

OPERA HOLLAND PARK
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2020

Registered Charity Number: 1096273
Registered Company Number: 04515375

OPERA HOLLAND PARK

YEAR ENDED 30 SEPTEMBER 2020

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Charles Mackay CBE (Chairman)
Stuart Corbyn
Anupam Ganguli
Louise Halliday (appointed 01.04.2020)
Jessica Hepburn (resigned 30.10.2019)
Michael Jary
Martin Kramer
Sir Trevor McDonald OBE
Sally O'Neill (appointed 01.05.2019)
Dame Sue Owen DCB (appointed 01.04.2020)

Company Registered Number

04515375

Charity Registered Number

1096273

Registered Office

37 Pembroke Road, London, England, W8 6PW

Company Secretary

Fiona C Campbell

Directors

Michael Volpe, General Director
James Clutton, 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 2020

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 2020. 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) (effective 1 January 2015)".

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.

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 on an annual basis, 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 at least 3 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, of which the role is to assist the Charity with fundraising. A Trustee chairs this and other Trustees can be members of it (currently 2). It meets at least 2 times a year.

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.

Early in the year, the Trustees carried out a review to establish the optimum senior management structure going forward, following the initial five years of independence. It was decided that it would be best to have a single Chief Executive

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REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2020

responsible for all areas of the Charity's activities. As a result, one of the two existing Director positions, General Director and Director of Opera, would become redundant, to be replaced by a single new position of Chief Executive.

Michael Volpe, his position as General Director becoming redundant, decided to take early retirement as he was entitled to do under the terms of the Local Government Pension Scheme of which he remained a member. It was announced in December 2019 that he would leave at the end of the financial year on 30th September 2020 and that James Clutton would then become the Chief Executive and Director of Opera.

Risk management

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

Each year the Trustees undertake a review of the risks associated with each area of income and expenditure, particularly in the following areas:

- Ticketing income
- Fundraising
- Artistic performance
- Visitor experience
- Any control failures
- Other external factors

A document setting out each risk identified, its potential impact and the way in which it should be mitigated is prepared and reviewed by the Trustees. They are satisfied that adequate steps are being taken but will continue to review the control environment in line 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 has always been a fundamental objective of our Charity to make opera as accessible and affordable as possible. As part of our affordability objective, our tickets are much lower priced than our peer group of opera companies. In addition we offer free tickets for the under 18's and over 65's, and heavily subsidised price tickets available to all patrons. These free and subsidised tickets represent about 10% of our seat capacity. We also make it possible for patrons with mobility, hearing and visual impairment to enjoy opera at our theatre.

Our Inspire education and outreach programme aims to allow all members of the community the opportunity to discover, experience and actively participate in opera, developing their taste and knowledge and bringing the art form to as wide a audience as possible.

The Inspire project continues to be the main vehicle for delivering our accessibility aims for the community, as well as for developing our audiences.

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In 2020, despite the global pandemic, we continued to increase and extend the reach of the scheme. Developing new ways of working and communicating with charities, hospitals, care homes and individuals whose ability to meet and communicate with people had been greatly reduced in lockdown.

By working digitally we were not only able to increase the reach of Inspire, but able to increase the frequency of events and interaction. The only live work we were able to carry out before the pandemic struck was the tour of *The Pirates of Penzance*, visiting schools from London to Penzance as described further below.

After two years of our Schools Matinees, working very successfully, we did not want to stop so developed ways to still deliver this key event this year. We were able to do this by holding bespoke live online workshops with classes from schools building towards a streamed performance of our *Un Ballo in Maschera* production which we had filmed in 2019. In addition, we were to have staged our first Discovery Matinee in 2020, aimed at welcoming people who want to try out opera for the first time in a relaxed environment. We will now be staging four of these in 2021.

We again held our annual Open Day but virtually as described further below.

We were also able to increase the number of our Opera Unity workshops by working digitally – creating a time and space for families with young children – aimed at reducing the isolation often felt by young parents. These sessions were delivered focusing on three specific age groups; 0-3, 4-7 and 8-11.

During lockdown when schools were closed, we quickly set up a daily series of online music lessons. These proved very popular and we were then approached by a number of schools with which we then set up bespoke lessons with their classes all watching initially but in real time so they were able to interact.

We continue to work in association with 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.

Achievements and performances

With continuing uncertainties in the country, Opera Holland Park, like all arts companies in the UK, faced many severe challenges this year. In March 2020 the Board took the decision to cancel all the productions until further advice from the government. The Charity dealt with the whole situation with transparency and integrity which was well received by all those who were affected.

During lockdown, like most other organisations, the Charity furloughed staff who were not needed to run the Charity at specific times. For those that were needed, we moved to work remotely from home.

On 23rd May 2020, we held our first virtual Open Day. With the 2020 Season postponed, the annual Open Day was held online, but with many of the same opportunities available. The day included a variety of interactive online workshops, music and activities for all the family, held across our social media channels (Facebook, YouTube, Twitter and Instagram) and on Zoom.

Headline statistics are:

- 862 viewers and participants on the day
- 4064 total viewers and participants
- 14% increase of new visitors on the website on the day
- 3 interactive online classes over Zoom, including a dance class, family workshop and an operatic draw along
- 14 individual and group conducting sessions
- 3 live streamed Q&As with cast and creatives
- 6 live streamed workshops and classes

In June, on what would have been the opening week of the 2020 season, we premiered the film of our 2019 production of *Un ballo in maschera*. Starting at 7.30pm - and with an interval and downloadable programme books - the intention was

to recapture the live experience as far as possible via a digital platform. Excellent reaction, very good viewing figures, and another opportunity for our supporters to be connected directly with the company.

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YEAR ENDED 30 SEPTEMBER 2020

Throughout 2020 we continued to hold Zoom sessions with artists and audiences. With the artists we kept an open and transparent dialogue with everyone concerned, making sure they had any news of developments before details were issued in the press or rumours started.

With our supporters we increased our messaging to them with an immediate positive response and continued to hold online sessions with different groups of our supporters to give them a chance to ask the CEO and team questions directly. This baseline of trust continues to be a central thread to our communications with our audiences and our artists.

As the restrictions on rehearsals and performance began to lift Opera Holland Park held a number of successful socially distanced summer events at the theatre beginning with a live recording session on 4th July 2020. In total we went on to produce another five outdoor events between 25th July and 15th August 2020, including a performance of *The Pirates of Penzance* for families, many of whom attended in fancy dress. We are pleased to announce that all these performances were 100% sold out and received rapturous reception from the audiences. We also took a special production of *The Pirates of Penzance* on tour from London to Penzance in March 2020, visiting 12 schools to huge acclaim, before the pandemic forced us to abandon the tour shortly before arriving in Penzance.

These outdoor performances employed various freelancers; singers, instrumentalists, conductors, crew, photographer and filmmakers, and generated significant positive coverage in national publications such as The Times, London Evening Standard, The Spectator, The Mail on Sunday, Opera magazine and The Arts Desk. These concerts also enabled us to get the company in front of some of our audience again and show the resilience of the company and the team. This paid dividends with donors coming forward to offer extra donations as they were impressed by the determination, belief and innovation the company had shown.

Below are the attendance figures - all sold on a very short notice period, but also as mentioned above - all accompanied by extra donations by attendees.

- OHP In Concert on 25th July 2020 - 200 attendees (sold out); Sales generated £7,730
- Pirates of Penzance on 2nd August 2020 - 230 attendees (sold out); Sales generated £1,570
- Heart's Delight on 7th August 2020 - 205 attendees (sold out); Sales generated £9,345
- Encore on 8th August 2020 - 243 attendees (sold out); Sales generated £9,690
- A Little Night Music on 15th August 2020 - 224 attendees (sold out); Sales generated £9,745

Throughout this period, apart from the Coronavirus Job Retention Scheme, OHP again did not receive any public funding.

Inspire and community work

Inspire and everything it stands for is at the centre of what the Charity believes in and our aims for the Season were:

- to make opera, music, our company and our theatre accessible, enabling people from all backgrounds to discover, experience and participate in opera
- to take opera out into the community for those unable to visit OHP
- to use opera to benefit the wellbeing of those living with dementia, Parkinson's and many other conditions.

With the increasingly difficult circumstances of 2020, we reacted quickly and with passion and if anything we pushed on and were able to increase our level of engagement through Inspire - albeit mainly digitally. But with many personal digital visits to our service users. Including but not limited to:

- Devised and led 41 new online workshops and performances with schools and care homes
- Relaxed performance of Pirates of Penzance at Opera Holland Park.
- Reached and engaged with a total of 5,601 participants (approx. 40% more than we had, at the time of postponement, planned to work with in a normal season)
- Offered work/paid opportunities to up to 20 freelancers
- Produced the company's first Virtual Schools Matinee with 18 schools, 100 children and 300 workshop participants

- 6 visits via FaceTime to the Princess Louise Kensington Nursing Home for bedside singing
- OPERA HOLLAND PARK**

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- 2 singing for Wellbeing videos for Mind
- Developed a Google Classroom OperaUNITY and Resource Pack, transferred to Youtube for accessibility
- 1 Recital CD posted to Inkerman House
- 1 Youtube video - dementia friendly singalong and warm up
- 2 x Triborough Workshops - composing in Ritornello form
- 1 Virtual Matinee follow up workshop
- 6 online Age UK recitals
- 5 Wellbeing online singing sessions
- 14 Age UK singing group sessions
- 1 x family and SEN workshop as part of the open day
- 1 x Workshop at Home for Resonate Arts

Going Concern

The Covid-19 pandemic has had an immediate and significant impact on all areas of our business. To mitigate against drastically reduced income, we undertook an immediate cost cutting programme across the organisation. All productions were cancelled, the theatre was not built, staff costs were reduced and all other overhead costs were minimised wherever possible. The Trustees worked closely with management on all these actions, both through an Emergency Committee which met frequently during the pandemic, and through the full Board.

We have made use of the Coronavirus Job Retention Scheme by furloughing as many staff as possible from April through to September 2020. We postponed all major capital projects to future years. We also redoubled our fundraising efforts and we are hugely grateful to all those patrons who donated all or part of the value of the tickets they had purchased, or took a credit for the following Season. We were also greatly encouraged by the renewal of memberships despite there being no Season. As a result of these factors, we were able to maintain our cash balance at a similar level to the previous year end.

Looking forward we carried out extensive scenario planning and financial modelling for the 2020/21 financial year. These included another year of closure, building our 1000 seat theatre as in previous years but with social distancing, and a specially designed new theatre of around 400 seats in the open air under our canopy but with more performances to make up some of the lost seat capacity. All three of these scenarios forecasted broadly similar levels of financial outcomes and cash balances at the end of the year.

We finally decided on the third “canopy only” scenario which provides optimum safety for our patrons, performers and staff. This change in the theatre seat capacity significantly reduces our ticket income. However, our theatre costs also significantly reduce and we are making savings in production costs and continue to benefit from the furlough scheme.

For the 2021/22 financial year, similar scenario planning and financial modelling, based on conservative assumptions, indicate that the financial outturn is likely to improve on that forecast for 2020/21 and that significant cash balance will still exist at the year end.

Taking all these factors into account the Trustees consider there are no unmitigated foreseeable material uncertainties about the Charity’s ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern.

Reserves Policy

The Board recognises the need to establish a level of general reserves that enables financial stability. In particular, reserves are needed to meet working capital requirements, to cover short-term fluctuations in income and expenditure and to enable the Charity to respond to unexpected needs or new opportunities, and to finance major projects. Free reserves are deemed to be those that are readily realisable, excluding funds whose uses are restricted or designated for particular purposes.

The Board also recognises that the Charity has been operating at a deficit which has the effect of depleting the reserves over time, and therefore the Board is committed to progressively increasing income and containing costs in order to achieve financial stability.

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YEAR ENDED 30 SEPTEMBER 2020

In the light of the impact of the pandemic, the Board has reviewed its reserves policy and determined that it should be at least enough to cover the potential deficit of a further lost Season in the future. This is particularly important because the Charity receives no annual government support, that it has not been eligible to receive support under the Cultural Recovery Fund, that there is no guarantee that other emergency government support such as furlough would be available in the future, and that it is no longer possible to obtain business interruption insurance for this or similar pandemics. We also need to take account of the seasonal pattern of our income and expenditure. We currently estimate that we therefore need to keep a cash reserve of £500,000.

Financial review

The review is for the year ended 30 September 2020. The Charity's activity resulted in income for the year of £1,583,128 (2019: £3,393,323). Of this £125,974 was received via the Furlough scheme from HMRC. Our ticket and other income, prior to the decision to cancel the Season was, £1,204,755, of which £815,161 was refunded while £131,692 was moved as credits to Season 2022. Our patrons have been very generous and offered donations of ticket value to the sum of £257,902, helping the Charity generate a further £55,756 in gift aid.

We are pleased that the smaller summer events made an overall small surplus, plus recruitment of new members. The Charity's other funding source is derived from the receipts of memberships and general donations. The Charity also claimed Gift Aid in addition to applying for the Theatre Tax Relief.

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

The global pandemic put a halt to a lot of plans we had but by innovative and creative thinking we have been able to look at our plans and strategic vision in a new way.

Our hopes to extend our work beyond our summer season were initially thwarted but the situation led us to increase our digital output as a matter of urgency. Working digitally enabled us to expand our outreach and education work and to increase the amount of people who access it.

The reaction to our other digital offerings including recitals, concerts and operas has given us confidence to create more digital work - alongside our live work - never instead of.

Having to re-imagine our theatre space has enabled us to plan to use our theatre as a central space for our community, with more community groups using the space.

Equal Opportunities provision

Opera Holland Park has an equal opportunities employment policy that covers Trustees, employees, volunteers, service providers, artists, performers and all members of visiting companies. The Charity is 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 1 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 are compliant with the rules on fundraising that came into force on 1 November 2016 and are members of The Fundraising Regulator. It should be noted that OHP does not use agency or third party professional fundraisers.

OPERA HOLLAND PARK

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2020

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 judgements 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;
- 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 Mackay CBE
Chairman of the Board



Anupam Ganguli
Chairman of the Finance, Audit & Risk Committee

Date: 21st June 2021

Date: 21st June 2021

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 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 2020 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 charitable company 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.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities statement on page 7, 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.

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF OPERA HOLLAND PARK

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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' Report (which incorporates 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 take advantage of the small companies exemption in preparing the Trustees' Report or from the requirement to prepare a Strategic Report.

Use of this 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 opinions we have formed.



Richard Weaver
Senior Statutory Auditor
for and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

29 June 2021

OPERA HOLLAND PARK

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

YEAR ENDED 30 SEPTEMBER 2020

		Restricted	General		
		Funds	Funds	Total	Total
	Notes	2020	2020	2020	2019
		£	£	£	£
INCOME FROM:					
Donations	2	214,834	843,939	1,058,773	823,452
Grants	2	613	125,974	126,587	-
Charitable activities	3	-	358,717	358,717	2,105,548
Other trading activities	4	-	33,086	33,086	428,601
Investments	5	-	5,965	5,965	35,722
Total income		215,447	1,367,681	1,583,128	3,393,323
EXPENDITURE ON:					
Raising funds	6		341,949	341,949	420,685
Charitable activities	7	153,492	1,431,800	1,585,292	3,913,302
Total expenditure		153,492	1,773,749	1,927,241	4,333,987
Net movement in funds	8	61,955	(406,068)	(344,113)	(940,664)
Balance brought forward at 1 October 2019		24,759	2,566,662	2,591,421	3,532,085
Balance carried forward at 30 September 2020	15,16	86,714	2,160,594	2,247,308	2,591,421

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

The notes on pages 13 to 26 form part of these financial statements.

Full comparatives for the year to 30 September 2020 can be found in note 21.

BALANCE SHEET

30 SEPTEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	10	277,680	376,022
CURRENT ASSETS			
Debtors	11	540,861	774,543
Cash at bank		1,853,243	1,775,630
		<u>2,394,104</u>	<u>2,550,173</u>
CURRENT LIABILITIES			
Creditors	12	(424,476)	(334,774)
NET CURRENT ASSETS		<u>1,969,628</u>	<u>2,215,399</u>
TOTAL ASSETS LESS LIABILITIES		<u><u>£2,247,308</u></u>	<u><u>£2,591,421</u></u>
Represented by:			
Restricted funds			
Restricted funds	16	86,714	24,759
Unrestricted funds	15	2,160,594	2,566,662
		<u>2,247,308</u>	<u>2,591,421</u>

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

2021



Charles Mackay CBE
Chairman of the Board



Anupam Ganguli
Chairman of the Finance, Audit & Risk Committee

Date: 21st June 2021

Date: 21st June 2021

The notes on pages 13 to 26 form part of these financial statements.

OPERA HOLLAND PARK

STATEMENT OF CASH FLOWS

YEAR ENDED 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
Net cash used in operations	A	76,747	(484,772)
Cash flows from investing activities:			
Interest received		5,965	35,722
Payments to acquire tangible fixed assets		(5,098)	(68,806)
Net cash used in investing activities		867	(33,084)
Change in cash and cash equivalents in the reporting period	e	77,614	(517,856)
Net cash and cash equivalents at beginning of period		1,775,630	2,293,486
Net cash and cash equivalents at end of period	B	1,853,244	1,775,630

NOTES TO THE CASHFLOW STATEMENT

A.	RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATIONS	2020	2019	
		£	£	
	Net movement in funds	(344,113)	(940,664)	
	Income from investments	(5,965)	(35,772)	
	Depreciation	103,441	100,722	
	Decrease/(increase) in debtors	233,682	417,645	
	Increase/(decrease) in creditors	89,702	(26,753)	
		<u>76,747</u>	<u>(484,772)</u>	
		<u><u>76,747</u></u>	<u><u>(484,772)</u></u>	
B.	ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS	At 1 October 2019	Cash flows	At 30 September 2020
		£	£	£
		£1,775,630	£77,614	£1,853,244

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

The reasons set out in the Going Concern section of the Report of the Trustees on page 6, 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.

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES (continued)

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.

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	3-7 years straight line
Fixtures and fittings	3-10 years straight line
Software	3 years straight line
Plant and machinery	10 years straight line

OPERA HOLLAND PARK**NOTES TO THE ACCOUNTS (continued)****YEAR ENDED 30 SEPTEMBER 2020****1. ACCOUNTING POLICIES (continued)****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.

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.

2 DONATIONS & GRANTS	Restricted Funds £	General Funds £	Total 2020 £	Restricted Funds £	General Funds £	Total 2019 £
Donations	147,814	417,053	564,867	279,856	83,325	363,181
Grant	613	-	613	1,957	-	1,957
Coronavirus Job Retention Grant		125,974	125,974	-	-	-
Founders	-	171,000	171,000	-	121,000	121,000
Memberships	35,520	255,886	291,406	29,820	307,494	337,314
Productions	31,500	-	31,500	-	-	-
	<u>£215,447</u>	<u>£969,913</u>	<u>£1,185,360</u>	<u>£311,633</u>	<u>£511,819</u>	<u>£823,452</u>

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

3. CHARITABLE ACTIVITIES	Total	Total
	2020	2019
	£	£
Ticket sales	84,780	1,685,714
Gift aid	154,398	94,834
Theatre tax relief	119,539	325,000
	<hr/>	<hr/>
	£358,717	£2,105,548
	<hr/> <hr/>	<hr/> <hr/>

All income from charitable activities is unrestricted.

4. OTHER TRADING ACTIVITIES	Total	Total
	2020	2019
	£	£
Picnics & Events	25,236	152,577
Fee Income	5,350	18,908
Trading Income	-	-
Sponsorship & Advertising	2,500	298,116
	<hr/>	<hr/>
	£33,086	£469,601
	<hr/> <hr/>	<hr/> <hr/>

All income from other trading activities is unrestricted.

5. INVESTMENTS	Total	Total
	2020	2019
	£	£
Bank interest	5,965	10,515
Rental income	-	25,207
	<hr/>	<hr/>
	£5,965	£35,722
	<hr/> <hr/>	<hr/> <hr/>

OPERA HOLLAND PARK**NOTES TO THE ACCOUNTS (continued)****YEAR ENDED 30 SEPTEMBER 2020****6. EXPENDITURE ON RAISING FUNDS**

	Total	Total
	2020	2019
	£	£
Fundraising costs	340,892	408,538
Fundraising trading	1,057	12,147
	<u>£341,949</u>	<u>£420,685</u>

All expenditure on raising funds is unrestricted.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total	Direct costs	Support costs	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Cost of productions	£792,799	£792,493	£1,585,292	£3,050,356	£862,946	£3,913,302
	<u>£792,799</u>	<u>£792,493</u>	<u>£1,585,292</u>	<u>£3,050,356</u>	<u>£862,946</u>	<u>£3,913,302</u>

OPERA HOLLAND PARK**NOTES TO THE ACCOUNTS (continued)****YEAR ENDED 30 SEPTEMBER 2020**

	Total	Total
Analysis of support costs	2020	2019
	£	£
Staff costs	306,614	300,583
Governance	27,371	42,552
Depreciation and maintenance	103,443	100,723
Agency staff	2,090	7,316
Admin	185,636	164,985
Marketing	143,080	223,687
IT	24,259	23,100
	<hr/>	<hr/>
	792,493	£862,946
	<hr/>	<hr/>

Governance costs comprises audit fees of £15,800 (2019: £15,400) and other professional fees totalling £11,571 (2019: £27,152).

8. NET MOVEMENT IN FUNDS

	2020	2019
	£	£
Net income is stated after charging:		
Auditors' remuneration:		
Audit fees	15,800	15,400
Other	8,871	20,730
Operating lease expense	2,295	868
Depreciation	103,441	100,722
	<hr/>	<hr/>

OPERA HOLLAND PARK**NOTES TO THE ACCOUNTS (continued)****YEAR ENDED 30 SEPTEMBER 2020****9. STAFF COSTS**

	2020	2019
	£	£
Salaries and wages	718,962	762,016
Social security costs	72,914	76,284
Pensions	53,476	46,538
Redundancy and termination payments	157,026	-
	<u>£1,002,378</u>	<u>£884,838</u>

Redundancy and termination payments include £138,250 in relation to the early retirement of Michael Volpe, General Director on 30th September 2020. His post becoming redundant, he opted to take early retirement as he was entitled to do, having being made redundant after the age of 55, under the terms of the Local Government Pension Scheme of which he remained a member. The Charity, as employer under the terms of this pension scheme, is required to pay in to the pension fund this amount as the pension strain cost. Salaries and wages include £15,000 statutory redundancy paid to Michael Volpe, General Director.

The Average number of employees during each year (headcount):

Administration	21	23
	<u>21</u>	<u>23</u>

The total cost of remunerating key management personnel in the year was £227,955 (2019: £224,219).

Three employees received emoluments exceeding £60,000 in the current year with one in the banding £70-£79,999 and two employees in the banding £110,000 - £119,999 (2019: 3 employees received emoluments exceeding £60,000 in the current year with 1 in the banding £70-£79,999 and 2 employees in the banding £100,000 - £109,999).

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.

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

10 FIXED ASSETS

	Office Equipment	Fixtures and fittings	Plant and Machinery	Software	Canopy	Seating	Total
	£	£	£	£	£	£	£
Cost							
At 1 October 2019	59,451	110,459	206,815	44,190	112,229	150,000	683,144
Additions	4,051	827	-	220	-	-	5,098
	—	—	—	—	—	—	—
At 30 September 2020	63,502	111,286	206,815	44,410	112,229	150,000	688,242
	=====	=====	=====	=====	=====	=====	=====
Depreciation							
At 1 October 2019	39,419	34,376	48,009	17,928	81,673	85,717	307,122
Charge for the year	8,635	19,020	21,904	12,453	20,000	21,429	103,441
	—	—	—	—	—	—	—
At 30 September 2020	48,054	53,396	69,913	30,381	101,673	107,146	410,563
	=====	=====	=====	=====	=====	=====	=====
Net book value							
At 30 September 2020	£15,448	£57,890	£136,902	£14,029	£10,556	£42,854	£277,680
	=====	=====	=====	=====	=====	=====	=====
At 30 September 2019	£20,032	£76,083	£158,806	£26,262	£30,556	£64,283	£376,022
	=====	=====	=====	=====	=====	=====	=====

OPERA HOLLAND PARK**NOTES TO THE ACCOUNTS (continued)****YEAR ENDED 30 SEPTEMBER 2020**

11 DEBTORS	2020	2019
	£	£
Trade debtors	-	80,855
VAT	-	6,303
Other debtors	74,628	13,604
Prepayments and accrued income	36,322	48,781
Theatre tax credit	429,911	625,000
	-----	-----
	£540,861	£774,543
	=====	=====

12 CREDITORS: amounts falling due within one year	2020	2019
	£	£
Trade creditors	4,742	94,733
Other taxation and social security	62,934	19,488
Other creditors	28,830	29,340
Accruals and deferred income	327,970	191,213
	-----	-----
	£424,476	£334,774
	=====	=====

Accruals include the amount required to be paid to the pension fund on the early retirement of the previous General Director, see note 9.

13 ANALYSIS OF DEFERRED INCOME	2020	2019
	£	£
At start of year	63,400	30,910
Amounts released to income	(63,400)	(30,910)
Amounts deferred in the year	142,402	63,400
	-----	-----
Deferred income	£142,402	£63,400
	=====	=====

Deferred income in 2020 and 2019 relates to gift vouchers purchased towards future years' performances as well as tickets purchased for 2020 events that could not take place due to Covid 19. In these instances, ticketholders had the option to defer their ticket until 2021 and this amount has been included in Deferred income at year end.

14. 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 ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

15	UNRESTRICTED FUNDS	01-Oct 2019	Income	Expenditure	Investment Gains	30-Sep 2020
		£	£	£	£	£
	General funds	£2,566,662	£1,367,681	£(1,773,749)	-	£2,160,594
		01-Oct 2018	Income	Expenditure	Investment Gains	30-Sep 2019
		£	£	£	£	£
	Comparative fund movements in 2019					
	General funds	£3,532,085	£3,081,690	£(4,017,113)	-	£2,566,662

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.

16	RESTRICTED AND ENDOWMENT FUNDS	1 October 2019	Income	Expenditure	30 September 2020
		£	£	£	£
	Restricted				
	Young Artist Programme	£24,759	£10,909	£(35,668)	-
	Benefactor fund	-	£35,520	£(35,520)	-
	Salary	-	-	-	-
	School MAT	-	£31,500	£(31,500)	-
	Production Syndicate	-	£97,735	£(37,735)	£60,000
	Inspire project	-	£29,783	£(3,069)	£26,714
	Role Sponsor	-	£10,000	£(10,000)	-
	Total restricted funds	£24,759	£215,447	£(153,492)	£86,714
	Comparative fund movements in 2019	1 October 2018	Income	Expenditure	30 September 2019
		£	£	£	£
	Restricted				
	Inspire project	-	9,326	(9,326)	-
	Benefactor fund	-	29,820	(29,820)	-
	Salary	-	20,000	(20,000)	-
	School MAT	-	81,993	(81,993)	-
	Production Syndicate	-	72,160	(72,160)	-
	The Young Artist Programme	-	93,334	(68,575)	24,759
	Hip Hop	-	5,000	(5,000)	-
	Total restricted funds	£-	311,633	£(286,874)	(24,759)

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

16. RESTRICTED FUNDS (continued)

Restricted Funds

Founders Fund

Our Founders support the artistic excellence and development of the company. The money is held in a restricted fund and is applied for, by the Directors of the company, for specific items which improve the artistic quality of the season. For instance, a slightly bigger chorus, more strings in the orchestra, a more elaborate set for a specific production, a higher quality soloist or a new commission.

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.

Benefactor fund

Benefactors are special supporters of the Charity who believe in the central mission of Opera Holland Park to help everyone access and enjoy opera. Benefactors enjoy a personal relationship with the company. Benefactors donate £25k which can be paid over, up to 5 years.

17	ANALYSIS OF NET ASSETS BETWEEN FUNDS	General Funds £	Restricted Funds £	2020 Total funds £
	Tangible fixed assets	277,680	-	277,680
	Current assets	2,307,390	86,714	2,394,104
	Current liabilities	(424,476)	-	(424,476)
		<u>2,160,594</u>	<u>86,714</u>	<u>2,247,308</u>
		=====	=====	=====
	ANALYSIS OF NET ASSETS BETWEEN FUNDS	General Funds £	Restricted Funds £	2019 Total funds £
	Tangible fixed assets	376,022	-	376,022
	Current assets	2,525,414	24,759	2,550,173
	Current liabilities	(334,774)	-	(334,774)
		<u>£2,566,662</u>	<u>£24,759</u>	<u>£2,591,421</u>
		=====	=====	=====

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

18. 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 (2019: £1).

19. CONTROL

The Trustees consider there to be no ultimate controlling party.

20. RELATED PARTY TRANSACTIONS

The aggregate of donations received from the Trustees in the year was £34,274 (2019: £33,054).

Tickets were bought by the Trustees in the year totaling £7,951 and Membership fees were paid by the Trustees amounting to £6,150. There were no other related party transactions.

21. OPERATING LEASE COMMITMENTS

At 30 September 2020, the Charity had commitments under non-cancellable operating leases as follows:

	Plant and machinery	
	2020	2019
	£	£
Within one year	1,329	727
Within two to five years	-	545
	<hr/>	<hr/>
	£1,329	£1,272
	<hr/>	<hr/>

OPERA HOLLAND PARK

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 30 SEPTEMBER 2020

22. COMPARATIVE INFORMATION

		Restricted	General	
		Funds	Funds	Total
	Notes	2019	2019	2019
		£	£	£
INCOME FROM:				
Donations	2	311,633	511,819	823,452
Charitable activities	3	-	2,105,548	2,105,548
Other trading activities	4	-	428,601	428,601
Investments	5	-	35,722	35,722
		<hr/>	<hr/>	<hr/>
<i>Total income</i>		311,633	3,081,690	3,393,323
		<hr/>	<hr/>	<hr/>
EXPENDITURE ON:				
Raising funds	6	-	420,685	420,685
Charitable activities	7	286,874	3,626,428	3,913,302
		<hr/>	<hr/>	<hr/>
Total expenditure		286,874	4,047,113	4,333,987
		<hr/>	<hr/>	<hr/>
Net movement in funds	8	24,759	(965,423)	(940,664)
Balance brought forward at				
1 October 2018		-	3,532,085	3,532,085
		<hr/>	<hr/>	<hr/>
Balance carried forward at				
30 September 2019	15,16	£24,759	£2,566,662	£2,591,421
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>