

OPERA HOLLAND PARK
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2022

Registered Charity Number: 1096273.

Registered Company Number: 04515375

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COMPANIES HOUSE

OPERA HOLLAND PARK

YEAR ENDED 30 SEPTEMBER 2022

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Charles Mackay CBE (Chairman)
Stuart Corbyn (resigned 1.12.2021)
Paul Giles (appointed 1.05.2022)
Louise Halliday
Michael Jary
Martin Kramer
Sir Trevor McDonald OBE
Sally O'Neill
Dame Sue Owen DCB
Shanmāe Teo (appointed 1.03.2022)
Jean Tsang (appointed 14.12.2021)

Company Registered Number

04515375

Charity Registered Number

1096273

Registered Office

37 Pembroke Road, London, England, W8 6PW

Company Secretary

Pratheepan Thurairajah

Directors

James Clutton, CEO & Director of Opera

Independent Auditors

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Bankers

Lloyds Bank PLC, 1st Floor, 39 Threadneedle Street, London. EC2R 8AU

Solicitors

Harbottle & Lewis LLP, 14 Hanover Square, London W1S 1HP

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) are pleased to present their annual report together with the audited financial statements of the Charity for the year ended 30 September 2022. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition)".

The Directors of the Charity are for the purpose of Charity law its Trustees, as set out on page 1, and throughout the financial statements are collectively referred to as the Trustees.

The opera company's day-to-day operation of its activities, including the delivery of its artistic programme and all marketing, sponsorship, ticket sales and venue management are led by the experienced management team.

Structure, governance and management

Constitution

Opera Holland Park was established as a company limited by guarantee (company number 04515375) on 20 August 2002. The Company was registered as a charity (number 1096273) on 27 February 2003. On 1st October 2015, the Charity incorporated the opera operations of The Royal Borough of Kensington & Chelsea.

The Company is governed by its Memorandum and Articles of Association, amended October 2016. The Liability of the members (who are the directors) is limited to £1 each.

The Charity is required to have at least three Trustees and no more than twelve, the maximum number determined by the Articles of Association. The Articles of the Charity determine the quorum for meetings of Trustees, which shall never be less than the greater of one-third of the Trustees or three Trustees. Decisions are made by majority vote. A meeting of Trustees, at which a quorum is present, can exercise all of the powers that the Trustees have, including establishing sub-committees.

Method of appointment or election of Trustees

The Trustees are appointed by the Board on the recommendations of the Nominations Committee. The Trustees may co-opt any person as a Trustee provided the maximum specified by the Articles is not exceeded. The composition of the Trustees of the Charity and any training requirements for Trustees are reviewed as and when required, to ensure that the Trustees, as a body, are able to manage the Charity's affairs effectively.

Policies adopted for the induction and training of Trustees

New appointees are briefed and given the necessary and appropriate information to take on their new role.

Organisational structure and decision making

All key decisions affecting the strategic direction and the policy of the Charity are made at the Board, which meets 4 times a year. There are three committees of the Board:

- Finance, Audit & Risk Committee - meets 4 times a year
- Remunerations Committee - meets at least once a year
- Nominations Committee - meets as required

In addition, there is a Campaign Board of the Charity, whose remit is to assist the Charity with fundraising. A Trustee chairs this and other Trustees can be members.

The Trustees carry out a review of the Charity's activities annually and agree the year's programme of activities and financial budget. They monitor progress against the agreed plan at each Trustee meeting, and review the outcomes of the Season.

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022

Risk management

The Trustees have implemented procedures designed to identify and minimise the potential impact of risks on the Charity.

The Trustees undertake regular review of key risks including Financial, Operational, Health and Safety, People and Culture as well as Governance and Compliance.

Key risks are monitored in the Risk Register and each risk is reviewed with potential impacts quantified, and mitigations agreed. The approach to risk management is aligned with the standards required by the Charity Commission.

Objectives and activities

The objectives of the Charity

The objectives for which the Company was established, as laid down in the Memorandum and Articles of Association, are to promote, improve and advance the education and appreciation of the general public in the arts and in particular opera. The Charity achieves these objectives by providing high quality, affordable opera in central London and related activities.

Public benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit when reviewing their aims and objectives and planning future activities. It is a fundamental objective of Opera Holland Park to make opera accessible to as many people as possible.

Established in 2010, Opera Holland Park's Inspire education and outreach project is at the heart of the company's activities all year around. Inspire works with the very young and the very old, with families, school children and care home residents, with those who are at risk of social isolation, with those who live with dementia and their carers, and with anyone for whom the pleasure of classical music and opera is otherwise inaccessible. This project continues to be the main vehicle for delivering our accessibility aims to the community, as well as developing our audiences.

During the annual summer festival Inspire offers free and discounted tickets to young and old residents of RBKC, and to NHS workers and other frontline responders and key workers. Free and reduced priced tickets represented 10.5% of our seat capacity in the 2022 Season, despite a 30% overall reduction from pre-pandemic capacity.

We held two Schools Matinee performances at the theatre in the 2022 Season, attended by 800 children, and four audio-described Discovery Matinees and Relaxed Performances, with designated 'break out' zones and pre-performance Touch Tours, in addition to our regular OperaUNITY workshops. Other Inspire highlights during the 2022 Season included guest performances of *Peter and the Wolf* for families and babes in arms, and a 'Set Sail' week of activities including the Mini Maestro conducting sessions for children pegged to our co-production of *HMS Pinafore*. A series of free lunchtime recitals, 'Songs from the Steps', was held across the two months of the Season, with performers singing to picnickers and passers by in the park. In addition to this, Inspire facilitated a project with KarmaBank, working with female refugees with musical direction from the former OHP Young Artist conductor, Sonia Ben Santamaria.

We continue to work in association with other charities such as The Salvation Army and Age UK to help combat social isolation, individual refugees protecting women against domestic violence, and many charities concerned with dementia. Opera Holland Park is a dementia-friendly theatre and Inspire uses music year round to reach those living with dementia and their carers. Local partners include Age UK RBKC, Resonate Arts, Mind RBKC, St Charles' Centre for Health and Wellbeing, Open Age, Princess Louise of Kensington Nursing Home, Chelsea and Westminster Hospital, Solace RBKC, the Royal National Institute of Blind People, Kensington and Chelsea

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022 Learning Disability Centre, Equal people Mencap, RBKC Virtual School,

Avonmore Primary, Chelsea Community Hospital School, Fox Primary School and Holland Park Ecology Centre.

The company also has close partnerships with Refettorio Felix and Rugby Portobello Trust.

Achievements and performances

In 2022 Opera Holland Park faced considerable challenges posed by the ongoing pandemic. As noted in The Times and The Guardian, audiences have been slow to return to pre-pandemic levels of engagement across the arts. Despite this, we reached 95.8% of our sales target.

Working with the set designer takis in 2021, we undertook a comprehensive redesign of the auditorium and stage to allow for social distancing and the safety of audiences, performers and staff, and to maximise the natural beauty of the theatre's setting. The materials used were reclaimed and sustainable, with audience seating sourced from previous productions at Opera Holland Park, the National Theatre and Welsh National Opera. From operating at 40% of pre-pandemic capacity in 2021, we moved to almost 70% of pre-pandemic capacity in the 2022 Season, reconfiguring the auditorium to allow for improved sightlines and additional seating.

This year Opera Holland Park welcomed 37,133 people to its summer festival, including 16,752 first-time bookers. Events included more than 76 public performances, featuring a core ensemble of 59 singers, 5 directors, 7 conductors, 65 chorus members, the 2022 cohort of Opera Holland Park Young Artists, 17 alumni of the Young Artists scheme, and our resident orchestra City of London Sinfonia, in addition to guest performers.

We put on new productions of *Eugene Onegin*, *Carmen*, a double bill of *Margot la Rouge* and *Le Villi* with support from The Delius Trust, and the UK premiere of Mark Adamo's opera, *Little Women*. We co-produced *HMS Pinafore* with Charles Court Opera and presented an expanded edition of the *Opera in Song* recital series, including a Schubertiade and the world premiere of a new work by Errollyn Wallen. Three further world premieres were given in recital at Opera Holland Park, including a song cycle by Mark-Anthony Turnage. 2022 also saw the return of the Royal Ballet School, Notting Hill Carnival and British Youth Opera as guest ensembles, and the debut of the period instruments ensemble, Figure, in a semi-staged production of Handel's *Serse*.

Press coverage of the Season was extensive, both in terms of reviews from the major broadsheet and online publications and listings in summer festival previews, and in terms of features placed in The Times and The Guardian, and appearances on BBC Radio Four (*Women's Hour*) and BBC Radio Three (*In Tune*), the last focused on the Opera Holland Park Young Artists scheme. A ticket competition in the Evening Standard pegged to the UK premiere of *Little Women* introduced us to a significant number of new audience members.

Pre-Season live and digital offerings to members and supporters and the wider public included the October 2021 release of *The Bear*, a filmed performance of Ilse Weber's '*Ich wandre durch Theresienstadt*' to mark Holocaust Memorial Day, our first fundraising gala since 2019, a sequence of panel events with contributors from across the fields of academia, the media and arts exploring the cultural histories of each opera in the Season, regular live-streamed Q&A events with live music, and a celebration of the tenth anniversary of the Opera Holland Park Young Artists Scheme at Wilton's Music Hall attended by 50 former and current Young Artists and their supporters.

Audience figures

-Total number of attendees to OHP productions, including *Eugene Onegin*, *Carmen*, the double bill of *Margot la Rouge* and *Le Villi*, *Little Women*, *HMS Pinafore*, Schools Matinees and dress rehearsals: 28,689

-Total number of attendees to visiting companies at Opera Holland Park, including *Opera in Song*, Royal Ballet School, Carnival and British Youth Opera: 8,444

- Total number of first time bookers for visiting companies: 5,243

- Percentage of ticket sales target met: 95.8%

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022

Going Concern

The Trustees must satisfy themselves as to the Charity's ability to continue as a going concern for the foreseeable future, defined as a minimum of 12 months from the signing of the financial statements. The Trustees have undertaken and reviewed careful financial modelling for this period, building on their knowledge of patterns of income, expenditure and cash flow.

After these considerations, the Trustees consider that Opera Holland Park has adequate resources to continue operating for the foreseeable future, and the financial statements have therefore been prepared on a going concern basis.

Reserves Policy

The Board recognises the need to establish a level of reserves that enable financial stability. In particular reserves are needed to meet working capital requirements, to cover short-term fluctuations in income and expenditure, to enable the charity to respond to seasonal and other short term changes, unexpected needs or new opportunities and to finance major projects.

Free reserves/General Funds are deemed to be those that are readily realisable i.e. represented by net current assets and exclude funds whose uses are restricted or designated.

The Board has determined that at year end, Free Reserves should be a minimum of £1m. These levels provide sufficient working capital and allow for potential deficits from future seasons.

At 30.9.22 the charity's Free Reserves/General Funds were £1,223,777.

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022

Financial review

The review is for the year ended 30 September 2022.

The Charity's activity resulted in income for the year of £4,011,651 (2021: £3,152,548). The Charity ended the year with a deficit of £296,886, taking unrestricted funds to £1,681,893 (2021: 1,751,079).

Free/General Reserves, ie unrestricted reserves represented by current assets, were £1,223,777, Restricted Reserves, held for the production of Itch in financial year 22/23 were £37,300 and Designated Reserves, represented by Fixed Assets, were £458,116.

Cash at bank at 30.9.22 was £652,755 (2021: £1,626,537),

The Charity's receives income from the receipts of memberships and general donations as well as Gift Aid. The generosity and loyalty of our supporters continues to be of vital importance throughout the year.

Investment Policy

Under the Memorandum & Articles of Association, the Charity has the power to invest monies of the company that are not immediately required for its operating purposes, in any way that the Trustees deem appropriate. The Trustees, having regard to the liquidity requirements of operating the Opera have operated a policy of keeping funds available in an interest bearing deposit account.

Plans for Future Years

Over the last two years we have begun to re-think how we present our work, how our theatre looks, who we are and how we connect with our donors and wider audience, having effectively rebranded Opera Holland Park as "London's greenest theatre" (Evening Standard). Feedback on the continued evolution of the auditorium and theatre site has been overwhelmingly positive, and we have begun to sense a significant shift in perception of our artistic values and ambitions.

Events such as the private screenings of *The Bear* in October 2021, the Young Artists Celebration in April 2022, and the introduction of an invited audience to our live-streamed Q&A sessions have strengthened a connection with the community and sense of belonging beyond our activities during the Season. We are now 6pinion on 6pinion6ing the philanthropic elements of membership, rather than the purely transactional and are introducing specific musical and social events for each level of support, including two new levels of support; one targeted to younger members, the other to bridge the gap between Envyoy and Ambassador. We also continue to discuss the establishment of a permanent arts hub and studio space in the stable yard of Holland Park.

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022

Moving towards a winter season and year-round visibility, via the performance of chamber operas or recitals or both, is central to our vision, as is an increased focus on international co-productions such as *Itch*, a co-commission for 2023 with the Canadian Opera Company, and our first international co-production since 2018. Fundraising for *Itch* began at the gala in February 2022 and continued throughout the Season, with members and supporters 'buying' an element from the periodic table on display in the Ensemble. Discussions are in place regarding a regular partnership with Opera Rara, and a further offer of funding from The Delius Trust to continue our exploration of Delius's operas. We have already announced the revival of our 2008 production of *Tosca* as part of the celebrations of the 2024 Puccini centenary.

Following this year's experiment in bringing a local restaurant on site as a pop up near the East Gate, we will continue to work with more independent food and drink suppliers, engaging with other companies to create a unique visitor experience.

Equal Opportunities provision

Opera Holland Park has an equal opportunities employment policy that covers Trustees, employees, volunteers, artists and performers. We are proud of what we have achieved in these areas. The Charity is also very much committed to promoting equal opportunities for everyone who is involved in the provision of services. In addition, and despite the unique nature of this Grade I listed site, there is accessibility for mobility impaired visitors to the auditorium and the majority of picnic and entertainment areas. OHP also provides audio described performances, allows access for guide dogs and is a dementia friendly theatre.

Fundraising regulation

Opera Holland Park is compliant with the Charities (protection and social investment) Act 2016 and is a registered member of the Fundraising Regulator. Our fundraising is carried out by our professional in-house fundraising team, with specialist consultancy support for corporate fundraising. The Charity received no complaints regarding its fundraising activity throughout the year.

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2022

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Opera Holland Park for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year which 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 year. 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 estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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.

Provision of information to auditors

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Report of the Trustees has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

By order of the Trustees

Charles D Mackay

Charles Mackay CBE
Chairman of the Board

Date: 7 March 2023

Sally O'Neill

Sally O'Neill
Chair of the Finance, Audit & Risk Committee

Date: 7 March 2023

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF OPERA HOLLAND PARK

Opinion

We have audited the financial statements of Opera Holland Park for the year ended 30 September 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of the charitable company's net movement in funds, including the 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF OPERA HOLLAND PARK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement [set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as payroll tax, Data Protection and Health and Safety laws.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Review of minutes of meetings
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates

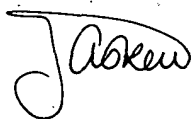
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF OPERA HOLLAND PARK

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinion we have formed



Jane Askew (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 7 March 2023

OPERA HOLLAND PARK

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

YEAR ENDED 30 SEPTEMBER 2022

	Notes	Restricted Funds 2022 £	General Funds 2022 £	Total 2022 £	Total 2021 £
INCOME FROM:					
Donations	2	271,108	723,399	994,507	943,994
Grants	2	-	-	-	86,572
Charitable activities	3	-	2,594,721	2,594,721	1,754,755
Other trading activities	4	-	375,805	375,805	347,520
Investments	5	-	46,618	46,618	19,707
Total income		271,108	3,740,543	4,011,651	3,152,548
EXPENDITURE ON:					
Raising funds	6	-	202,876	202,876	91,163
Charitable activities	7	498,807	3,607,087	4,105,894	3,292,615
Total expenditure		498,807	3,809,963	4,308,770	3,383,778
Net income / (expenditure) before gains on investments		(227,699)	(69,420)	(297,119)	(231,230)
Gains on investments		-	233	233	-
Net movement in funds	8	(227,699)	(69,187)	(296,886)	(231,230)
Balance brought forward at 1 October 2021		264,999	1,751,080	2,016,079	2,247,308
Balance carried forward at 30 September 2022		£37,300	£1,681,893	£1,719,193	£2,016,078

All activities are continuing. There are no other gains or losses other than those shown above.

The notes on pages 15 to 26 form part of these financial statements.

Full comparatives for the year to 30 September 2021 can be found in note 27.

OPERA HOLLAND PARK

Company Number: 04515375

BALANCE SHEET**AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	10	458,116	310,018
		<u>458,116</u>	<u>310,018</u>
CURRENT ASSETS			
Debtors	11	897,203	384,495
Current asset investments	12	10,868	52,635
Cash at bank		652,755	1,626,537
		<u>1,560,826</u>	<u>2,063,667</u>
CURRENT LIABILITIES			
Creditors	13	(299,749)	(357,607)
NET CURRENT ASSETS		<u>1,261,077</u>	<u>1,706,060</u>
TOTAL ASSETS LESS LIABILITIES		<u><u>£1,719,193</u></u>	<u><u>£2,016,078</u></u>
Represented by:			
Restricted funds			
Restricted funds	17	37,300	264,999
Unrestricted funds			
General funds	16	1,223,777	1,751,079
Designated funds		458,116	-
		<u>£1,719,193</u>	<u>£2,016,078</u>

The financial statements were approved and authorised for issue by the Trustees on 22 February 2023 and were signed below on their behalf by:

Charles D Mackay

Charles Mackay CBE
Chairman of the Board

Sally O'Neill

Sally O'Neill
Chair of the Finance, Audit & Risk

Committee Date: 7 March 2023

Date: 7 March 2023

The notes on pages 15 to 26 form part of these financial statements.

OPERA HOLLAND PARK

STATEMENT OF CASH FLOWS

30 SEPTEMBER 2022

	Notes	2022 £	2021 £
Net cash provided by operations	A	(796,335)	(73,404)
Cash flows from investing activities:			
Interest received		46,618	19,707
Payments to acquire tangible fixed assets		(266,066)	(120,375)
Investment additions		(10,000)	(52,635)
Investment disposals		52,000	-
Net cash (used in) / provided by investing activities		(177,448)	(153,303)
Change in cash and cash equivalents in the reporting period		(973,782)	(226,707)
Net cash and cash equivalents at beginning of period		1,626,537	1,853,244
Net cash and cash equivalents at end of period	B	£652,755	£1,626,537

A. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATIONS

	2021 £	2021 £
Net movement in funds	(296,886)	(231,230)
Income from investments	(46,618)	(19,707)
Gains on investments	(233)	-
Depreciation	107,813	88,036
Loss on disposal of fixed assets	10,155	-
Decrease/(increase) in debtors	(512,708)	156,366
Increase/(decrease) in creditors	(57,858)	(66,869)
	£(796,335)	£(73,404)

B. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

At 30 September 2021 £	Cash flows £	At 30 September 2022 £
£1,626,537	£(973,782)	£652,755

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2022

1. ACCOUNTING POLICIES

The principal accounting policies and significant judgements and estimates adopted in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Opera Holland Park meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

For the reasons set out in the Going Concern section of the Report of the Trustees on page 5, the Trustees consider there are no unmitigated foreseeable material uncertainties about the Charity's ability to continue as a going concern.

Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that income will be received and the amount of income receivable can be measured reliably.

- i) *Donations and legacies*
Income from subscriptions and donations are included in incoming resources in the year to which they relate. Subscription income is deferred if the subscription relates to the following Season
- ii) *Government grants*
Grants are accounted for under the accruals model as permitted by FRS 102.
- iii) *Gifts and intangible income*
Income from these sources is included in the year in which it is received and valued at a reasonable estimate of the value of the gift or service received.
- iv) *Other trading activities*
Income from activities is included in incoming resources when receivable.
- v) *Investment income*
Interest is included when receivable by the Charity and added to the relevant fund.
- vi) *Ticket Income*
Income from ticket sales is included in the year in which it is received. Part of ticket income is a donation and this is separately recognised as a donation.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- i) *Expenditure on raising funds*
This comprises all costs incurred by the Charity relating to the raising of funds to finance its charitable objectives. Staff costs are split 50:50 under this heading and governance costs as an estimate of actual staff time spent.
- ii) *Charitable activities*
This comprises grants made by the Charity to institutions. Grants payable are recognised once the grant is agreed by the Trustees and communicated to the institution.
- iii) *Support costs and governance costs*
This comprises all costs associated with the running of the Charity's office, and any other costs not directly attributable to the above headings. Support costs are allocated to Fundraising.

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2022

1. ACCOUNTING POLICIES (continued)

Staff costs

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pensions

Contributions are made to the Local Government Pension Plan for the transferred employees from the Royal Borough of Kensington and Chelsea. Auto-enrolment pension is effective from 1st October 2019.

Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are funds set aside for a specific purpose. The purpose and uses of the designated funds are set out in the notes to the financial statements. Transfers are made to the designated fund from the general fund to cover designated expenditure where necessary.

Restricted funds are subject to specific conditions by donors as to how they may be used and are, therefore, restricted funds. The purpose and uses of the restricted funds are set out in the notes to the financial statements.

Expendable endowment funds are funds raised for a specific future funding purpose. The purpose and uses of the expendable endowment funds are set out in the notes to the financial statements.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Tangible Fixed Assets

Fixed assets with a cost of less than £500 are not capitalised but charged direct to the Statement of Financial Activities as an expense in the year of purchase.

Depreciation is provided in order to write off the cost of tangible fixed assets over their estimated useful lives at the following rates:

Canopy	5-10 years straight line
Seating	7 years straight line
Office equipment	3-5 years straight line
Fixtures and fittings	3-10 years straight line
Software	3 years straight line
Plant and machinery	10 years straight line

Investments

Investments are valued at their fair value.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2022

1 ACCOUNTING POLICIES (continued)

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The Trustees have considered the areas of critical judgement and key sources of estimation uncertainty in the financial statements and identified that the assumptions on the amount owing from Theatre Tax Relief is a critical judgement which has been assessed and agreed by taking external advice.

2 DONATIONS & GRANTS

	Restricted Funds £	General Funds £	Total 2022 £	Restricted Funds £	General Funds £	Total 2021 £
Donations	201,608	139,352	340,960	86,285	244,535	330,820
Grants	-	-	-	-	86,572	86,572
Coronavirus Job Retention	-	584,047	584,047	-	521,174	521,174
Memberships	69,500	-	69,500	92,000	-	92,000
Productions	271,108	723,399	994,507	178,285	852,281	£1,030,566

3 CHARITABLE ACTIVITIES

	Total 2022	Total 2021
Ticket sales	1,882,365	1,428,984
Gift aid	112,356	115,771
Theatre tax relief	600,000	210,000
	£2,594,721	£1,754,755

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2022

4	OTHER TRADING ACTIVITIES	Total 2022	Total 2021
	Picnics & Events	96,263	49,404
	Fee Income	28,765	24,141
	Trading Income	225,777	226,475
	Sponsorship & Advertising	25,000	47,500
		<u>£375,805</u>	<u>£347,520</u>
5	INVESTMENTS	Total 2022	Total 2021
	Bank interest	4,218	207
	Rental income	42,400	19,500
		<u>£46,618</u>	<u>£19,707</u>
6	EXPENDITURE ON RAISING FUNDS	Total 2022	Total 2021
	Fundraising costs	202,876	91,163
	Fundraising trading	-	-
		<u>£202,876</u>	<u>£91,163</u>

All expenditure on raising funds is unrestricted.

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2022

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2022	Direct Costs £	Support Costs £	Total 2021
Cost of productions	<u>£2,418,641</u>	<u>£1,687,253</u>	<u>£4,105,894</u>	<u>£1,948,582</u>	<u>£1,344,033</u>	<u>£3,292,615</u>

	Total 2022 £	Total 2021 £
Support Costs		
Staff costs	893,366	822,065
Governance	35,749	32,531
Depreciation and maintenance	103,553	88,036
Agency staff	63,174	7,160
Admin inc irrecoverable VAT	467,866	297,890
Marketing	76,894	55,915
IT	46,651	40,436
	<u>£1,687,253</u>	<u>£1,344,033</u>

Governance costs comprises audit fees of £15,000 (2021: £16,000) and other professional fees totaling £20,749 (2021: £16,531).

8 NET MOVEMENT IN FUNDS

	2022 £	2021 £
Net income is stated after charging:		
Auditors' remuneration:		
Audit fees	15,000	16,000
Tax compliance services	10,275	10,145
Other services	1,600	1,750
Operating lease expense		-
Depreciation	107,814	88,036

OPERA HOLLAND PARK

NOTES TO THE ACCOUNT (continued)

YEAR ENDED 30 SEPTEMBER 2022

9 STAFF COSTS

	Total 2022 £	Total 2021 £
Salaries and wages	777,971	721,180
Social security costs	75,424	61,354
Pensions	40,276	39,532
	<u>£893,671</u>	<u>£822,066</u>
Average number of employees during each year (headcount):		
Administration	<u>17</u>	<u>21</u>

The total cost of remunerating key management personnel in the year was £233,793 (2021: £212,256).

Two employees received emoluments exceeding £60,000 in the current year with one in the banding £70,000-£79,999 and the other employee in the banding £150,000- £159,999 (2021: two employees received emoluments exceeding £60,000 with one in the banding £70,000-£79,999 and the other employee in the banding £130,000- £139,999).

TRUSTEE REMUNERATION AND TRUSTEES' BENEFITS

During the current year and prior year none of the Trustees (or any individuals connected with them) received any remuneration or reimbursement of expenses. The Trustees receive two complimentary tickets to each production in order to carry out their duties.

10 FIXED ASSETS

	Office Equipment £	Fixtures and fittings £	Plant and Machinery £	Software £	Canopy £	Seating £	New theatre £	Total £
Cost								
At 1 October 2021	64,452	206,749	217,119	44,677	125,622	150,000	-	808,619
Additions	17,676	38,215	931	6,635	21,419	-	181,190	266,066
Disposals	-	-	(14,419)	-	-	-	-	(14,419)
At 30 September 2022	<u>82,128</u>	<u>244,964</u>	<u>203,631</u>	<u>51,312</u>	<u>147,041</u>	<u>150,000</u>	<u>181,190</u>	<u>1,060,266</u>
Depreciation								
At 1 October 2021	54,217	78,681	89,403	42,583	114,122	119,595	-	498,601
Charge for the year	7,097	37,227	20,302	2,892	1,593	30,405	8,297	107,813
Disposals	-	-	(4,264)	-	-	-	-	(4,264)
At 30 September 2022	<u>61,314</u>	<u>115,908</u>	<u>105,441</u>	<u>45,475</u>	<u>115,715</u>	<u>150,000</u>	<u>8,297</u>	<u>602,150</u>
Net book value								
At 30 September 2022	<u>£20,814</u>	<u>£129,056</u>	<u>£98,190</u>	<u>£5,837</u>	<u>£31,326</u>	<u>£-</u>	<u>£172,893</u>	<u>£458,116</u>
At 30 September 2021	<u>£10,235</u>	<u>£128,068</u>	<u>£127,716</u>	<u>£2,094</u>	<u>£11,500</u>	<u>£30,405</u>	<u>£-</u>	<u>£310,018</u>

OPERA HOLLAND PARK

NOTES TO THE FINANCIAL(continued)

YEAR ENDED 30 SEPTEMBER 2022

11 DEBTORS

	Total 2022 £	Total 2021 £
Trade debtors	13,043	10,242
VAT	4,239	20,435
Other debtors	3,931	43,930
Prepayments and accrued income	67,340	2,521
Theatre tax credit	808,650	307,367
	<u>£897,203</u>	<u>£384,495</u>

12 CURRENT ASSET INVESTMENTS

	Total 2022 £	Total 2021 £
Listed investments		
At 1 October	52,635	-
Additions	10,000	43,284
Disposals	(52,635)	-
Gains/losses	233	9,351
Held as cash within portfolio	635	-
At 30 September	<u>£10,868</u>	<u>£52,635</u>
Historic cost of investments	<u>£10,000</u>	<u>£52,000</u>

13 CREDITORS: amounts falling due within one year

	Total 2022 £	Total 2021 £
Trade creditors	197,055	201,659
Other taxation and social security	20,604	23,304
Other creditors	-	21,961
Accruals and deferred income	82,090	110,683
	<u>£299,749</u>	<u>£357,607</u>

OPERA HOLLAND PARK

NOTES TO THE FINANCIAL (continued)

YEAR ENDED 30 SEPTEMBER 2022

14 ANALYSIS OF DEFERRED INCOME

	Total 2022 £	Total 2021 £
At start of year	39,828	142,402
Amounts released to income	(39,828)	(142,402)
Amounts deferred in the year	-	39,828
	<u>£-</u>	<u>£39,828</u>

Deferred income in 2021 relates to gift vouchers purchased towards future years' performances as well as tickets purchased for 2021 events that could not take place due to Covid 19. In these instances, ticketholders had the option to defer their ticket until 2022 and this amount was been included in Deferred income at year end.

15 TAXATION

The charitable company is a registered Charity and is not liable to corporation tax in the United Kingdom

OPERA HOLLAND PARK

NOTES TO THE FINANCIAL (continued)

YEAR ENDED 30 SEPTEMBER 2022

16 UNRESTRICTED FUNDS

	1 Oct 2021 £	Income £	Expenditure £	Investment gains £	Transfers £	30 Sept 2022 £
Unrestricted						
General funds	1,751,080	3,740,544	(3,809,964)	233	(458,116)	1,223,777
Designated funds:						
Fixed asset fund	-	-	-	-	458,116	458,116
	<u>£1,751,080</u>	<u>£3,740,544</u>	<u>£(3,809,964)</u>	<u>£233</u>	<u>-</u>	<u>£1,681,893</u>

The unrestricted general funds comprise monies that can be used in accordance with the charitable objects of the Charity at the discretion of the Trustees.

17 RESTRICTED FUNDS

FUNDS	1 Oct 2021 £	Income £	Expenditure £	30 Sept 2022 £
Restricted				
Inspire project	26,714	16,538	(43,252)	-
Staffing	-	20,585	(20,585)	-
School Matinees	92,000	69,500	(161,500)	-
Production syndicate	146,285	14,000	(160,285)	-
Young Artist Programme	-	21,240	(21,240)	-
Production support	-	114,845	(77,545)	37,300
Role Sponsorship	-	14,400	(14,400)	-
Total Restricted	<u>£264,999</u>	<u>£271,108</u>	<u>£(498,807)</u>	<u>£37,300</u>

OPERA HOLLAND PARK

NOTES TO THE FINANCIAL (continued)

YEAR ENDED 30 SEPTEMBER 2022

17. RESTRICTED FUNDS (continued)

Comparative fund movements in 2021

	<i>01-Oct 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>30-Sep 2021</i>
	£	£	£	£
Restricted				
<i>Inspire project</i>	26,714	-	-	26,714
<i>School Matinee</i>	-	92,000	-	92,000
<i>Production syndicate</i>	60,000	86,285	-	146,285
Total restricted	<u>£86,714</u>	<u>£178,285</u>	<u>£-</u>	<u>£264,999</u>

Restricted Funds

Inspire project

This includes the free tickets for Young People scheme and other outreach work in the community.

Production syndicate

These are contributions towards specific productions supported by the Productions syndicates.

The Young Artist Programme

This enables the company to mount an additional performance which gives unique public performance opportunities to emerging singers, directors and conductors. This programme- acts as a feeder programme to our main stage productions, with several performers and directors subsequently employed as principal artistic personnel on the main stage productions.

Schools Matinee

This enables the company to provide reduced priced matinees for school age children.

Production Support

These are contributions to particular productions as defined by the donor, the balance at 30.9.22 relates to upcoming production of Itch in Season 23.

OPERA HOLLAND PARK

NOTES TO THE FINANCIAL (continued)

YEAR ENDED 30 SEPTEMBER 2022

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS	General Funds £	Designated Funds £	Restricted Funds £	2022 Total funds £
Tangible fixed assets	-	458,116		458,116
Current assets	1,523,526	-	£37,300	1,560,826
Current liabilities	(299,749)	-	-	(299,749)
	<u>£1,223,777</u>	<u>£458,116</u>	<u>£37,300</u>	<u>£1,719,193</u>

2021 COMPARATIVE	General Funds £		Restricted Funds £	2021 Total funds £
Tangible fixed assets	310,018	-	-	310,018
Current assets	1,798,668	-	264,999	2,063,667
Current liabilities	(357,607)	-	-	(357,607)
	<u>£1,751,079</u>	<u>£-</u>	<u>£264,999</u>	<u>£2,016,078</u>

19. LIABILITY OF TRUSTEES

The Company is governed by its Memorandum and Articles of Association. The Liability of the members (who are the directors) is limited to £1 each (2021: £1).

20. CONTROL

The Trustees consider there to be no ultimate controlling party.

21. RELATED PARTY TRANSACTIONS.

The aggregate of donations and other receipts received from the Trustees in the year was £59,644 (2021: £29,918).

Of this, donations from Trustees were £29,067. There were no other related party transactions.

OPERA HOLLAND PARK

NOTES TO THE FINANCIAL (continued)

YEAR ENDED 30 SEPTEMBER 2022

22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY – 2021 financial year

	<i>Restricted Funds 2021 £</i>	<i>General Funds 2021 £</i>	<i>Total 2021 £</i>
INCOME FROM:			
<i>Donations</i>	178,285	765,709	943,994
<i>Grants</i>	-	86,572	86,572
<i>Charitable activities</i>	-	1,754,755	1,754,755
<i>Other trading activities</i>	-	347,520	347,520
<i>Investments</i>	-	19,707	19,707
Total income	<u>178,285</u>	<u>2,974,263</u>	<u>3,152,548</u>
EXPENDITURE ON:			
<i>Raising funds</i>	-	91,163	91,163
<i>Charitable activities</i>	-	3,292,615	3,292,615
Total expenditure	<u>-</u>	<u>3,383,778</u>	<u>3,383,778</u>
Net movement in funds	178,285	(409,515)	(231,230)
Balance brought forward at 1 October 2020	86,714	2,160,594	2,247,308
Balance carried forward at 30 September 2021	<u>264,999</u>	<u>1,751,079</u>	<u>2,016,078</u>