

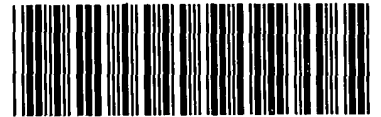
Registered Company No : 3328555  
Registered Charity No : 1061338

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**UNAUDITED**  
**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

TUESDAY



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30/09/2014

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COMPANIES HOUSE

**SMITH & WILLIAMSON LLP**  
**Accountants**  
**GUILDFORD**

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

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**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**GENERAL INFORMATION**

**Trustees:** The Lady Egremont (Chairman)  
Geoff Richards  
Sir Hugh Roberts GCVO FSA  
Donald Kahn OBE (deceased 10.08.2013)  
David Campbell  
Guy Monson (resigned 21.03.2012)

**Artistic Director:** Alec Cobbe

**Company Secretary:** Jo Tollow

**Registered Office:** Hatchlands Park  
East Clandon  
Surrey  
GU4 7RT

**Registered Company Number:** 03328555

**Registered Charity Number:** 1061338

**Bankers:** CAF Bank Limited  
PO Box 289  
West Malling  
Kent  
ME19 4TA

**Solicitors:** Allen & Overy  
One New Change  
London  
EC4M 9QQ

**Independent examiner:** Jeffrey Selden ACA  
Smith & Williamson LLP  
1 Bishops Wharf  
Walnut Tree Close  
Guildford  
GU1 4RA

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

The Trustees of the Charity, who are also Directors, submit their report and financial statements for the year ended 31 December 2013.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Legal, administrative and other information**

Details of Trustees, Registered Office, Bankers, Solicitors, Independent Examiner, Company Registered Number and Charity Registered Number may be found on page 1.

The Charity is a limited Company, limited by guarantee, and is governed by its Memorandum and Articles of Association. The Trustees confirm that they have had regard to the Charity Commission's public benefit guidance.

New trustees are selected to bring to the board such skills as the existing Trustees believe to be necessary for a balanced board. A programme of familiarisation with the workings of the Charity is being introduced.

The election or re-election of Trustees takes place at a meeting of the Board or by a resolution in writing signed by all the Trustees. At the meeting where such a resolution is presented, a majority of three quarters of the Trustees present and entitled to vote must pass the resolution for the new trustee to be appointed. Trustee meetings are held at least twice a year.

Third party indemnity insurance for the benefit of Trustees was in force during the year.

**Risk policy**

Trustees have identified and considered major risks to which the Charity is exposed, and have reviewed controls in place to minimise loss or damage from such risks.

The Charity will endeavour to keep in place appropriate security measures, fire protection, and policies of insurance. Use of the instruments, and the environment in which they are placed will reflect the need to safeguard their condition. A programme is operated of maintenance and restoration of instruments in the Collection. Policies of insurance are to be maintained to cover public liability, employer liability, and third party risks.

Trustees have charged the management team (artistic director, concert organiser, financial controller) with responsibility for day-to-day assessment and management of risk. A sub committee comprising at least one Trustee, and at least one member of the management team, will meet annually to review risk exposure and make suitable recommendations to the full board of Trustees.

**OBJECTIVES AND ACTIVITIES**

**Principal activity**

The principal activity of the Charity in the year continued to be the promotion of public knowledge and appreciation of the art of keyboard music, and it is anticipated that this will continue for the foreseeable future. This has been done by acquiring keyboard instruments, "The Collection", and by educating the public and performers in the history, preservation, maintenance, renovation and performance of keyboard instruments, through the organising or facilitating of any performance which includes the playing of any keyboard instrument. This has also been done by promoting the maintenance and enhancement of buildings of architectural or historic interest and the contents thereof including the appropriate furniture, paintings and "The Collection" referred to above. The presentation of these assets and the education of the public in the history and performance of keyboard instruments are considered to be for the benefit of the public.

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**ACHIEVEMENTS AND PERFORMANCE**

**Review of the year's activities**

Activities in 2013 included arranging 36 events – 22 in the season between March and July and 14 in the season between September and December. There were 28 lunchtime concerts and 8 evening events. The concerts were well attended and, in most cases, sold out.

A highlight of the 2013 spring season was the opening concert which was broadcast live on BBC Radio 3 as part of the BBC's 'Baroque Spring' series and featured Carole Cerasi performing on the Collection's Ruckers-Hemsch harpsichord. This concert occasioned considerable publicity for the Collection through the BBC.

The Collection fulfills an important role in educating young musicians. Three events were staged by students of the Royal College of Music, the Royal Academy of Music and the Guildhall School of Music & Drama. These are popular with our audiences and an opportunity for us to put on ensembles of multiple performers.

The restoration of the English decorated harpsichord dated 1623, begun three years ago, was completed. The restoration has been supported by a grant from the Leche Trust. Christopher Nobbs's research into the instrument and its close links with the simulated Ruckers harpsichord at Ham House and the genuine one at Helmingham Hall has been published by the National Trust in its major book on Ham House (Yale).

A reworking of the catalogue of the instruments is now complete. The revised work has been published by the leading music publishers Brewer & Boydell and is now available. The new website is also approaching completion and launch is imminent.

**FINANCIAL REVIEW**

During the year, the Charity received the final instalment of a three year grant of £37,000 per annum from the Monument Trust. The grant is a contribution towards the cost of the Charity's concert organiser.

Following the generous grant from the Rev. Robert Fleming Hannay Memorial Charity in 2012, the Charity is immensely grateful to have been awarded a further annual donation of £25,000 for the next five years from March 2013 by the Kathleen Hannay Memorial Charity. Receipt of the subsequent four instalments is considered probable and the donation has, therefore been recognised in full in these financial statements.

Revenue generated by concerts and regular donations is not sufficient to cover the annual running costs of the Charity and the Trustees have concluded that in order to be confident of meeting future liabilities as they fall due, it was necessary to set up an endowment fund which will produce unrestricted income to cover the annual running costs of the Charity in future years. Given the level of available cash reserves and short term investments as at 31 December 2013, the Trustees consider that the going concern basis of accounting continues to be appropriate. The Trustees continue to make efforts to secure new donors to further strengthen the financial position.

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**Reserves policy**

This policy, together with the investment policy, has continued to be supported by the Trustees.

The goals for reserves can be outlined thus:

1. To fund operational expenditure should other sources of revenue temporarily be suspended by holding unrestricted reserves equivalent to approximately one year's operational expenditure, excluding concert related expenditure and the effect of any income not yet due but which is required to be included in the accounts in accordance with accounting standards. One year's operational expenditure is currently expected to be in the region of £130,000 and unrestricted funds in the accounts include £175,000 of income not yet due. Any accumulation of excess funds will be used to supplement the endowment fund established by the Trustees.
2. To provide immediate access to funding should opportunities arise for additional items for the Collection that are not immediately funded by third parties.
3. In the absence of (1) or (2), to act as a multi-year endowment to provide recurring income to support the Charity in perpetuity.

**Investments policy**

The award of the Kathleen Hannay Memorial Charity donation in the year, together with the grant from the Rev. Robert Fleming Hannay Memorial Charity in the previous year has allowed the Trustees to make a £200,000 transfer from unrestricted funds to the endowment fund. These and the existing funds are held in Sarasin's Alpha CIF Endowment Fund for Charities and Newton's Global Growth & Income for Charities.

The Trustees consider investment performance and risk profile at least biannually and, on the basis of this and external advice where appropriate, would seek to rebalance the portfolio should it no longer meet their investment objectives.

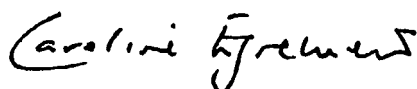
**PLANS FOR FUTURE PERIODS**

The Charity aims:

1. To maintain, conserve and develop the existing Collection,
2. To give live concerts and make recordings of our unique historic and composer owned collection,
3. To encourage scholarship studies and young musicians to experience playing historic instruments and to access our archives and documents to further their studies.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board



The Lady Egremont  
Trustee

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also Directors of The Cobbe Collection Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Smith & Williamson

## Independent examiner's report to the Trustees of The Cobbe Collection Trust

I report on the financial statements of the Charitable Company for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Income and Expenditure Account the Balance Sheet, and the related notes 1 to 15.

### **Respective responsibilities of Trustees and examiner**

As the Charity's Trustees (and the Directors of the Company for the purposes of company law) you are responsible for the preparation of the financial statements. You consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. You also consider that an audit is not required for this year under the Companies Act 2006.

Having satisfied myself that the Charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to examine the financial statements under section 145 of the 2011 Act, follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) of the 2011 Act, and state whether particular matters have come to my attention.

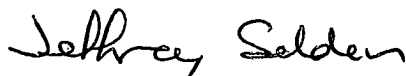
### **Basis of independent examiner's report**

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

### **Independent examiner's statement**

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
 have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Jeffrey Selden ACA  
For and on behalf of  
Smith & Williamson LLP  
Accountants

1 Bishops Wharf  
Walnut Tree Close  
Guildford  
GU1 4RA

Date 29 September 2014



**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

		2013	2013	2013	2013	2012
		Endowment	Unrestricted	Restricted	Total	as restated
	Note	Fund	Funds	Funds	Funds	Total
		£	£	£	£	Funds
						£
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds:</b>						
Donations and grants		-	133,252	43,150	176,402	173,541
Fundraising, sponsorship and legacies		-	900	-	900	1,450
Concert income		-	32,573	-	32,573	31,472
Bank interest and investment income		-	33,618	-	33,618	32,866
Other income		-	4,158	-	4,158	3,339
<b>TOTAL INCOMING RESOURCES</b>		-	204,501	43,150	247,651	242,668
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>						
Brochures, guidebooks and leaflets		-	22,619	-	22,619	1,619
		-	22,619	-	22,619	1,619
<b>Charitable activities:</b>						
Development, promotion and maintenance of keyboard collection		-	110,268	45,051	155,319	155,490
<b>Governance costs</b>		-	2,300	-	2,300	2,250
<b>TOTAL RESOURCES EXPENDED</b>	2	-	135,187	45,051	180,238	159,359
<b>NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR</b>		-	69,314	(1,901)	67,413	83,309
Transfer between funds		200,000	(200,000)	-	-	-
Unrealised gain on investments		19,258	38,909	19,155	77,322	41,781
		219,258	(91,777)	17,254	144,735	125,090
<b>BALANCES BROUGHT FORWARD AT 1 JANUARY 2012 as previously stated</b>						
		504,751	399,409	341,732	1,245,892	1,120,802
Prior year adjustment	15	-	(3,588)	1,233,164	1,229,576	1,229,576
<b>BALANCES BROUGHT FORWARD AT 1 JANUARY 2013 as restated</b>						
		504,751	395,821	1,574,896	2,475,468	2,350,378
<b>BALANCES CARRIED FORWARD AT 31 DECEMBER 2013</b>						
	12	724,009	304,044	1,592,150	2,620,203	2,475,468

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 21 form part of these financial statements

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013		2012
	£	£	£
Income	209,875		206,463
	<hr/>	209,875	<hr/>
			206,463
Cost of sales: Restoration and maintenance		(16,073)	(18,941)
		<hr/>	<hr/>
		193,802	187,522
Staff costs	36,161		36,133
Depreciation	2,298		2,250
Fundraising costs	22,619		1,619
Other administrative expenses	103,087		100,416
	<hr/>		<hr/>
		(164,165)	(140,418)
Operating surplus		<hr/>	<hr/>
		29,637	47,104
Other income		4,158	3,339
Interest receivable		33,618	32,866
Surplus for the year		<hr/>	<hr/>
		67,413	83,309
		<hr/>	<hr/>

The Cobbe Collection Trust has no recognised gains or losses other than those dealt with in the Income and Expenditure account, except for unrealised gains on investments and the prior year adjustment which are disclosed on the Statement of Financial Activities.

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**  
**Registered Company No : 3328555**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

		2013		2012 as restated	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets – non heritage	6		343		496
Tangible fixed assets – heritage	7		1,491,597		1,493,742
Investments	8		904,856		827,534
			<u>2,396,796</u>		<u>2,321,772</u>
<b>CURRENT ASSETS</b>					
Stock	9	5,051		6,050	
Debtors: amounts falling due after one year	10	125,000		75,000	
Debtors: amounts falling due within one year	10	73,541		46,947	
Cash at bank and in hand		39,539		38,377	
		<u>243,131</u>		<u>166,374</u>	
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(19,724)</u>		<u>(12,678)</u>	
<b>NET CURRENT ASSETS</b>			<u>223,407</u>		<u>153,696</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,620,203</u>		<u>2,475,468</u>
<b>INCOME FUNDS</b>					
Endowment fund	12		724,009		504,751
Unrestricted funds	12		304,044		395,821
Restricted funds	12		1,592,150		1,574,896
			<u>2,620,203</u>		<u>2,475,468</u>

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**  
**Registered Company No : 3328555**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

For the financial year ended 31 December 2013 the Charity was entitled to exemption from audit under s477 Companies Act 2006 and no notice has been deposited under s476.

The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with s386 and for preparing financial statements which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of sections 394-395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as is applicable to the Charity.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board on 28 September 2014 and were signed on its behalf by

*Carolyn Egremont*

The Lady Egremont  
Trustee

The notes on pages 11 to 21 form part of these financial statements

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable Accounting Standards and the Charities SORP 2005 (Statement of Recommended Practice "Accounting by Charities" issued in March 2005) and the Charity's governing documents.

Revenue generated by concerts and regular donations is not sufficient to cover the annual running costs of the Charity and the Trustees have concluded that in order to be confident of meeting future liabilities as they fall due, it was necessary to set up an endowment fund which will produce unrestricted income to cover the annual running costs of the Charity in future years. Given the level of available cash reserves and short term investments as at 31 December 2013, the Trustees consider that the going concern basis of accounting continues to be appropriate. The Trustees continue to make efforts to secure new donors to further strengthen the financial position.

**Cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the Charity qualifies as a small company.

**Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. No allocation of costs is required since the Charity has one activity being the development, promotion and maintenance of the keyboard collection.

Fundraising expenses include the cost of leaflets produced to generate voluntary income along with the cost of other fundraising activities. Governance costs include the examination costs of the Charity. Development, promotion and maintenance of the keyboard collection includes all other costs incurred in the furtherance of the Charity's objects.

**Stock**

Goods for resale are valued at the lower of cost or net realisable value.

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Expenditure on fixed assets in excess of £300 is capitalised at original cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	- 25% straight line
Composer prints and furnishings	- 2% straight line

Keyboards are not depreciated because it is the policy of the Charity to maintain them to a high standard and any depreciation would not be material.

The keyboards, composer prints and furnishings held by the Charity are classified as heritage assets under SORP 2005. These assets are held in the furtherance of the charitable objective of the development, promotion and maintenance of its keyboard collection.

Keyboard instruments, classified as heritage assets, purchased by or donated to the Charity are capitalised at a valuation. Other heritage assets, purchased by the Charity are capitalised at their historical cost to the Charity. Other heritage assets donated to the Charity are not recognised in the financial statements in accordance with the policy for donated assets as set out below.

Heritage assets are depreciated in accordance with the depreciation policy set out above.

**Donated assets**

Various keyboards have been gifted by Alec Cobbe, the Iliffe Family Trust and Dr Vernon Harrison. Donated keyboard instruments are included in the financial statements at a valuation as a reliable valuation is available. However, any other assets have not been capitalised in the financial statements since they are unique and any valuation would not be reliable.

**Investments**

Investments are stated at market value at the balance sheet date. The SOFA includes gains and losses arising on disposal and on revaluations.

**Funds**

Unrestricted funds are general funds available for use at the Trustees' discretion in the furtherance of the Charity's objects.

The endowment fund exists to provide future income for the Charity that can be used at the Trustees' discretion in furtherance of the Charity's objects.

Restricted funds are those donated for a specific purpose, such as purchase or restoration of a particular keyboard.

**Operating leases**

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

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

2.	<b>ANALYSIS OF TOTAL RESOURCES EXPENDED</b>		
	Includes the following:	2013	2012
		£	£
	<b>FUNDRAISING EXPENSES</b>	22,619	1,619
		<hr/>	<hr/>
	<b>DEVELOPMENT, PROMOTION AND MAINTENANCE OF KEYBOARD COLLECTION</b>		
	Consultancy fees	35,000	35,000
	Building expenditure	3,172	2,016
	Keyboard maintenance	9,748	14,524
	Concert expenses	22,722	22,060
	Rent expenses	23,502	23,475
	Staff costs	36,161	36,133
	Keyboard restoration	6,325	4,417
	Legal fees	13	14
	Accountancy fees	2,840	3,720
	Office assistance	295	-
	Office equipment, maintenance and stationery	968	1,128
	Computer and website	2,725	2,537
	Telephone	1,330	1,216
	Depreciation	2,298	2,250
	Bank charges	180	156
	Purchases	999	655
	Insurances	2,646	2,606
	Tuning	4,095	2,983
	Storage	300	600
		<hr/>	<hr/>
	<b>GOVERNANCE COSTS</b>		
	Independent examination fees	1,300	1,250
	Preparation of the financial statements	1,000	1,000
		<hr/>	<hr/>
		2,300	2,250
		<hr/>	<hr/>
	<b>TOTAL RESOURCES EXPENDED</b>	180,238	159,359
		<hr/>	<hr/>
3.	<b>OPERATING SURPLUS FOR THE YEAR</b>		
	This is stated after charging:		
	Depreciation	2,298	2,250
	Operating lease rentals – other	22,500	22,500
		<hr/>	<hr/>

**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	£	£
<b>4. STAFF COSTS</b>		
Wages and salaries	32,666	32,669
Social security costs	3,495	3,464
	<u>36,161</u>	<u>36,133</u>

The average weekly number of persons employed during the year was:

	No.	No.
Management and administration	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000 (2012 : £60,000).

Trustees received no remuneration for their services (2012 : £nil) nor reimbursed expenses (2012 : £nil).

**5. TAXATION**

The Charity is exempt under current tax legislation from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**6. FIXED ASSETS – NON HERITAGE**

	Office Equipment £
<b>COST:</b>	
At 1 January 2013	16,270
Additions	-
At 31 December 2013	<u>16,270</u>
<b>DEPRECIATION:</b>	
At 1 January 2013	(15,774)
Charge for the year	(153)
At 31 December 2013	<u>(15,927)</u>
<b>NET BOOK VALUE:</b>	
At 31 December 2013	<u>343</u>
At 31 December 2012	<u>496</u>



**THE COBBE COLLECTION TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**7. FIXED ASSETS – HERITAGE ASSETS**

	Composer Prints & Furnishings (at cost) £	Keyboards (at valuation) as restated £	Total as restated £
<b>COST OR VALUATION:</b>			
At 1 January 2013 as previously stated	106,992	182,724	289,716
Prior year adjustment (note 15)	-	1,229,576	1,229,576
At 1 January 2013 as restated	106,992	1,412,300	1,519,292
At 31 December 2013	106,992	1,412,300	1,519,292
<b>DEPRECIATION:</b>			
At 1 January 2013	(25,550)	-	(25,550)
Charge for the year	(2,145)	-	(2,145)
At 31 December 2013	(27,695)	-	(27,695)
<b>NET BOOK VALUE:</b>			
At 31 December 2013	79,297	1,412,300	1,491,597
At 31 December 2012	81,442	1,412,300	1,493,742

The historical cost of the heritage assets above excluding donated assets was £289,716 (2012: £289,716).

The Charity's heritage assets comprise keyboards, composer prints and furnishings which are located at Hatchlands Park. All such assets are considered to be heritage assets.

Of the thirty instruments held by the Charity, six were purchased by the Charity. These are included in the financial statements at a valuation. During 1998 a substantial collection of keyboards was donated by Alec Cobbe and a 1623 English Harpsichord was donated by the Iliffe Family Trust. During 1999 a Ducci Piano was donated by the late Vernon Harrison. During 2001 a Grand Piano by Bechstein used by Liszt in concert, was bequeathed by the late Dr. Vernon Harrison. Donated keyboard instruments are included in the financial statements at a valuation. Also during 2001, a chair owned by Liszt was donated by Mrs Katrinka Wilder. No value has been placed on this item due to its historic nature.

The Trustees' policy is to retain, manage and preserve these heritage assets for the benefit of the public and future generations. The Trustees would consider the purchase of further heritage assets should suitable pieces become available and if adequate funding were in place. No such acquisitions are envisaged in the near future.

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**7. FIXED ASSETS – HERITAGE ASSETS (continued)**

The Trustees' policy is to dispose of a heritage asset only if the asset were no longer considered to be an integral part of the Collection, where a suitable buyer had been identified and an appropriate price achieved. No immediate disposals of heritage assets are envisaged.

Comprehensive records are maintained of the heritage assets. Registers are maintained for administrative purposes and guides to the Collection are produced for public information.

The Trustees have an active maintenance and restoration programme for the heritage assets. The use of the instruments and the environment in which they are placed will inform the need to safeguard their condition and public accessibility to the Collection.

The public has access to the keyboard collection, composer prints and furnishings. The Collection is available to view as part of the National Trust tour of Hatchlands Park or by attendance at one of the series of concerts and talks organised by the Charity. These performances may include the playing of any keyboard instrument from the Collection.

Attendance at the concerts is constrained by the capacity of the music room but the Trustees strive to ensure that the number of visitors is maximised.

It is not practicable to provide a heritage asset summary for periods earlier than 31 December 2010. No assets were purchased or acquired by donation in 2011, 2012 or 2013. One asset was disposed of in 2010. The asset had a net book value of £7,292 and the disposal generated a loss of £3,292.

The values at which heritage assets have been included in the financial statements are based on a valuation report prepared by Sotheby's Valuation Department for insurance purposes in January 2007. The valuations have not been updated since this date as they have been reviewed by the Trustees and are considered to be a fair representation of the current value of the instruments in the Collection.

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**8. INVESTMENTS**

	Unlisted Investments
Market value:	
At 1 January 2013	827,534
Unrealised gain on investments	77,322
At 31 December 2013	<u>904,856</u>
Historical cost	<u>764,083</u>
Material investments (greater than 5% of the portfolio)	

	2013 £	2012 £
Newton Global Growth & Income Fund for Charities	460,284	390,636
Sarasin Alpha CIF	423,387	419,355
	<u>883,671</u>	<u>809,991</u>
	2013 £	2012 £

**9. STOCK**

Finished goods and goods for resale	<u>5,051</u>	<u>6,050</u>
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**10. DEBTORS:**

Prepayments and accrued income: amounts falling due within one year	70,189	44,068
VAT recoverable	3,352	2,879
	<u>73,541</u>	<u>46,947</u>
Prepayments and accrued income: amounts falling due after more than one year	<u>125,000</u>	<u>75,000</u>
	<u>198,541</u>	<u>121,947</u>

**11. CREDITORS: amounts falling due within one year**

Trade creditors	7,707	280
Social security and other taxes	-	2,101
Accruals and deferred income	11,929	10,277
Other creditors	88	20
	<u>19,724</u>	<u>12,678</u>

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**12. RECONCILIATION OF FUNDS**

	Endowment Fund	Unrestricted Fund	Restricted Funds				Monument Trust Fund	Leche Trust Fund	Total
	£	£	Adopt an Instrument Fund £	Broadwood Trust Fund £	Alec Cobbe Fund £	Donated Instruments Fund £	£	£	£
At 1 January as previously stated	504,751	399,409	-	50,000	291,732	-	-	-	1,245,892
Prior year adjustment	-	(3,588)	-	(25,000)	(29,136)	1,287,300	-	-	1,229,576
At 1 January 2013 restated	504,751	395,821	-	25,000	262,596	1,287,300	-	-	2,475,468
Donations and incoming resources	-	204,501	4,150	-	-	-	37,000	2,000	247,651
Expenditure	-	(135,187)	(4,150)	-	(1,901)	-	(37,000)	(2,000)	(180,238)
Surplus/(deficit) for the year	-	69,314	-	-	(1,901)	-	-	-	67,413
Transfer between funds	200,000	(200,000)	-	-	-	-	-	-	-
Unrealised gain on investments	19,258	38,909	-	-	19,155	-	-	-	77,322
Net movement in funds	219,258	(91,777)	-	-	17,254	-	-	-	144,735
At 31 December 2013	724,009	304,044	-	25,000	279,850	1,287,300	-	-	2,620,203
<b>Represented by:</b>									
Tangible fixed assets	-	26,381	-	25,000	153,259	1,287,300	-	-	1,491,940
Investments	724,009	54,255	-	-	126,592	-	-	-	904,856
Stock	-	5,051	-	-	-	-	-	-	5,051
Debtors	-	190,035	-	-	8,506	-	-	-	198,541
Cash at bank	-	39,539	-	-	-	-	-	-	39,539
Creditors	-	(11,217)	-	-	(8,507)	-	-	-	(19,724)
	724,009	304,044	-	25,000	279,850	1,287,300	-	-	2,620,203

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**12. RECONCILIATION OF FUNDS (continued)**

Endowment Fund:	The expendable endowment fund was created in order to ensure the long term future of the Charity. The intention is that once the fund is at the planned level of £4,000,000 the investment income generated will be sufficient to cover annual expenditure without reliance on donated income.
Broadwood Trust:	The Broadwood Trust represents funds received for the acquisition of a Grand Pianoforte by John Broadwood & Sons, London 1816.
Alec Cobbe Fund:	The Alec Cobbe Fund represents money donated to the Charity by Alec Cobbe, but does not reflect the value of instruments which he donated. The fund was established to give the Trustees an enabling fund for such improvements to the Collection, but with particular regard to its setting, as might not be considered to be a main call on the income provided by Donald Kahn for running the Collection.
Adopt an Instrument Fund:	The Adopt an Instrument Fund was set up in 2011 for the purpose of funding maintenance expenditure for individual instruments. Any balance remaining represents unspent restricted donations received for this purpose.
Monument Trust Fund	The Monument Trust Fund represents funds received as a contribution to the costs of employing the concert manager.
Donated Instruments Fund	The Donated Instruments Fund represents the value of keyboard instruments donated to the Charity between 1998 and 2001 by Alec Cobbe, the Iliffe Family Trust and Dr Vernon Harrison.
Leche Trust Fund	The Leche Trust Fund represents funds received from the Leche Trust to support the restoration of the early English 1623 Harpsichord. This project was completed during the year ended 31 December 2013.
Transfers between funds	£200,000 was transferred from unrestricted funds into the expendable endowment fund as the trustees intend to continue to grow the expendable endowment up to a level of £4,000,000.

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**13. RELATED PARTY TRANSACTIONS**

During the year the Charity paid a fee of £35,000 (2012: £35,000) to Alec Cobbe, the Charity's Artistic Director and benefactor of the fund, for consultancy work. The amount due to Alec Cobbe at the year end was £5,833 (2012: £5,833).

In addition, the Charity paid £10,900 (2012: £nil) to Alec Cobbe for work on a new catalogue of the composer instruments in the Collection. The Charity also paid £nil (2012: £6,000) to Alec Cobbe for work on a catalogue of the pictures on display at Hatchlands Park, a further £250 (2012: £nil) was charged for the design used on the cover of the Adopt an Instrument leaflet, £250 (2012: £nil) for work on the rose for the 1623 harpsichord and £1,200 (2012: £nil) was charged for tours of the collection given during the year. There were no amounts outstanding at the year end (2012: £nil).

Alec Cobbe is also the tenant at Hatchlands Park where The Cobbe Collection is based.

The Charity pays a licence fee directly to the National Trust for rooms which accommodate the Collection's instruments. The financial statements include a charge of £12,500 (2012: £12,500) for this licence.

The Charity also leases an office from the National Trust, at a rate of £10,000 per annum. The charge in these financial statements is £10,000 (2012: £10,000).

During the prior year the Charity was granted £125,000 to be paid in annual instalments of £25,000 for five years beginning in 2012. The grant is receivable from the Rev. Robert Fleming Hannay Memorial, a charity of which Geoff Richards, a Trustee, is also a trustee.

**14. FINANCIAL COMMITMENTS**

At 31 December 2013 the Charity was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013:

	Land and Buildings	
	2013	2012
	£	£
More than five years	22,500	22,500

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**15. PRIOR YEAR ADJUSTMENT**

During the year the Trustees agreed that donated keyboard instruments should be included in the financial statements at a valuation in order that the financial statements more accurately reflect the value of the Collection. In making this adjustment the Trustees are retrospectively applying the requirements of FRS30 in respect of heritage assets and the value of these instruments has been brought into the financial statements as a prior year adjustment.

The values at which the instruments have been brought into the financial statements are based on a valuation undertaken by Sotheby's for insurance purposes in 2007. The Trustees have reviewed the valuation and are of the opinion that it remains a fair reflection of the value of the instruments in the Collection as at 31 December 2013.

The above valuation also gives values for instruments purchased by the Charity and previously included in the Collection at historic cost. In order to achieve consistency of treatment of the keyboard instruments as part of the same adjustment the value of the purchased instruments was updated so that all keyboard instruments are now shown in the financial statements at a valuation.

The effect of the prior year adjustment has been to increase the value of the fixed assets in the balance sheet by a net figure of £1,229,576 as at 31 December 2013. This figure is made up of the value of donated instruments of £1,287,300 offset by a reduction in the value of previously purchased instruments of £57,724.

The value of the donated assets would have been shown as a donation in the Statement of Financial Activities and this has been reflected as an adjustment to opening reserves.

The reduction in the value of purchased assets would similarly have been shown in the Statement of Financial Activities and this has also been reflected as an adjustment to opening reserves.