

**OTR1.2 - Sample Calculation**

This spreadsheet is an example calculation, to show some of the headings and factors you might need to consider as you're trying to decide whether OTR is for you.

**However, please note:** there is no hard and fast rule to say how you apportion costs between rehearsal/production costs and performance costs

HMRC only says that apportionment needs to be 'just and reasonable'. Please also note that when making a claim you will have to show your reasoning behind the way you decide to apportion costs.

	Totals	Non-qualifying/excluded	Qualifying	Comments/apportionment
<b>Concert A</b>				
Conductor	£1,000.00	£200.00	£800.00	Apportionment: 8 rehearsals @£100 (£800 total) and Performance @ £200 = £800 qualifies as rehearsal costs
Rehearsal venue hire	£1,500.00	£0.00	£1,500.00	All costs qualify as rehearsal only
Performance Venue Hire	£800.00	£400.00	£400.00	Apportionment: 4 hours for final rehearsal, 4 hours for performance - 50% apportioned as qualifying
Soloist	£1,500.00	£500.00	£1,000.00	Apportionment: flat fee of £1,500 - 12 hours in total; calculated at 8 hours (66%) rehearsal and 4 hours (33%) performance. 66% of fee apportioned as qualifying
Rehearsal Refreshments	£56.00	£0.00	£56.00	All costs qualify as rehearsal only
Equipment Hire/staging	£890.00	£445.00	£445.00	Apportionment: 4 hours for final rehearsal, 4 hours for performance - 50% apportioned as qualifying
Music Hire	£334.00	£37.12	£296.88	Apportionment: 8 Rehearsals and 1 performance - 8/9ths of cost qualify
Refreshments for sale at performance	£50.00	£50.00	£0.00	Does not qualify as relates to performance only
PRS	£154.00	£154.00	£0.00	Does not qualify as relates to performance only
Poster Printing	£80.00	£80.00	£0.00	Does not qualify as marketing costs
Leaflet printing	£40.00	£40.00	£0.00	Does not qualify as marketing costs
Programme Printing	£60.00	£60.00	£0.00	Does not qualify as relates to performance only
<b>Sub total</b>	<b>£6,464.00</b>	<b>£1,966.12</b>	<b>£4,497.88</b>	

<b>Concert B</b>				
Conductor	£750.00	£127.50	£622.50	Apportionment: flat fee of £750 - 12 hours in total; calculated at 10 hours (83%) rehearsal and 2 hours (17%) performance. 83% of fee apportioned as qualifying
Rehearsal venue hire:	£800.00	£0.00	£800.00	All costs qualify as rehearsal only
Performance Venue Hire	£700.00	£350.00	£350.00	Apportionment: 4 hours for final rehearsal, 4 hours for performance - 50% apportioned as qualifying
Musician Costs	£720.00	£400.00	£320.00	Apportionment: 4 percussionists each paid £80 for rehearsal and £100 for final performance - 4 x £80 qualifies
Piano Hire	£600.00	£300.00	£300.00	Hired for 2 days - 4 hour final rehearsal, 4 hours performance - 50% apportioned as qualifying
Piano insurance	£26.00	£13.00	£13.00	Hired for 2 days - 4 hour final rehearsal, 4 hours performance - 50% apportioned as qualifying
Music Hire	£138.00	£23.00	£115.00	Apportionment: 5 Rehearsals and 1 performance - 5/6ths of cost qualify
Rehearsal Refreshments	£42.00	£42.00	£0.00	All costs qualify as rehearsal only
PRS	£26.00	£26.00	£0.00	No Invoice recorded
Poster Printing	£40.00	£40.00	£0.00	Does not qualify as marketing costs
Programme Printing	£30.00	£30.00	£0.00	Does not qualify as relates to performance only
<b>Sub total</b>	<b>£3,872.00</b>	<b>£1,351.50</b>	<b>£2,520.50</b>	

<b>Concert C</b>				
Conductor	£1,100.00	£200.00	£900.00	Apportionment: 9 rehearsals @ £100 (£900 total) and performance @ £200 = £900 qualifies as rehearsal costs
Rehearsal venue hire	£1,500.00	£0.00	£1,500.00	All costs qualify as rehearsal only
Performance Venue Hire	£800.00	£400.00	£400.00	Apportionment: 4 hours for final rehearsal, 4 hours for performance - 50% apportioned as qualifying
Soloist	£1,500.00	£500.00	£1,000.00	Apportionment: flat fee of £1,500 - 12 hours in total; calculated at 8 hours (66%) rehearsal and 4 hours (33%) performance. 66% of fee apportioned as qualifying
Rehearsal Refreshments	£62.00	£0.00	£62.00	All costs qualify as rehearsal only
Equipment Hire/staging	£890.00	£445.00	£445.00	Apportionment: 4 hours for final rehearsal, 4 hours for performance - 50% apportioned as qualifying
Music Hire	£220.00	£22.00	£198.00	Apportionment: 9 Rehearsals and 1 performance - 9/10ths of cost qualify
Refreshments for sale at performance	£50.00	£50.00	£0.00	Does not qualify as relates to performance only
PRS	£154.00	£154.00	£0.00	Does not qualify as relates to performance only
Poster Printing	£80.00	£80.00	£0.00	Does not qualify as marketing costs
Advert in paper	£50.00	£50.00	£0.00	Does not qualify as marketing costs
Programme Printing	£60.00	£60.00	£0.00	Does not qualify as relates to performance only
<b>Sub total</b>	<b>£6,466.00</b>	<b>£1,961.00</b>	<b>£4,505.00</b>	

<b>Calculation</b>	
Total qualifying costs for 3 concerts	£11,523.38
Eligible expenditure (80% of qualifying costs)	£9,218.70
OTR payment (25% of eligible expenditure)	<b>£2,304.68</b>
<b>Costs incurred in claiming OTR</b>	
Making Music OTR service fee	-£276.56
Bank account fees	-£60.00
Yearly fee to Companies House	-£13.00
<b>Overall gain</b>	<b>£1,955.12</b>

12% of OTR payment

This is an typical annual costs - fees vary depending on the vary

This is a mandatory cost when running a company