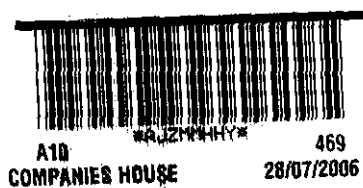


**GRANGE PARK OPERA**  
**FINANCIAL STATEMENTS**  
**30 SEPTEMBER 2005**

Registered number

3490791



W

**Wilkinson Latham**  
Chartered Accountants

## **GRANGE PARK OPERA**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

#### **Status**

*The organisation is a charitable company limited by guarantee, incorporated on 6 January 1998 and registered as a charity on 11 February 1998.*

The company was established under a memorandum of association which specifies the objects and powers of the charitable company and it is governed under its articles of association.

The company registered number is 3490791 and charity number is 1068046.

#### **Board of directors**

The board of directors are also trustees and are as follows:

William Garrett (chairman)

The Rt Hon Lord Ashburton KG

Wasfi Kani

The Hon Mary-Ann Sheehy

Iain Burnside

Simon Freakley

#### **Company secretary**

Carol Butler

#### **Principal address**

The Coach House

12 St Thomas Street

Winchester

SO23 9HF

#### **Registered office**

1 Fleet Place

London

EC4M 7WS

#### **Auditors**

Wilkinson Latham

Chartered Accountants

5 College Mews

St Ann's Hill

London

SW18 2SJ

#### **Bankers**

Barclays Bank plc

Kingsland

PO Box 3628

London

E8 2JK

COIF Charities Deposit Fund

80 Cheapside

London

EC2V 6DZ

**GRANGE PARK OPERA**  
**TRUSTEES' ANNUAL REPORT**

**30 SEPTEMBER 2005**

The trustees present their report and the audited financial statements of the charitable company for the year ended 30 September 2005.

**Charitable objects**

The objects of the charity are to advance education through the promotion, support and encouragement of the art of music and drama and in particular the promotion, encouragement and appreciation of opera.

**Trustees**

The board of directors are also trustees and are as follows:

William Garrett (chairman)

The Rt Hon Lord Ashburton KG

Wasfi Kani

The Hon Mary-Ann Sheehy

Iain Burnside

Simon Freakley

Sir David Davies resigned as a trustee, director and chairman of the board on 20 July 2005.

**Review of developments, activities and achievements**

The 2005 season comprised twenty-one performances at The Grange in Hampshire and five performances at Nevill Holt in Leicestershire. There were three productions at The Grange: Mozart's *Don Giovanni*, Donizetti's *Maria Stuarda* and Rodgers and Hammerstein's *South Pacific*. There were further performances of *Don Giovanni* at Nevill Holt as well as a new production of Donizetti's *L'Elisir d'Amore*.

During the year a new temporary structure which would fit within the stable courtyard at Nevill Holt was sourced and erected. The 2005 season took place there.

**Principal risks**

The company is supported by a number of individual and corporate sponsors and donors. The net incoming resources for the year amounted to £345,141 before the transfer of the appeal fund surplus to the Endowment Fund, with the unrestricted fund suffering a net deficit of £9,564 and the appeal fund a surplus of £354,705. The principal risks to the company are a failure to secure the necessary sponsors and donors, poor ticket sales, risks associated with the cancellation of performances by an external factor and various control risks to the company's resources. Each year the trustees review the level of risk associated with each area of income, particularly the projected box office and the degree to which the support from sponsors and donors is committed by the time the season has to be confirmed. They are satisfied that adequate steps have been taken to mitigate these risks but will continue to review the control environment in line with the rising standards required by the Charity Commission.

**Reserves and investment policy**

Now that the building work has been completed the balance of the funds raised for the theatre at The Grange has been put into an Endowment Fund whose purpose is to maintain the building, as well as allowing education work and special projects to be undertaken. A separate trust deed governs this fund.

There was a deficit on the unrestricted fund for the year of £9,564, leaving an accumulated deficit carried forward of £59,645.

**Connected charities**

Grange Park Opera has two associated charities, Pimlico Opera and The Grange Park Opera Endowment Fund. The trustees of Pimlico Opera are Mark Andrews, Iain Burnside and David Fielding. The trustees of The Grange Park Opera Endowment Fund are William Garrett, Wasfi Kani, Mark Andrews, Marie Veeder and Hamish Forsyth.

**GRANGE PARK OPERA**  
**TRUSTEES' ANNUAL REPORT cont**  
**30 SEPTEMBER 2005**

**Auditors**

The auditors, Wilkinson Latham Chartered Accountants, remain willing to be reappointed.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions for small companies within Part V11 of the Companies Act 1985.

By order of the Trustees



**CAROL BUTLER**  
Company secretary

## GRANGE PARK OPERA

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law and law applicable to charities in England and Wales require the trustees to prepare financial statements for each financial year which give a true and fair view of the company's financial activities during the year and of its financial position at the end of the year.

In preparing financial statements giving a true and fair view, 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 and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985, the Charities Act 1993, the *Statement of Recommended Practice for accounting by charities 2000* and the governing document. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF  
GRANGE PARK OPERA**

We have audited the financial statements of Grange Park Opera on pages 5 to 11, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who are also the directors of Grange Park Opera Limited for the purposes of company law) for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards are set out in the statement of trustees' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and under United Kingdom auditing standards.

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

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the trust's circumstances, consistently applied and adequately disclosed.

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

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2005 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985 and the Charities Act 1993.

19 July 2006  
London



WILKINSON LATHAM  
Chartered Accountants  
and Registered Auditors

**GRANGE PARK OPERA**

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 30 SEPTEMBER 2005**

	Notes	Unrestricted funds £	Restricted funds £	2005 Total £	2004 Total £
<b>Incoming resources</b>					
Donations - performance		683,759	-	683,759	591,817
- individual donors		351,561	-	351,561	332,268
- appeal donors		-	314,171	314,171	418,579
- other		192,308	-	192,308	11,227
Activities to further the charity's objects:					
Opera performances		527,755	-	527,755	489,001
Grants received		24,500	-	24,500	2,500
Activities to generate funds:					
Sponsorship, advertising, programmes and catering		353,639	-	353,639	300,469
Investment income and interest		17,717	40,534	58,251	49,193
<b>Total incoming resources</b>		<b>2,151,239</b>	<b>354,705</b>	<b>2,505,944</b>	<b>2,195,054</b>
<b>Resources expended</b>					
Charitable expenditure:					
Opera performances		1,602,796	-	1,602,796	1,514,126
Sponsorship, advertising and programmes		54,872	-	54,872	43,076
Fund-raising and publicity		-	-	-	1,890
Management and administration		312,731	-	312,731	292,538
Depreciation		358,156	-	358,156	164,013
<b>Total resources expended</b>	<b>1</b>	<b>2,328,555</b>	<b>-</b>	<b>2,328,555</b>	<b>2,015,643</b>
<b>Net (outgoing)/incoming resources for year</b>		<b>(177,316)</b>	<b>354,705</b>	<b>177,389</b>	<b>179,411</b>
Transfers between funds		167,752	(1,758,243)	(1,590,491)	-
<b>Net (outgoing)/incoming resources after transfers</b>		<b>(9,564)</b>	<b>(1,403,538)</b>	<b>(1,413,102)</b>	<b>179,411</b>
<b>Other recognised gains and losses</b>					
Gain on investments		-	104,411	104,411	-
Balance brought forward		(50,081)	3,521,848	3,471,767	3,292,356
<b>Balance carried forward</b>		<b>£ (59,645)</b>	<b>£ 2,222,721</b>	<b>£ 2,163,076</b>	<b>£ 3,471,767</b>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

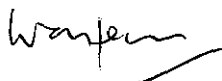
# GRANGE PARK OPERA

## BALANCE SHEET - 30 SEPTEMBER 2005

	Notes	2005		2004	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		2,652,722		2,337,185
<b>Current assets</b>					
Debtors	5	320,498		282,749	
Bank balances - unrestricted fund		119,734		63,659	
Bank balances - appeal fund		654,977		1,148,741	
		<u>1,095,209</u>		<u>1,495,149</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>1,584,855</u>		<u>360,567</u>	
<b>Net current assets</b>			(489,646)		1,134,582
<b>Total assets less current liabilities</b>			<u>£ 2,163,076</u>		<u>£ 3,471,767</u>
<b>Represented by:</b>					
<b>Funds</b>					
Restricted appeal fund	7		2,222,721		3,521,848
Unrestricted general fund			(59,645)		(50,081)
			<u>£ 2,163,076</u>		<u>£ 3,471,767</u>

The financial statements have been prepared in accordance with the special provisions for small companies within Part VII of the Companies Act 1985.

These financial statements were approved by the trustees on 19 July 2006 and signed on their behalf by:



WASFI KANI - Trustee



## **GRANGE PARK OPERA**

### **ACCOUNTING POLICIES**

#### **Principal accounting policies**

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and the Statement of Recommended Practice on accounting by charities issued in October 2000.

The accounting policies have remained materially unchanged from the previous year and are set out below.

##### **Funds**

The restricted appeal fund has been set up to receive donations to be used for the specific purposes of the building project. Expenditure that meets these criteria is charged to the fund.

The unrestricted general fund is credited with donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose.

##### **Donations**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Appeal donations are recognised when received.

##### **Income from operating activities**

Income from opera performances and sponsorship, advertising, programmes and catering are recognised in the period to which they relate.

##### **Investment income and interest**

Income is recognised in the year in which it is receivable.

##### **Gifts in kind**

Gifts in kind received by the charity are brought into account at a reasonable estimate of their value to the charity.

##### **Allocation of costs**

Costs are allocated to the relevant activity. Where expenditure cannot be allocated specifically, this is apportioned between funds on an estimate of usage.

##### **Tangible fixed assets**

Fixed assets are capitalised at cost.

Depreciation on fixed assets is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

The Grange theatre	- over the remaining term of the lease
Nevill Holt structure	- over four years
Office equipment	- over three years

# GRANGE PARK OPERA

## NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2005

### 1 Resources expended

	Opera performances £	Sponsorship advertising & programmes £	Fundraising & publicity £	Management & administration £	2005 Total £	2004 Total £
Performance expenses	359,233				359,233	355,941
Technical expenses	215,768				215,768	195,271
Production expenses	94,449				94,449	81,641
Orchestra expenses	257,504				257,504	250,099
Sets and costumes	356,864				356,864	304,057
Lighting	66,128				66,128	65,897
Music and rehearsal space	37,757				37,757	26,718
Seasonal staff	28,070				28,070	35,294
Site maintenance	179,259				179,259	191,359
Transport	7,764				7,764	7,849
Marketing expenses		54,872			54,872	43,076
Appeal co-ordinator			-		-	1,890
Salaries and consultancy				245,615	245,615	229,518
Office costs				52,550	52,550	57,106
Audit and accountancy				4,992	4,992	4,680
Legal and professional				9,574	9,574	1,234
Depreciation of theatres	358,156				358,156	164,013
	<u>£ 1,960,952</u>	<u>£ 54,872</u>	<u>£ -</u>	<u>£ 312,731</u>	<u>£ 2,328,555</u>	<u>£ 2,015,643</u>

### 2 Net (outgoing)/incoming resources for year

	2005 £	2004 £
This is stated after charging:		
Depreciation - owned assets	358,156	164,013
Auditors' remuneration - audit services	4,500	4,400
- non-audit services	450	-
	<u>          </u>	<u>          </u>

# GRANGE PARK OPERA

## NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2005

### 3 Staff costs and numbers

	2005	2004
	£	£
Wages and salaries	24,650	12,125
Social security costs	2,343	1,160
Consultancy fees	218,621	216,233
	<u>£ 245,614</u>	<u>£ 229,518</u>

	2005	2004
	No	No
The average number of staff employed by the charity during the financial year amounted to:		
Management and administration	8	8

The costs of all employed staff detailed above have been recharged by Pimlico Opera for shared employees.

During the year the charity paid £75,000 to Wasfi Kani (trustee) for consultancy services (2004 £75,000).

### 4 Tangible fixed assets

	Venue costs	The Grange theatre	Nevill Holt structure	Office equipment	Total
	£	£	£	£	£
<b>Cost</b>					
1 October 2004	76,600	2,501,197	-	5,108	2,582,905
Additions in year	-	53,289	620,404	-	673,693
	<u>76,600</u>	<u>2,554,486</u>	<u>620,404</u>	<u>5,108</u>	<u>3,256,598</u>
<b>Depreciation</b>					
1 October 2004	76,600	164,013	-	5,107	245,720
Charge for year	-	167,752	190,404	-	358,156
	<u>76,600</u>	<u>331,765</u>	<u>190,404</u>	<u>5,107</u>	<u>603,876</u>
<b>Net book value</b>					
30 September 2004	£ -	£ 2,337,184	£ -	£ 1	£ 2,337,185
30 September 2005	£ -	£ 2,222,721	£ 430,000	£ 1	£ 2,652,722

### 5 Debtors

	2005	2004
	£	£
Trade debtors	154,092	153,737
Pimlico Opera	-	19,996
VAT	99,292	82,493
Prepayments	67,114	26,523
	<u>£ 320,498</u>	<u>£ 282,749</u>

# GRANGE PARK OPERA

## NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2005

### 6 Creditors: amounts falling due within one year

	2005	2004
	£	£
Pimlico Opera	3,850	-
Grange Park Opera Endowment Fund	1,184,447	-
Income in advance	256,404	286,316
Accruals	140,154	74,251
	<u>£ 1,584,855</u>	<u>£ 360,567</u>

### 7 Restricted funds

	Balance at 1 October 2004	Incoming resources	Resources expended	Transferred in year 30 September 2005	Balance at 30 September 2005
	£	£	£	£	£
Appeal fund	<u>£ 3,521,848</u>	<u>£ 459,116</u>	<u>£ -</u>	<u>£ (1,758,243)</u>	<u>£ 2,222,721</u>

The appeal fund was established to fund the building of a theatre at The Grange. In total £4,236,263 had been raised up to 30 June 2005 in donations and associated gift aid tax claims, interest and investment gains. Net of running expenses the fund stood at £4,144,977 at 30 June 2005. On 1 July 2005 the surplus held in the fund after financing the cost of the theatre amounted to £1,590,491 and was transferred to an Endowment Fund which is established as a separate trust.

The appeal fund has now been closed and the balance, representing the cost of the theatre at The Grange, will be amortised over the term of the lease, in line with the depreciation of the theatre.

The monies held in the Endowment Fund will be used to maintain the theatre, provide financial stability to the festival, fund productions that could not otherwise be afforded and to expand the outreach and educational work of the charity and of Pimlico Opera.

### 8 General fund

The trustees are aiming to hold unrestricted reserves of £80,000, which would cover the overhead expenses of the charity for three months. During the year expenditure exceeded income by £9,564 in the unrestricted fund, resulting in an accumulated deficit of £59,645.

### 9 Analysis of net assets by funds

	Fixed assets £	Other net assets £	Net Assets £
Restricted funds:			
Appeal fund	<u>2,222,721</u>	<u>-</u>	<u>2,222,721</u>
Unrestricted funds			
General fund	<u>430,001</u>	<u>(489,646)</u>	<u>(59,645)</u>
	<u>£ 2,652,722</u>	<u>£ (489,646)</u>	<u>£ 2,163,076</u>

## **GRANGE PARK OPERA**

### **NOTES TO THE ACCOUNTS - 30 SEPTEMBER 2005**

#### **10 Related party transactions**

During the year Iain Burnside was also a trustee of Pimlico Opera.

At 30 September 2005 Grange Park Opera owed Pimlico Opera £3,850 (2004 Pimlico Opera owed Grange Park Opera £19,996).

Reimbursed expenses were paid to the trustees of the charity totalling £2,847 (2004 £1,139).

Lord Ashburton is a party to the lease referred to in note 11.

#### **11 Other financial commitments**

The company has agreed and signed a lease with English Heritage and with Lord Ashburton and his family. Under the terms of the lease, which expires in 2018, rent in the form of a facility fee becomes payable in the event that the company makes a surplus as defined in the terms of the lease. No amounts are at present payable in respect of these terms.

#### **12 Company limited by guarantee**

In the event of a winding up of the company, the liability of each member is limited to £1.