPL, its management and the Trustees continues to contribute significantly to the success of the charity. Board meetings have been held at least twice a year, in addition to the Annual General Meeting, where the Trustees will review strategy and operational performance, focussing particularly on the area of fund-raising and membership development. Further strategic reviews are undertaken as and when required for any other purpose.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

The Board of Trustees has formally delegated the exercise of certain powers in connection with the management and administration of GAT as set out below. The detailed schedule of delegated authorities is reviewed and approved by the Trustees on an annual basis and further control is exercised by regular reporting to the Board.

Audit and Finance Committee

The Audit and Finance Committee comprises Trustees from GAT and its connected charities, GPL and Glyndebourne Association America Inc. ("GAA"). This Committee meets formally twice a year, or more often if necessary, and minutes of these meetings are presented to the Boards of GPL and GAT. The Committee is charged with reviewing the process and effectiveness of financial reporting, internal control and risk management, the respective external audits, and management of the Charities' investment portfolios. The Committee meets with the external auditors at least annually without any members of the Glyndebourne management in attendance. Furthermore, the Committee ensures that proper procedures are in place to manage cash resources prudently whilst maintaining sufficient funds to meet daily cash requirements. The Committee advises the Board of Trustees on the appropriate level of free reserves and any significant change in investment strategy.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee comprises all non-connected directors of the connected charity GPL. The committee meets formally once a year and is charged with the review of performance of the GPL senior management team, remuneration and compensation policy, and the appointment of new Trustees.

Executive Chairman and Management Team

The GPL executive team, that also has management responsibility for GAT, continues to comprise Gus Christie, Executive Chairman, David Pickard, General Director, Sarah Hopwood, Director of Finance and Resources and Company Secretary, and Steven Naylor, Director of Artistic Administration. At the year end David Locker, Technical Director, retired after 34 years of employment at Glyndebourne. His successor, Charmaine Goodchild, will be employed with effect from 1st May 2015. During the year, 2 existing members of staff were formally promoted and appointed to the executive team, George Bruell, Director of Communications, and Andrew Higgins, Director of Development. This team continues to report collectively and formally to the Board of Directors at least three times a year. GAT has no employees, GPL taking responsibility for all employment including the fundraising and membership team for which no charge is made to GAT.

Connected Charities

Glyndebourne Productions Limited is a company limited by guarantee with charitable status (Registered Charity number 243877) which was incorporated in 1939 with the objective under the Memorandum & Articles of Association of "the promotion of aesthetic education and the cultivation and improvement of public taste in music opera or the other arts and the doing of all such other things as are incidental to the attainment of the above objects". GPL is effectively the operating company for which GAT administers membership and other fund-raising. The Chairman of GAT, John Botts C.B.E., is also Chairman of Glyndebourne Productions Limited, and is a director of its wholly-owned trading subsidiary, Glyndebourne Enterprises Limited. During the year, GPL received operating grants from GAT amounting to £3,776,830 (2013: £4,230,556), in addition to which the total net assets were transferred at the year end, valued at £13,020,393.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

Glyndebourne Association America Inc. ("GAA") was established in 1976 for the purpose of attracting support from people and organisations in America who are sympathetically disposed to the promotion of opera. Michael Lynch, Chairman of the Association, and John Botts C.B.E. were both Trustees of GAT and GAA throughout the year.

Connected Persons

In the view of the Trustees, the relationship between the Glyndebourne Charities and the Christie family, their founder, remains crucial. Not only is the Glyndebourne Opera House situated at the heart of their estate at Glyndebourne in Sussex, but Gus Christie continues to head the Executive team in his capacity as Executive Chairman. He continues to attend Board meetings in the capacity of a non-voting advisory trustee.

Clark Brownscombe Limited, the Charity's auditors, also act for the Christie family, their private companies and trusts. The Trustees monitor the potential for conflict of interest with Clark Brownscombe Limited and are comfortable that appropriate procedures are in place, and are being strictly adhered to, to manage such risk. During the year fees paid to Clark Brownscombe Limited by the three Glyndebourne companies, Glyndebourne Productions Limited, Glyndebourne Arts Trust and Glyndebourne Enterprises Limited represented less than 2% of the firm's total income for the year. Total fees paid by the Glyndebourne companies, other connected parties and the Christie family accounted for less than 4% of the firm's total income for the year.

Statement of Trustees' Responsibilities and Corporate Governance

The members of the Board of Trustees, as Trustees and Directors, are responsible for preparing the Report of the Trustees and the financial statements. The Trustees have chosen to prepare financial statements for the company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the Trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period and comply with UK GAAP and the Companies Act 2006.

In preparing these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safe-guarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Trustees. The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:-

- a review of the GPL strategic plan and annual budgets;
- regular consideration by the Board of GPL of financial results, variances from budgets and non-financial performance indicators;
- delegation of day-to-day management authority and segregation of duties; and
- identification and management of risks.

Risk Management

The Board of Trustees recognises its responsibility for an overall strategy of risk management. This strategy comprises:-

- a formal annual review by the GPL management and Audit and Finance Committee of the risks facing the Charity;
- the establishment of systems and procedures to mitigate those risks identified;
- the implementation of procedures designed to minimise the potential impact on the Charity should those risks occur;
- a programme of review and testing of such procedures; and
- formal reporting to the Board on an annual basis of all new risks identified, systems and key staff changes and the controls implemented.

Such procedures are designed to provide reasonable, but not absolute, assurance against material mismanagement or loss. A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees.

During the year, Protiviti, an independent audit firm, undertook further training in the prevention of fraud.

The Trustees believe that there is a satisfactory system of well-managed internal controls.

Charity Commission

There have been no issues arising with the Charities Commission during the year.

PUBLIC BENEFIT

The charitable purpose of Glyndebourne Arts Trust has always been as stated under “Objectives” above and the aims identified are deemed to fall within the description of charitable purpose in the Charities Act 2011 “the advancement of the arts, culture, heritage or science”.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

The Trustees consider there to be clearly identifiable benefits of the Charity, which are closely related to its aims in providing funding to GPL to deliver the following:

- provision of live opera of the highest possible standard to a broad-ranging audience through the Festival and Tour;
- provision of recorded opera through a variety of sources including radio, television, the internet, DVD and cinema; and
- provision of a broad year-round education programme comprising youth and community programmes (regular youth opera groups for local children, performances for schools and colleges, projects in schools and prisons), talks and events for audiences and the development of new work.

The Charity's aims are intended to benefit the public generally, rather than a specific section of it.

The Trustees do not believe that the opportunity to benefit from Glyndebourne's work is unduly hindered by geographical or other restrictions, with the Tour, Education and media initiatives delivering the product well beyond the bounds of the Glyndebourne Opera House itself. Although there are areas of activity that may restrict the benefit to only those who can afford it, this enables the Charity to remain independent of Government subsidy for the Festival and to subsidise the Tour and the cost of recording in order to take the product to a broader audience at prices that are more easily affordable or free – inexpensive cinema tickets, free television, internet and radio broadcasts, for example. The charity seeks to secure third party funding for the majority of Education projects so that the participants, regardless of wealth, are able to benefit.

The Trustees do not consider there to be any private benefits.

ACHIEVEMENTS AND PERFORMANCE

The key activities of the Charity have not changed during the year comprising membership administration and fund-raising.

Total membership has increased to 14,689 (2013:14,588) paying members during the year, giving rise to subscription income of £2,877,829 (2013: £2,721,499), accounting for 62% of total incoming resources.

Total voluntary income for the year, comprising restricted and unrestricted donations and legacies, amounted to £1,676,865 (2013: £1,219,349). The increase was due to record support for the Annual Fund, with these funds being designated to the installation of a new passenger lift in 2015, a very successful campaign in support of the new Mary Christie Rose Garden and renewed support for the New Generation Programme ("NGP"), launched in 2009 to support audience and artist development.

The NGP fund-raising target has been set on the basis of being able to invest up to £1 million per annum in NGP activity whilst retaining a reserve of between £3-4 million. During the year, the Trustees approved a grant from NGP to GPL of £921,710 (2013: £1,171,952), the higher grant in 2013 reflecting support for the community opera, *Imago*. The NGP projects undertaken during the year comprised an investment of £618,155 in developing future audiences through contribution to the cost of filming content and the subsidy of seat prices for Under 30's for the Festival and Performances for Schools on Tour; £149,750 in securing artistic excellence by providing further opportunities for young artists through the Chorus Development and Composer in Residence Schemes; £118,805 in Education and Community Outreach, whilst continuing to fund Opera Experience on Tour and the work of our Youth Groups; and continued investment in Developing our Skills, through our Routes into Glyndebourne programme.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

The net balance on the NGP fund at the year end amounted to £3,732,191 (2013: £3,466,285), which has been transferred to GPL in conjunction with the acquisition at 31st December 2014. The NGP investment portfolio continues to be managed by Rothschild, the funds being held separately from the Charity's remaining investment portfolio. A sub-committee of the Board, comprising Sir Martin Smith (Chairman) and John Botts C.B.E., continues to provide governance in respect of management and use of the fund.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Financial management

GPL employs a suitably qualified team of finance staff to manage those functions necessary, including bookkeeping, payroll, credit control, banking and other activities required to produce accurate accounting records for the management throughout the year and for the auditors at the year end. There were no systems changes during the year nor changes in key personnel and the audit has identified no issues of concern.

Current year results

Total incoming resources for the year amounted to £4,635,916 (2013: £4,041,968), reflecting both higher membership and an increase in all voluntary areas of fund-raising. Total resources expended, pre the transfer of net assets in conjunction with the acquisition by GPL of GAT at the year end, amounted to £4,124,565 (2013: £4,495,020). This was predominantly accounted for by the operating grant to GPL comprising the transfer of funds raised specifically in support of core operating costs, such as membership subscriptions, plus those voluntary donations in support of specific areas of investment during the year such as NGP projects.

This resulted in net incoming resources of £511,351 (2013: £453,052 outgoing) which, in conjunction with gains on investment assets, resulted in a positive net movement in funds for the year of £1,285,687 (2013: £252,921). The balance on funds carried forward has increased to £13,020,393 (2013: £11,734,706), which was transferred at the year end to GPL.

Total cash and investments at the year end amounted to £14,242,817 (2013: £12,639,530), all of which were transferred to GPL.

Investment Policy and Performance

In accordance with the Articles of Association, the Trustees have delegated authority to Rothschild to manage investments for the Charity in accordance with the agreed investment mandate. Rothschild report on a regular basis to the Trustees and meet at least twice a year with the Audit and Finance Committee. Total funds under management at the year end, including those funds transferred from GAT, amounted to £11,104,541. This is divided into a discretionary portfolio, valued at £6,371,630 and two restricted portfolios, the Wood Peters portfolio valued at £1,099,513, and the New Generation Programme valued at £3,633,398. All three funds are managed to a medium risk profile, currently invested in a globally diversified portfolio of equities and fixed income securities, including hedge funds and other commodities. During the year, the portfolios benefitted from growth of 7.1%, 7.3% and 7.3% respectively. Whilst the overall objective is long term capital appreciation, the funds have until recently been benchmarked against the strategic asset allocation of 50% equities, 30% fixed income and 20% cash. In the latter part of 2014, in discussion with the Audit and Finance Committee, it was decided that "inflation +" provided a more appropriate benchmark with final details yet to be determined. The Charity has no ethical investment policy. All three portfolios have been transferred to GPL at the year end.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

Grant-making policy

The Charity's policy is to grant specified income streams to GPL in support of key operating activities. The Trustees have delegated authority to the Glyndebourne executive management for the making of certain specified grants to GPL in accordance with budget and delegated authority document reviewed by the Trustees annually.

Results

The surplus for the year prior to the transfer of the net assets to Glyndebourne Productions Limited amounted to £659,359 (2013: £88,584 deficit).

Statement as to Disclosure of Information to Auditors

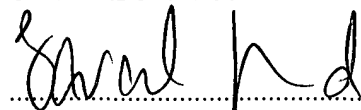
So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Charity's auditors are unaware, and each Trustee has taken the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant information and to establish that the Charity's auditors are aware of that information.

Auditors

The auditors, Clark Brownscombe Limited, are willing to continue in office.

Registered Office:
Glyndebourne
Lewes
East Sussex
BN8 5UU

On behalf of the board



Sarah Hopwood - Company Secretary

Date: 18/5/2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

GLYNDEBOURNE ARTS TRUST (LIMITED BY GUARANTEE)

We have audited the financial statements of Glyndebourne Arts Trust for the year ended 31st December 2014 on pages 11 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 14 to 15.

This report is made solely to the charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditors' 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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of Glyndebourne Arts Trust for the purpose of Company law) are responsible for preparing the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2014 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

D. R. Scrivins

D R Scrivins (Senior Statutory Auditor)
for and on behalf of Clark Brownscombe Limited
Chartered Accountants
& Statutory Auditors
2 St Andrews Place
Lewes
East Sussex
BN7 1UP

Date: *10th June 2011.*

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2014**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2014 £	Total 2013 £
INCOMING RESOURCES						
Charitable activities						
- Subscriptions		2,789,041	84,202	-	2,873,243	2,715,381
Incoming resources from generated funds:						
Voluntary income						
- Donations		426,159	1,062,241	-	1,488,400	1,004,308
- Legacies		193,051	-	-	193,051	221,159
Investment income	2	<u>50,266</u>	<u>23,935</u>	<u>7,021</u>	<u>81,222</u>	<u>101,120</u>
Total incoming resources		<u>3,458,517</u>	<u>1,170,378</u>	<u>7,021</u>	<u>4,635,916</u>	<u>4,041,968</u>
RESOURCES EXPENDED						
Charitable activities	3	2,787,388	1,242,390	-	4,029,778	4,415,830
Costs of generating funds:						
- Investment management fees		49,763	28,400	8,837	87,000	71,698
Governance costs	4	7,787	-	-	7,787	7,492
Other resources expended:						
- Transfer of net assets to GPL		<u>7,548,616</u>	<u>4,368,969</u>	<u>1,102,808</u>	<u>13,020,393</u>	<u>-</u>
Total resources expended		<u>10,393,554</u>	<u>5,639,759</u>	<u>1,111,645</u>	<u>17,144,958</u>	<u>4,495,020</u>
Net (outgoing) resources before transfers		(6,935,037)	(4,469,381)	(1,104,624)	(12,509,042)	(453,052)
Transfers between funds	5	<u>-</u>	<u>40,550</u>	<u>(40,550)</u>	<u>-</u>	<u>-</u>
Net (outgoing) resources before other recognised gains and losses		(6,935,037)	(4,428,831)	(1,145,174)	(12,509,042)	(453,052)
Other recognised gains						
Gains on investment assets		<u>441,067</u>	<u>255,685</u>	<u>77,584</u>	<u>774,336</u>	<u>705,973</u>
NET MOVEMENT IN FUNDS		(6,493,970)	(4,173,146)	(1,067,590)	(11,734,706)	252,921
Fund balances at 1st January		<u>6,493,970</u>	<u>4,173,146</u>	<u>1,067,590</u>	<u>11,734,706</u>	<u>11,481,785</u>
Fund Balances at 31st December		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,734,706</u>

The notes form part of these financial statements

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2014**

	Note	2014 £	2013 £
INCOME			
Subscriptions, donations and legacies		4,554,694	<u>3,940,848</u>
EXPENSES			
Grants made		3,799,830	4,248,556
Administration		<u>324,735</u>	<u>246,464</u>
		4,124,565	4,495,020
OPERATING SURPLUS/(DEFICIT)	6	430,129	<u>(554,172)</u>
Profit on sale of fixed assets investments		46,046	301,564
Profit on foreign exchange		101,962	62,904
Investment income:			
Quoted investments		59,757	84,680
Deposit interest		21,465	16,440
Transfer of net assets to GPL		<u>(13,020,393)</u>	<u>-</u>
DEFICIT FOR THE FINANCIAL YEAR		<u>(12,361,034)</u>	<u>(88,584)</u>

All gains and losses recognised in the year are included above and relate to existing operations which have been discontinued in Glyndebourne Arts Trust and are now undertaken by Glyndebourne Productions Limited since 1st January 2015.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2014 £	2013 £
Retained deficit for the year		(12,361,034)	(88,584)
Unrealised gains on revaluation of investments	7	<u>626,328</u>	<u>341,505</u>
Total recognised gains and losses for the year		<u>(11,734,706)</u>	<u>252,921</u>

The notes form part of these financial statements.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

**BALANCE SHEET
AS AT 31ST DECEMBER 2014**

COMPANY NUMBER 00533973

	Note	£	2014 £	2013 £
FIXED ASSETS				
Investments	7		-	<u>10,401,665</u>
CURRENT ASSETS				
Debtors	8	-		1,717,894
Cash at bank		<u>-</u>		<u>2,237,865</u>
		-		3,955,759
CREDITORS: Amounts falling due within one year	9	<u>-</u>		<u>(2,622,718)</u>
NET CURRENT ASSETS			<u>-</u>	<u>1,333,041</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>-</u></u>	<u><u>11,734,706</u></u>
CAPITAL AND RESERVES				
Endowment funds				
- includes revaluation reserve of £- (2013: £43,706)	11		-	1,067,590
Restricted funds				
- includes revaluation reserve of £- (2013: £144,874)	12		-	4,173,146
Unrestricted funds				
- includes revaluation reserve of £- (2013: £516,366)	13		<u>-</u>	<u>6,493,970</u>
			<u><u>-</u></u>	<u><u>11,734,706</u></u>

These financial statements were approved on behalf of the Board of Trustees on

18 May 2015

.....
J C Botts – Trustee

The notes form part of the financial statements

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

1 ACCOUNTING POLICIES

a. Basis of accounting

These financial statements have been prepared under the historical cost convention as modified by the revaluation of the investment portfolio, and in accordance with applicable accounting standards and the Companies Act 2006. The charity transferred its trade, assets and liabilities to Glyndebourne Productions Limited on 31st December 2014. The charity has been dormant from that date onwards. No adjustments have been required to the financial statements in connection with the transfer. In addition they have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (2005)'.

b. Fund Accounting

The charity maintains various funds in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (2005)'. These funds, which require separate disclosure, are as follows:-

Unrestricted Funds. These funds are not restricted for any specific purpose and are expendable at the discretion of the Trustees in the furtherance of the charitable objectives. The main sources of income include Festival Society subscriptions, legacies, donations and income from the investment of unrestricted funds. These funds are applied as required to support the operating activity of Glyndebourne Productions Limited.

Restricted Funds. These funds are subject to specific objects declared by the donor or which are raised by appeal for a specific purpose. These funds are expendable by the Trustees in furtherance of the specific object for which they were given unless the donor later agrees that they can be applied for a general purpose. Due to the nature of these funds they are accounted for separately from the general funds of the charity.

Endowment Funds. The capital of these funds is held separately from other funds according to the wishes of the donor. The funds are permanent or expendable according to the nature of the restriction, income arising on the endowment funds can be used in accordance with the objects of the charity and is included as restricted and unrestricted funds according to the wishes of the donor.

c. Income

Income represents subscriptions, donations, legacies, investment income and bank deposit interest including income tax recoverable but excluding value added tax. Subscriptions are recognised in the period to which they relate. Legacies are recognised when the cash is received.

d. Investments

Investments are shown at market value in accordance with the provisions of the Statement of Recommended Practice 'Accounting and Reporting by Charities (2005)'. Unrealised gains and losses on revaluation are accounted for in the relevant fund.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

e. Grants

All grants, apart from sundry award payments, are made to Glyndebourne Productions Limited in accordance with its principal activity.

f. Resources expended

Expenditure is recognised when a liability is incurred.

The main categories of expenditure are:-

- Charitable activities include grants made, the cost of programme books sent to members and the charges associated with members' subscriptions.
- Costs of generating funds consist of investment management fees.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

g. Income Tax

As the Company is a registered charity, United Kingdom income tax is reclaimed on gift aid payments, certain donations and investment income subject to United Kingdom taxation. Provision is made for income tax recoverable when it is certain that the repayment will be received.

h. Foreign Currencies

Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract.

Assets and liabilities denominated in a foreign currency are translated at the balance sheet date at the exchange rate ruling on that day or if appropriate at the forward contract rate. The resulting exchange gains and losses are taken to the Statement of Financial Activities.

i. Deferred Income

Income is deferred to future accounting periods where the conditions for recognising the income have not been met. Deferred income relates to subscriptions received before the year end that relate to membership rights for future periods.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

2 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2014 Total £	2013 Total £
Interest					
- Cash deposits	17,184	3,731	550	21,465	16,440
- UK fixed interest securities	3,641	3,448	1,190	8,279	16,500
- Overseas fixed interest securities	5,188	3,220	971	9,379	9,473
Dividends					
- UK equities	13,895	7,306	2,416	23,617	34,891
- Overseas equities	<u>10,358</u>	<u>6,230</u>	<u>1,894</u>	<u>18,482</u>	<u>23,816</u>
	<u>50,266</u>	<u>23,935</u>	<u>7,021</u>	<u>81,222</u>	<u>101,120</u>

3 CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2014 Total £	2013 Total £
Grants made:					
Glyndebourne					
Productions Limited	2,557,440	1,219,390	-	3,776,830	4,230,556
Other awards:					
Anderson Award	-	5,000	-	5,000	5,000
John Christie Award	-	15,000	-	15,000	10,000
Lefever Award	-	3,000	-	3,000	3,000
Other costs:					
Cost of programme books	219,738	-	-	219,738	158,709
Finance costs	<u>10,210</u>	<u>-</u>	<u>-</u>	<u>10,210</u>	<u>8,565</u>
	<u>2,787,388</u>	<u>1,242,390</u>	<u>-</u>	<u>4,029,778</u>	<u>4,415,830</u>

Out of the grant made to Glyndebourne Productions Limited the following award was made:-

	2014 £	2013 £
Wood/Peters Award	<u>11,000</u>	<u>11,000</u>

4 GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Fund £	Endowment Funds £	2014 Total £	2013 Total £
Auditors fees:					
- for audit	4,750	-	-	4,750	4,620
- for other services	<u>3,037</u>	<u>-</u>	<u>-</u>	<u>3,037</u>	<u>2,872</u>
	<u>7,787</u>	<u>-</u>	<u>-</u>	<u>7,787</u>	<u>7,492</u>

GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)

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

5 TRANSFERS BETWEEN FUNDS

The transfer of £40,550 from Endowment Funds to Restricted Funds represents the amounts paid to support Glyndebourne on Tour, the Music Preparation Scheme, the Garden Fund and the Wood/Peters award (see note 12).

6 DEFICIT ON ORDINARY ACTIVITIES

	2014 £	2013 £
The deficit on ordinary activities is stated after charging:-		
Auditors remuneration	<u>4,750</u>	<u>4,620</u>

7 INVESTMENTS

	General Funds £	NGP Fund £	Wood/Peters Fund £	Total 2014 £	Total 2013 £
Market value at start of year	5,233,001	3,033,683	963,878	9,230,562	7,949,877
Additions	2,636,029	1,477,282	476,584	4,589,895	4,632,980
Disposals	<u>(2,364,447)</u>	<u>(1,358,883)</u>	<u>(484,297)</u>	<u>(4,207,627)</u>	<u>(3,693,800)</u>
	5,504,583	3,152,082	956,165	9,612,830	8,889,057
Net gains on revaluation at the year end	<u>332,795</u>	<u>228,271</u>	<u>65,262</u>	<u>626,328</u>	<u>341,505</u>
Market value at the year end	5,837,378	3,380,353	1,021,427	10,239,158	9,230,562
Cash held by stockbrokers	<u>538,453</u>	<u>253,045</u>	<u>78,086</u>	<u>869,584</u>	<u>1,171,103</u>
	6,375,831	3,633,398	1,099,513	11,108,742	10,401,665
Transferred to Glyndebourne Productions Limited	<u>(6,375,831)</u>	<u>(3,633,398)</u>	<u>(1,099,513)</u>	<u>(11,108,742)</u>	<u>-</u>
At 31st December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,401,665</u>

The cost of the investments at 31st December 2014 was £Nil (2013: £8,525,616).

Quoted on recognised Stock Exchanges

	2014			2013		
	UK Investments £	Overseas Investments £	Total £	UK Investments £	Overseas Investments £	Total £
Debt Instruments	-	-	-	1,215,974	562,184	1,778,158
Equities	-	-	-	989,425	4,647,792	5,637,217
Alternative Markets	<u>-</u>	<u>-</u>	<u>-</u>	<u>884,174</u>	<u>931,013</u>	<u>1,815,187</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,089,573</u>	<u>6,140,989</u>	<u>9,230,562</u>

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

8 DEBTORS

	2014	2013
	£	£
Glyndebourne Productions Limited	-	28,924
Other debtors	-	23,970
Prepayments	<u>-</u>	<u>1,665,000</u>
	<u>-</u>	<u>1,717,894</u>

Prepayments in 2013 comprised membership subscriptions for 2014 received and transferred to GPL before the year end.

9 CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Taxation and social security	-	382,309
Other creditors	-	2,070
Accruals	-	6,500
Deferred income	<u>-</u>	<u>2,231,839</u>
	<u>-</u>	<u>2,622,718</u>

Deferred income

	At 1st January 2014	Released to incoming resources	Deferred in year	At 31st December 2014
	£	£	£	£
Subscriptions in advance	<u>2,231,839</u>	<u>(2,231,839)</u>	<u>-</u>	<u>-</u>

10 SHARE CAPITAL

The Company is limited by guarantee, having no share capital, members having a liability not exceeding £5 each.

11 ENDOWMENT FUNDS

	Balance at 1st January 2014	Incoming Resources	Resources Expended	Transfers in year	Realised and Unrealised Gains	Transfer to Glyndebourne Productions Limited	Balance at 31st December 2014
	£	£	£	£	£	£	£
Permanent Endowment							
Josephine Barlow Memorial Fund	51,489	550	-	(550)	-	(51,489)	-
Expendable Endowment							
Wood/Peters Fund	<u>1,016,101</u>	<u>6,471</u>	<u>(8,837)</u>	<u>(40,000)</u>	<u>77,584</u>	<u>(1,051,319)</u>	<u>-</u>
	<u>1,067,590</u>	<u>7,021</u>	<u>(8,837)</u>	<u>(40,550)</u>	<u>77,584</u>	<u>(1,102,808)</u>	<u>-</u>

**GLYNDEBOURNE ARTS TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2014**

11 ENDOWMENT FUNDS (continued)

Josephine Barlow Memorial Fund

A legacy of £50,000 was received during 2013, the income on which is to be used in support of the Music Preparation Scheme and the Garden Fund. The capital is to be made available for general use after twenty years. The Fund is represented by a separate treasury deposit within the GAT bank account.

Wood/Peters fund

A legacy was received in 2001 in the sum of £1,000,000 with a further £18,516 received in February 2003. These funds have been separately invested. The income, including the proceeds from the sale of investments, generated by the legacy is to be used to support GOT, meeting the costs of understudies on the Tour and to provide an award to be known as The Wood/Peters award to be given to a British singer or accompanist as chosen by Glyndebourne to study at the National Opera Studio.

The capital remaining on both of these legacies was transferred to GPL at the year end in conjunction with the acquisition of GAT by GPL.

12 RESTRICTED FUNDS

	Balance at 1st January 2014 £	Incoming Resources £	Resources Expended £	Transfers in year £	Realised And Unrealised Gains £	Transfer to Glyndebourne Productions Limited £	Balance at 31st December 2014 £
New Generation Programme	3,466,285	856,313	(950,110)	104,018	255,685	(3,732,191)	-
Isabel Leete Legacy Fund	625,044	-	-	(92,493)	-	(532,551)	-
Friends of GOT	22,411	88,788	(94,964)	-	-	(16,235)	-
Chorus Scheme	10,294	27,280	(37,574)	-	-	-	-
Music Preparation Scheme	11,707	12,650	(24,632)	275	-	-	-
Garden Fund	18,880	147,347	(86,510)	275	-	(79,992)	-
Donald Anderson Award	8,525	5,000	(5,000)	(525)	-	(8,000)	-
Wood/Peters Income Fund	-	-	(29,000)	29,000	-	-	-
John Christie Award	-	15,000	(15,000)	-	-	-	-
Reservoir donation	10,000	-	(10,000)	-	-	-	-
Lefever Award	-	3,000	(3,000)	-	-	-	-
Other	-	15,000	(15,000)	-	-	-	-
	<u>4,173,146</u>	<u>1,170,378</u>	<u>(1,270,790)</u>	<u>40,550</u>	<u>255,685</u>	<u>(4,368,969)</u>	<u>-</u>

The New Generation Programme ("NGP") was launched in 2009 to fund audience and artist development. During the year £921,713 (2013: £1,171,952) was granted to GPL to fund a number of new and ongoing projects including ticket subsidies for U30s, Performances for Schools, the Jerwood Chorus Development Scheme, composer-in-residence and filming of new productions to take to a broader audience.

In 2007 a legacy of £450,424 was received from the estate of Isabel Leete with a further £185,524 received in 2009. This fund is specifically restricted for the support of Glyndebourne Education projects. Grants of £92,493 were made during the year.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

Amounts received from Friends of GOT are granted to GPL to support the Tour. The size of the grant to GPL depends on the timing of the receipt by Glyndebourne Arts Trust, including Gift Aid thereon.

The Chorus Scheme was set up to assist in the financing of the annually recruited Glyndebourne Festival Chorus, many of whom are employed direct from music college. Donations made in support of this scheme are paid to GPL annually.

The Music Preparation Scheme commenced in 1981. It was initially financed by Mr. Helmut Rothenberg, whose example has now been followed by other individuals and organisations. The scheme assists with the financing of musical preparation and provides an occasional study award to a young conductor or répétiteur of particular talent (the Jani Strasser Award). Donations made in support of this scheme are paid to GPL annually.

Donations given for the maintenance and development of the gardens are granted to GPL annually.

The GOT Donald Anderson Award, established in 2011, was created to assist a young GOT singer with his or her studies and to provide performance experience at home or abroad. It is financed by the Donald A Anderson Trust.

As described in note 11 the income from the Wood/Peters endowment fund is restricted and is used to support Tour understudies and the Wood/Peters award.

Since 1965 the Worshipful Company of Musicians have financed an annual scholarship award to a young singer to study at home or abroad, known as the John Christie Award. The final instalment is payable to the singer on receipt of a written report.

During 2012 £ 10,000 was received from Coral Samuel in support of the substantial work required to refurbish the Glyndebourne reservoir; this work was completed during the year.

The Lefever Award was established in 2011 to provide support and training for a talented chorister or young conductor; it is financed by Dr Robert Lefever.

All restricted funds not expended at the year end were transferred to GPL in conjunction with its acquisition of GAT.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

13 UNRESTRICTED FUNDS

	Balance at 1st January 2014 £	Incoming Resources £	Resources Expended £	Realised and Unrealised Gains £	Transfer to Glyndebourne Productions Limited £	Balance at 31st December 2014 £
Glyndebourne Festival Society	1,354,388	2,789,041	(2,777,178)	-	(1,366,251)	-
General Fund	<u>5,139,582</u>	<u>669,476</u>	<u>(67,760)</u>	<u>441,067</u>	<u>(6,182,365)</u>	<u>-</u>
	<u>6,493,970</u>	<u>3,458,517</u>	<u>(2,844,938)</u>	<u>441,067</u>	<u>(7,548,616)</u>	<u>-</u>

Glyndebourne Festival Society income comprises annual membership subscriptions and is transferred to GPL as required to support annual operating costs.

The General Fund comprises donations to the Annual Fund, which are transferred to GPL to support operating costs as required, plus Old Green Room Society income and other unrestricted donations and unrestricted legacy income.

14 TRUSTEES REMUNERATION

No remuneration or expenses were paid by the Charity to any Trustee during this or the previous year.

15 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.

**GLYNDEBOURNE ARTS TRUST
(LIMITED BY GUARANTEE)**

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

16 CONNECTED PARTY TRANSACTIONS

None of the trustees received any form of payment in connection with their role as a trustee of the Charity. No member of the board of trustees had a material interest in any contract or transaction with the charity except as set out below.

Trustees of GPL and the connected charity GAT made donations amounting to £47,000 in support of the activities of the charity for which no benefits were received in exchange. The Daily Mail and Mail on Sunday, owned by Associated Newspapers of which Lord Rothermere, former trustee of Glyndebourne Arts Trust, is Chairman, contributed sponsorship towards Glyndebourne on Tour at a cost of £270,000 plus VAT. Whilst Lord Rothermere received no personal benefit, Associated Newspapers was granted exclusive rights to sell one performance of *La Traviata* and one performance of *La finta giardiniera*, both at Glyndebourne, to readers of the sponsor's publication. All direct costs of the event, including hospitality, were paid at cost by the sponsor.

The relationships between the Charity and its connected Charities and connected persons are set out in the Report of the Trustees. Grants made to GPL are set out in note 3. GPL provides administration services to GAT for no charge.

17 TRANSFER TO GLYNDEBOURNE PRODUCTIONS LIMITED

At close of business on 31st December 2014 the Charity transferred all its assets, liabilities and operations to Glyndebourne Productions Limited. The net assets transferred were as follows:

	£
Investments	11,108,742
Debtors - Glyndebourne Productions Limited	1,100,000
- other	122,552
Cash at bank	<u>3,134,075</u>
	15,465,369
Creditors due within one year - deferred income	(2,006,189)
- other	<u>(438,787)</u>
	<u>13,020,393</u>