
NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

GROUP TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

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NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Company registered number	09514461
Charity registered number	1163614
Registered office	Nevill Holt Theatre Nevill Holt Market Harborough Leicestershire LE16 8EG
Independent auditors	Duncan & Toplis Limited 5 Resolution Close Endeavour Park Boston Lincolnshire PE21 7TT

Nevill Holt Community Arts

CHARITY NUMBER: 1163614
COMPANY NUMBER: 09514461

Report of the Trustees for the year ended 31 August 2021



Nevill Holt Opera's *La Traviata*, August 2021

INTRODUCTION

Despite the ongoing challenges of the pandemic, 2021 saw our most ambitious opera festival to date - with more people than ever before enjoying opera at Nevill Holt.

Nevill Holt Community Arts (NHCA) exists to promote the arts and advance education in the arts, through the creation of productions of opera, music, design, theatre and related disciplines and through its education programmes. It does this through its wholly-owned subsidiary, Nevill Holt Opera Limited (NHO). It was crucial, therefore, that NHO presented high-quality live performances, and also that NHO continued to provide opportunities for those individuals taking part in its Young Artist and Schools programmes.

By moving to a specially-designed temporary outdoor theatre we were able to deliver two five-star productions to more than 4,500 people. This was in addition to the socially distanced June Festival week of concerts in the Nevill Holt theatre, which saw another 700 visitors. Including the audience who came to our dress rehearsals (David Ross Education Trust¹ (DRET) students, staff and their families as well as Leicestershire-based NHS workers) more than 5,700 people visited Nevill Holt for live music in summer 2021 (3,300 in summer 2019).

¹ The David Ross Education Trust is a network of unique and diverse academies, working with 34 primary and secondary schools across the country.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

Feedback from an NHS worker who attended the Don Giovanni dress rehearsal: "I would just like to thank you for the amazing performance on the 18th August. Me and my friend gained free tickets to the dress rehearsal of Don Giovanni and we truly enjoyed the performance. We are both nurses and have worked through Covid and it's honestly been a terrible time yet for that afternoon we both agreed we felt like we had escaped our world and fallen into the magic of your performance. My friend had a night shift that night and she said she took the performance with her to work and it got her through the shift. So from us to you, thank you so much for the experience we will never forget."

We focused on three principles to guide our work since March 2020 and these continued to inform our plans for the 2021/22 season.

In order to weather the challenges and to thrive, Nevill Holt Opera remained:

1. **Ambitious** in our work, with a desire to present the highest possible quality performances to the broadest audience. We continued to lead the sector in terms of presenting performances within health and safety guidelines, and ensured that this work remained of the highest standard. We will continue to use this work to broaden and develop our audience.
2. **Innovative** in our approach, recognising that flexibility and agility were key in this uncertain time. We were open to adapting the way that we work so that we could achieve as much as possible within the changing boundaries. In keeping our overheads low we can flex up and down as necessary to be as effective and efficient as possible while spending money only on the things that matter.
3. **Authentic** to our purpose, retaining our out-of-London focus on the most talented young people and artists and with education and community work at the centre of what we did. In contrast to many other arts organisations who were casting well-established performers in their post-lockdown work, we continued to cast our excellent emerging artists and expanded our education programme. A young person can now be supported by NHO at every stage from school until returning to our stage as a principal artist.

2020-21 Performances and Opera Festival



Construction began for the temporary theatre at Nevill Holt, summer 2021

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

NHO WINTER FESTIVAL

A Winter Festival was due to take place at Nevill Holt Opera in November 2020, with more than 10 socially distanced events taking place across three days. Unfortunately, however, the November lockdown meant that this had to be postponed until December, and ultimately cancelled as Tier 3 restrictions remained in place in Leicestershire. Instead of the full festival, ultimately a selection of NHO Young Artists performed a Christmas concert which was filmed and distributed to NHO members and also to care homes around Leicestershire, free of charge.

2021 SUMMER OPERA FESTIVAL

For the 2021 opera festival we believed that it would be wrong to decrease our audience and increase our ticket prices - both of which would have been necessary had we staged the opera festival inside the theatre in June as initially planned. At a time when accessible live performance is arguably more important than ever before, we were able to increase our audience and - crucially - reduce our ticket prices, including offering hundreds of free tickets to people under 18 for the very first time.

Feedback from an audience member after taking up the free under-18s tickets at Don Giovanni: *"I just wanted to send a huge thanks to all of the team with you at Nevill Holt. We had an absolutely fabulous night, it was the first time my three daughters had been to an opera and they were blown away by the whole experience. The event was such a great introduction for them, they were amazed at how witty and engaging it was and loved the costumes (both on stage and off) and drama of it all. And we look forward to seeing you next year."*

Feedback from an audience member after La traviata: *"Yesterday at Nevill Holt you were all amazing. How your performers continued in the cold and rain I'm not at all sure. But all of them are to be congratulated along of course with the orchestra and all those who made it possible for the performance to go ahead. I have seen La traviata many times over the years, never with such a novel setting and never with such an emotional ending with the young 'sister' appearing on the top of the fountain at the end. Well done to all and a big thank you. There is life after all!"*

To deliver sound of the highest possible standard, we worked with sound designer Mark Rogers, d&b audio and Southby Productions to use d&b audio's innovative Soundscape technology - becoming the first opera company in the UK to do so.

LA TRAVIATA

Jamie Manton directed a new production of La traviata, designed by Camilla Clarke, conducted by Nicholas Chalmers and with orchestra partner Manchester Camerata. The principal cast was led by Susana Gaspar (Violetta), Luis Gomes (Alfredo) and Michel de Souza (Germont) with a chorus of NHO Young Artists.

The Times review of La traviata (★★★★): *"I found this a brave and uplifting effort. Country house opera is often labelled "elitist" — not without reason. By adopting stadium-opera formats and technology, Nevill Holt has been able to lower some of its ticket prices (there is even free entry for the under-18s) and virtually double its audience capacity at a time when other companies are still struggling with Covid restrictions."*

Bachtrack review of La traviata (★★★★★): *"Stunning setting, hard-hitting acting, musical strength"*

DON GIOVANNI

Don Giovanni was directed by Jack Furness and designed by Alex Berry, with Finnegan Downie Dear conducting the Shadwell Ensemble, working with NHO for the first time. The cast included NHO Young Artist Seán Boylan in the title role alongside Aoife Miskelly, Nicholas Crawley, Olivia Warburton, Dingle Yandell, Benedict Nelson and Anna Patalong.

Seen & Heard review of Don Giovanni: *"Nevill Holt's remarkable production of Mozart's Don Giovanni ends what has proven to be the bravest of outdoor country opera seasons in 2021. Director Jack Furness has worked wonders with a vast green mound in the middle of Leicestershire's finest countryside."*

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Opera Now review of Don Giovanni (★★★★★): *“One of the advantages of the new set-up was that it allowed the company to host larger audience numbers than ever before, with lawn tickets free to under-18s, meaning that in effect the season had produced important benefits even before considering the shows themselves.”*



NHO's Don Giovanni, August 2021

JUNE FESTIVAL OF CONCERTS

In June 2021 we presented a week-long festival of concerts in our theatre, which included NHO's first BBC Radio 3 broadcast.

Monday 21st June

BBC Singers, conducted by Nicholas Chalmers, presented Summer and Light, introduced by Petroc Trelawny and featuring music by and an interview with Judith Weir (Master of the Queen's Music). This concert was recorded for broadcast on BBC Radio 3

Tuesday 22nd June

Nicholas Daniel and friends in partnership with Leicester International Music Festival

Wednesday 23rd June

Comedy cabaret duo Bounder and Cad

Thursday 24th June

Sheku and Isata Kanneh-Mason in recital

Friday 25th June

"A Night at the Opera" - Opera Gala with NHO Artists due to perform in the 2021 opera festival

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Education and Community Programmes



DRET students perform Italian arias in a masterclass onstage at Nevill Holt, June 2021

We not only grew our audience in 2021, but also developed and increased our education and community work. NHO's community and education strategy aims to ensure that young people at all levels of education have access to opera, theatre and music-making at the highest possible standard.

'Widening Access and Nurturing Excellence'

This strategy continues to deliver the two key priorities outlined in previous reports

1. Delivering our Education & Community Programme in areas of economic disadvantage and limited arts provision, enriching lives through music.
2. Developing and nurturing the most talented emerging artists and opera singers and artists emerging from leading UK educational establishments.

As a whole, the activities which took place in 2020/21 commit to a) Nurturing Excellence – through our work with gifted and talented school-aged children, and through our Young Artists Programme (now renamed Associate and Emerging Artists) and b) Widening access, so that students from all backgrounds can engage with NHO and benefit from high-quality music-making and performance.

During lockdown, we moved our Italian Songbook schools programme online, with accessible digital materials and regular online group sessions, and then restarted visits to schools as soon as we were able to do so in May 2021. When the NHO theatre reopened in June, young people who had taken part in this programme were the first to appear on our stage, performing the Italian arias that they had learnt with us during the preceding months.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

In 2020/21 we also launched our new Foundation Artist programme, which saw five students interested in a career in the performing arts join our professional chorus onstage for the production of La traviata and Don Giovanni. These were students from David Ross Education Trust (DRET) schools who had previously taken part in NHO primary and secondary programmes, as well as in previous productions.

Feedback from one of the inaugural NHO Foundation Artists: *"Being a Foundation Artist with Nevill Holt Opera was a life-changing experience, especially coming at the end of my secondary education. It has been my plan for some time to pursue a career in opera by studying singing at Conservatoire postgraduate and this gave me the opportunity to fully experience what my life could look like in the future, from learning the two operas at home before rehearsals started, right through to performance. Also, learning and performing both works in the original Italian has greatly increased my grasp of the language and pronunciation and I feel that through this, I have gained a real musical appreciation for both operas. At all times as Foundation Artists we were made to feel fully part of the company. We worked as a team with the Young Artists, getting to know each other really well and it was invaluable being able to learn from their experiences and I also learnt so much from observing those even further on in their careers. This whole process has undoubtedly confirmed to me that this is the path that I wish to pursue."*

Open dress rehearsals and ticket schemes

NHO continued its established practice of making tickets available to DRET schools for its 2021 opera dress rehearsals. Free tickets for the dress rehearsals were also taken up by local NHS and key workers across Leicestershire, distributed through Leicester Hospitals Charity. This reflected our commitment to widening access, further demonstrated by the hundreds of free tickets taken up by under-18s for our 2021 opera festival.



Foundation Artist Aaron Peters performs in La traviata.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

NHO Artist Development

NHO remains committed to identifying and developing some of the most talented young opera singers in the UK through its artist development programmes. The launch of the Foundation Artist programme in 2021 meant that NHO's artist development programmes are now able to support developing artists at every stage of their career.

Schools Programmes: Primary and secondary programmes focus on encouraging singing and building confidence in students from DRET schools across the Midlands.

Foundation Artists: The Foundation Artist programme, launched in 2021, offers recent DRET school leavers the chance to join the chorus for NHO's professional opera productions, equipping them with unparalleled insight into the industry and crucial experience ahead of their further study. We launched this scheme for the 2021 season and it has had such a positive impact on the students involved.

NHO Young Artists (now Emerging Artists and Associate Artists): Emerging Artists are at undergraduate level, and join NHO's chorus for the summer. They take part in a year-round programme of performances, coachings and workshops. Associate Artists are at postgraduate level, and take on small principal roles at NHO. They take part in a year-round programme of performances, coachings, workshops and work with students in DRET schools on the Italian Songbook project.

Principal Artists: These are exceptionally talented artists at early stages in their career, often taking on major principal roles at NHO for the very first time.

This series of programmes means that we are able to be there for talented performers at every stage of their development and career, with tailored training, development and performance opportunities. This progression is already evident as one of the 2021 inaugural Foundation Artists will be invited back as a 2022 Emerging Artist, while a number of 2021 Emerging Artists (known in 2021 as Young Artists) will be invited back as Associate Artists and take on named roles. This sort of long term development of artists is crucial and must not be eschewed in favour of shorter-term objectives.



NHO Young Artists formed the chorus for this production of Don Giovanni, August 2021

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Feedback from a Nevill Holt Opera Young Artist 2021: *"I was beyond thrilled when Nic got in touch offering me a small role and chorus young artist contract for Nevill Holt's 2021 summer festival. All my work for that summer and the summer before had been cancelled and, like many singers, I was struggling being stuck not able to perform. I'd seen Nevill Holt's ambitious plans when they first announced them and was struck by the bravery they'd shown by coming up with something above and beyond what other companies had planned for their summer festivals. The festival itself was great fun and felt like a really important stepping stone in my career - it was my first professional role in a summer opera festival and it felt like an exciting opportunity for me to show what I can do to the wider opera world. It was also great to work with Jack and Finn of Shadwell Opera, contacts which I think will be incredibly useful as I establish my career. Thanks again to Annie, Nic, and the whole team for putting on such a fantastic festival, and I hope I get to join Nevill Holt in their fantastic theatre in the future."*

Fundraising

2020/21 remained a challenging and uncertain time for the performing arts industry in the UK. The Trustees are extremely grateful to every single person, trust, foundation and organisation whose support ensures that Nevill Holt Opera can continue to present performances and run its education and community programmes in the future.

We were thankful to receive emergency support relating to the pandemic from Arts Council England (including through the first round of the Cultural Recovery Fund); through our local council; and from the Garfield Weston Foundation. A number of Trusts and Foundations committed to support us, as did many generous individuals. We would also like to thank our Don Giovanni syndicate supporters who maintained their support until the opera was able to be staged this season, and also those corporate supporters who allowed us to retain their partnership payments until the 2021 festival took place.

The Trustees of NHCA would like to thank all donors and supporters for helping us to secure the future of Nevill Holt Opera for the benefit of audiences, artists, participants in NHO's education programmes, and for the local community.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees, including those who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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 2019).

Since the group and the company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Nevill Holt Community Arts Limited exists to promote the arts and advance education in the arts, through the creation of productions of opera, music, design, theatre and/or related disciplines which are intended to be enlightening and/or of value to the public and the establishment of associated educational programmes.

We monitor our success in a number of ways, including the number of audience members reached, the number of participants in our education and community programmes, feedback from participants who took part in these programmes, and the perceived quality of our performances and events.

Significant activities

During the year the Charity received donations from individual donors, corporate supporters and charitable trusts and foundations either directly or collected on its behalf by Nevill Holt Opera. The Charity enabled Nevill Holt Opera Limited to fulfil the Charity's mission of enriching lives and empowering young people through music and the arts via the musical performances which took place both in the theatre and outside at the Nevill Holt estate, and through its programme of education and community work with students across the Midlands.

Public benefit

The Charity is a Public Benefit entity. When reviewing the Charity's objectives and activities, and in planning future activities, the trustees have considered the Charity Commission's general guidance on public benefit.

Grant making

During the year the Charity made donations to its wholly owned subsidiary, Nevill Holt Opera Limited, which delivered its charitable objectives on its behalf. All fundraising activities are undertaken by Nevill Holt Opera Limited and incoming resources are consequently held in a restricted reserve by the Charity for use by Nevill Holt Opera Limited

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year, the Charity delivered its objectives through its wholly owned subsidiary, Nevill Holt Opera Limited.

For the 2020/21 season, it was agreed by the Trustees that greater investment into the artistic product would be appropriate in order to ensure that the widest possible range of people could enjoy high standard performances following the restrictions of the pandemic and to grow Nevill Holt Opera's audience for the future. As a result, Nevill Holt Opera Limited saw a loss during this season of £59,235 (after tax but excluding depreciation). Income and costs were carefully monitored by both the Trustees of NHCA and the Directors of NHOL throughout the year to ensure that this loss was manageable and that the company retained the ability to plan and deliver work for years to come.

A detailed commentary is contained within the narrative report on pages 2 to 9.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

NEVILL HOLT OPERA: EXTRACT FROM FINANCIAL STATEMENTS TO 31 AUGUST 2021

	£	£
Trading Income		
Ticket Sales	319,452	
Corporate sponsorship	12,142	
Catering operations	34,196	
Membership income	13,805	
Programme sales	9,850	
		389,445
Donations and other income		
Public body grants (COVID)	26,143	
Donations from corporate and charitable supporters	184,850	
Other income	13,979	
Corporate giving	56,250	
Co-production receipts	1,000	
		282,222
Grants from NHCA/parent company for delivery of charitable objectives		
<i>Original source of funding from NHCA</i>		
Trust and foundations	129,150	
Membership donations	81,377	
Gift Aid	81,401	
Donations in lieu of refunds	-	
Other donations	10,440	
Ticketing donations	173,876	
		476,244
Outgoings:		
Fees - creative, production and artist fees	442,953	
Other activity costs	579,018	
Cost of raising funds	66,487	
Management and financial support costs	139,994	
Other administrative expenses	73,541	
Bank charges	18	
Theatre building maintenance	5,295	
		1,307,306
Surplus before depreciation, interest and tax	-	159,395
Other receivable		
Theatre tax relief	100,160	
Interest in respect of theatre tax relief	-	
		100,160
Non - cash outgoings		
Depreciation		134,157
Net surplus/(deficit) for the year		<u>(193,392)</u>

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

FINANCIAL REVIEW

Financial position, going concern and risk

The Statement of Financial Activities for the individual charity shows a net surplus of £nil for the year. All income raised during the year was granted to Nevill Holt Opera Limited, the Charity's wholly owned subsidiary, to deliver the Charity's objectives in the 2021 season.

The Statement of Financial Activities for the group shows a net deficit of £193,392 for the year, This is the deficit incurred by Nevill Holt Opera Limited, of which £134,157 is depreciation in respect of the theatre.

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

At the time of signing this report, the charity's most significant risks are:

1. That insufficient funds are raised to support planned charitable activities. This is managed closely in the budget-setting and monitoring processes of its wholly-owned subsidiary Nevill Holt Opera Limited which fundraises for the activities it undertakes on the Charity's behalf. This close association allows revisions to spending forecasts should expected incoming resources falter or costs rise on an activity by activity basis. The Charity also has built a moderate reserve to compensate for inevitable peaks and troughs of fundraising success.
2. That restrictions or audience behaviour relating to covid-19 and other external factors could prevent the Charity from delivering its objectives and may have a significant and negative impact on the Charity's finances. This risk is reduced through extensive scenario planning, which is overseen by the board, alongside close monitoring by the board of the level of liability taken on by the charity.

In June 2018 a new permanent theatre opened on the Nevill Holt Estate to house activities of Nevill Holt Opera Limited. The cost of the build has been funded by a short term unsecured loan from The Ross Foundation to Nevill Holt Opera Limited, and the theatre site is leased by Nevill Holt Opera for a 50 year period. A lease and loan agreement relating to the theatre at Nevill Holt is in the final stages of agreement.

In 2022 Nevill Holt Opera will present the majority of its summer performances (opera and concerts) back in its theatre. Given ongoing uncertainties around covid-19 and wider audience trends, cost commitments are being carefully set and managed against regular income targets, overseen by NHCA's board of trustees.

At the statement of financial position date and the date of signing this report, the Trustees are confident that there are no material uncertainties about the Charity's ability to continue as a going concern. Further details are given in the basis of preparation note to the financial statements.

Principal funding sources

The principal sources of donations are:

- Voluntary donations from individual supporters (through the Nevill Holt Opera Limited membership scheme and major gifts)
- Grants from charitable trusts and foundations, including emergency support relating to covid-19
- Any statutory grants
- Donations from corporate supporters
- Gift Aid on any eligible donations from individuals

These are either received directly by Nevill Holt Opera Community Arts Limited or collected on its behalf by Nevill Holt Opera Limited.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Investment policy and objectives

The only investment is in its wholly-owned subsidiary Nevill Holt Opera Limited. Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the trustees see fit and opportunities for investment would be subject to risk assessment on a case by case basis. The trustees have no immediate plans to consider further investments.

Reserves policy

The trustees approve Charity spending and fundraising targets annually to maintain sufficient reserves to meet future expenditure as and when it becomes due. At the year end the charitable company held a total of £70,078 (2020 - £70,078) in reserves of which £70,077 (2020 - £70,077) are restricted reserves held for the use of activities by the Nevill Holt Opera Limited.

Funds in deficit

At the year end date no funds were in deficit in respect of the charitable company.

For the charitable group, the unrestricted fund was in deficit by £283,029 as at the year end date. The main contributing factor to this was the cumulative depreciation charge in respect of the theatre, which to date was £419,277.

FUTURE DEVELOPMENTS

The Charity will continue to make grants to Nevill Holt Opera Limited in order to support its charitable objectives and activities. Nevill Holt Opera has planned a full programme of festival performances and activities for the summer of 2022 as well as activity with local schools throughout the year and the continuation of its artistic development programme in order to deliver the group charitable activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006, with no share capital (registration number 09514461).

The Charity was incorporated on 27 March 2015 and commenced its activities on that date and received charity status on 17 September 2015 (registration number 1163614).

The Memorandum and Articles of Association are the primary governing documents of the Charity.

Recruitment and appointment of new trustees

The subscribers to the Memorandum were the Directors of the Company and the first trustees of the Charity. To strengthen the skill set of the Board of Trustees and its independence from the Nevill Holt Opera Limited a further five trustees, who are not Directors of the Company, were appointed.

Any new trustees and directors are appointed following an introductory interview by the existing directors.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Organisational structure

The trustees meet sufficiently regularly to make decisions relating to the Charity including approving the remuneration of key personnel. Details of the trustees are given on page 15.

All Trustees gave of their time freely and they received no remuneration. No personal expense refunds were paid.

The delivery of charitable activities, raising of funds and administration for the charity is undertaken by its wholly owned subsidiary, Nevill Holt Opera Limited.

Annie Lydford, Managing Director of Nevill Holt Opera Limited, is responsible for the day to day running of all activities.

The Board of Directors of both Nevill Holt Opera Limited and Nevill Holt Community Arts Limited approve annual budgets prepared by the Managing Director and receive regular updates on performance throughout the reporting year.

The Charity receives donations collected on its behalf by the Nevill Holt Opera Limited. Donations are held in a restricted reserve and are used to fund activities of Nevill Holt Opera which align with the Charity's objectives.

Management

Annie Lydford, Managing Director, Nevill Holt Opera Limited (from January 2020). Remuneration paid to Annie Lydford is as agreed by the board of directors.

Induction and training of new trustees

The training and induction provided for new trustees depends on their existing experience. Where necessary, an informal induction tailored to their specific needs including training on charity, legal and financial matters.

Related parties

The Charity's funds are granted to its subsidiary Nevill Holt Opera Limited which fundraises and delivers the Charity's activities. Nevill Holt Opera Limited transacts with suppliers and customers in the normal course of business. During the year payments were made to and received from organisations of which the trustees of the Charity held positions such as director, trustee, or committee member. Further details are given in the notes to the financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09514461 (England and Wales)

Registered Charity number

1163614

Registered office

Nevill Holt Theatre
Nevill Holt
Market Harborough
Leicestershire
LE16 8EG

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees and Directors In post during the year to 31 August 2021

Ms F J H Richards

H J Stevenson

L T J Morris (appointed 26 October 2020)

Simon Rose (appointed 26 October 2020)

Trustees (but not appointed as directors)

Mrs J M Forman Hardy

S G Toyne

Mrs S M Wass

J D P Dunseath

Senior Statutory Auditor

T G Godson FCA

Bankers

Barclays

One Stanhope Gate

London

SW1A 1NP

Solicitors

Clifford Chance LLP

10 Upper Bank Street

London

E14 5JJ

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nevill Holt Community Arts Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

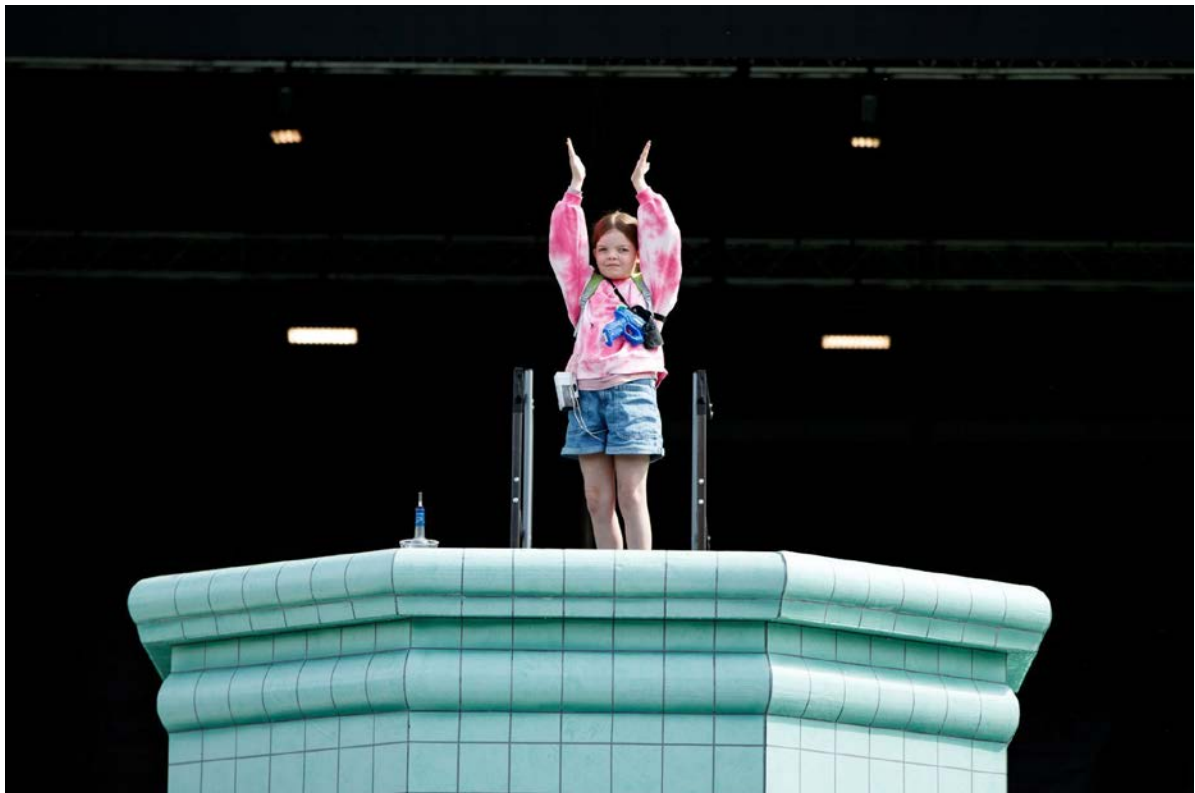
**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable 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.

Report of the trustees, approved by order of the board of trustees, as the company directors, on 27 June 2022 and signed on the board's behalf by:

H J Stevenson - Trustee



Sophie Warhurst (Brighthurst School) performs in NHO's La traviata, August 2021

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEVILL HOLT COMMUNITY ARTS LIMITED

Opinion

We have audited the financial statements of Nevill Holt Community Arts Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 August 2021 and of the Group's incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEVILL HOLT COMMUNITY ARTS LIMITED
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEVILL HOLT COMMUNITY ARTS LIMITED
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other management obtained as part of the work required by auditing standards. We have also discussed with the Trustees and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. The Group is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. This included the identification and testing of unusual material journal entries and challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.

Additionally, the Group is subject to laws and regulations in the industry in which they operate, including the regulatory requirements of The Charity Commission, safe guarding and data protection. These are areas where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEVILL HOLT COMMUNITY ARTS LIMITED
(CONTINUED)

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection. This inspection included a review of legal fees for any evidence of non-compliance and discussions around whether any regulatory issues occurred in the year. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions or the override of internal controls.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

T G Godson FCA (Senior Statutory Auditor)

for and on behalf of
Duncan & Toplis Limited, Statutory Auditor
5 Resolution Close
Endeavour Park
Boston
Lincolnshire
PE21 7TT

28 June 2022

Duncan & Toplis Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies:					
Trusts and foundations		12,000	129,150	141,150	12,000
Membership donations		-	81,377	81,377	91,935
Gift aid		-	81,401	81,401	37,848
Ticket donations inc. donations in lieu		-	173,876	173,876	45,782
Other donations		1,090	10,440	11,530	1,641
Other trading activities:					
Ticket sales		-	319,452	319,452	28,401
Catering operations		-	34,196	34,196	503
Corporate sponsorship		-	12,142	12,142	-
Membership income		-	13,805	13,805	-
Programme sales		-	9,850	9,850	-
Other interest		-	-	-	16
Other income	4	86,000	183,132	269,132	132,577
Total income		99,090	1,048,821	1,147,911	350,703
Expenditure on:					
Charitable activities:					
Fees - creative, production and artist fees		13,000	429,953	442,953	39,154
Other activity costs		36,090	542,928	579,018	65,921
Cost of raising funds		12,000	54,487	66,487	55,108
Management and financial support costs		33,000	106,994	139,994	142,302
Other administrative expenses		5,000	68,559	73,559	44,475
Theatre building maintenance		-	5,295	5,295	(8,577)
Depreciation		-	134,157	134,157	129,522
Total expenditure		99,090	1,342,373	1,441,463	467,905
Net expenditure before taxation		-	(293,552)	(293,552)	(117,202)
Taxation		-	100,160	100,160	93,626
Net movement in funds		-	(193,392)	(193,392)	(23,576)

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Note				
Reconciliation of funds:				
Total funds brought forward	70,077	(89,637)	(19,560)	4,016
Net movement in funds	-	(193,392)	(193,392)	(23,576)
Total funds carried forward	<u><u>70,077</u></u>	<u><u>(283,029)</u></u>	<u><u>(212,952)</u></u>	<u><u>(19,560)</u></u>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 41 form part of these financial statements.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09514461

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	8	6,128,803	6,190,966
		<u>6,128,803</u>	<u>6,190,966</u>
Current assets			
Stocks	11	2,947	-
Debtors	12	403,742	286,108
Cash at bank and in hand		270,845	238,615
		<u>677,534</u>	<u>524,723</u>
Creditors: amounts falling due within one year	13	(7,019,289)	(6,735,249)
Net current liabilities		<u>(6,341,755)</u>	<u>(6,210,526)</u>
Total assets less current liabilities		<u>(212,952)</u>	<u>(19,560)</u>
Net liabilities excluding pension asset		<u>(212,952)</u>	<u>(19,560)</u>
Total net assets		<u><u>(212,952)</u></u>	<u><u>(19,560)</u></u>
Charity funds			
Restricted funds	14	70,077	70,077
Unrestricted funds	14	(283,029)	(89,637)
Total funds		<u><u>(212,952)</u></u>	<u><u>(19,560)</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

H J Stevenson - Trustee

Date: 27 June 2022

The notes on pages 26 to 41 form part of these financial statements.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09514461

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	10	1	1
		<u>1</u>	<u>1</u>
Current assets			
Debtors	12	65,158	78,915
Cash at bank and in hand		213,825	92,047
		<u>278,983</u>	<u>170,962</u>
Creditors: amounts falling due within one year	13	(208,906)	(100,885)
		<u>70,077</u>	<u>70,077</u>
Net current assets		<u>70,077</u>	<u>70,077</u>
Total assets less current liabilities		<u>70,078</u>	<u>70,078</u>
Net assets excluding pension asset		<u>70,078</u>	<u>70,078</u>
Total net assets		<u><u>70,078</u></u>	<u><u>70,078</u></u>
Charity funds			
Restricted funds	14	70,077	70,077
Unrestricted funds	14	1	1
		<u>70,078</u>	<u>70,078</u>
Total funds		<u><u>70,078</u></u>	<u><u>70,078</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 27 June 2022 and signed on their behalf by:

H J Stevenson - Trustee

The notes on pages 26 to 41 form part of these financial statements.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	17	(58,566)	81,932
Cash flows from investing activities			
Purchase of tangible fixed assets		(71,994)	(66,780)
Net cash used in investing activities		(71,994)	(66,780)
Cash flows from financing activities			
Cash inflows from new borrowing		162,790	51,086
Net cash provided by financing activities		162,790	51,086
Change in cash and cash equivalents in the year		32,230	66,238
Cash and cash equivalents at the beginning of the year		238,615	172,377
Cash and cash equivalents at the end of the year	18	270,845	238,615

The notes on pages 26 to 41 form part of these financial statements

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

Nevill Holt Community Arts Limited is a registered charity, limited without shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Nevill Holt Community Arts Limited 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

At the statement of financial position date the group had net liabilities of £212,952 (2020 - £19,560) and net current liabilities of £6,341,755 (2020 - £6,210,526).

The theatre opened to the public in June 2018. The cost of the build was funded by a loan from The Ross Foundation to Nevill Holt Opera Limited. Nevill Holt Opera Limited has consequently incurred a liability of £6,588,876 at the year end (2020 - £6,426,086), being a short term unsecured funding loan. The year on year increase relates to scoping work undertaken in preparation for building enhanced facilities at the theatre. At the time of signing this report management are finalising planning applications.

At the time of signing this report lawyers acting on behalf of the Trustees of The Ross Foundation and the Directors of Nevill Holt Opera Limited are near to finalising a long term loan agreement and terms of lease between the two organisations. The directors expect to commit to a loan repayment schedule over 50 years which will permit earlier exit after not less than a two year notice period. These clauses are intended to protect the interests of both parties. Once these agreements are signed the Directors expect the loan, other than the portion due for repayment within one year, to be classified as an amount falling due after more than one year. Had this been the case at 31 August 2021 the net current assets at that date would have been £197,121 (2020 - £165,560).

The Directors confirm that the group is expected to continue to be able to meet its liabilities in the next twelve months. On this basis the Directors consider it appropriate to prepare the financial statements on the going concern basis.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.2 Income

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

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the group will comply with conditions attaching to them and the grants will be received using the accrual model.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.5 Taxation

The parent company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the parent company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The subsidiary undertaking is liable to tax. Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Financial Activities, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

Nevill Holt Opera Limited is eligible for Theatre Tax Relief on core production expenditure under the provisions of the Finance Act 2014. Tax credits are recognised when a reliable estimate is available.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Long-term leasehold - theatre	-	2% on cost
Equipment	-	20% on cost

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

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

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Statement of Financial Position date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.11 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.12 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

Contributions payable to the group's pension scheme are charged to the statement of financial activities in the period to which they relate.

2.13 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Critical accounting estimates and areas of judgement

In the application of the Group's accounting policies, management is required to make judgements, 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 affects both current and future periods.

Critical accounting estimates and assumptions:

Depreciation of the Theatre

The Theatre is being depreciated over the life of the lease. This is subject to management's judgement as the agreement has not been finalised at this stage. The relevant charge to the accounts is reviewed at each year end to ensure that the basis is appropriate and amended where necessary.

4. Other incoming resources

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Trusts and foundations	-	100,000	100,000
Donations from corporate and charitable supporters	-	43,750	43,750
Public body grants (COVID)	-	26,143	26,143
Other income	1,000	13,239	14,239
Arts Council England grants	85,000	-	85,000
	<hr/>	<hr/>	<hr/>
	86,000	183,132	269,132
	<hr/>	<hr/>	<hr/>

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Other incoming resources (continued)

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations from corporate and charitable supporters	-	50,000	50,000
Public body grants (COVID)	-	25,000	25,000
Other income	3,270	21,307	24,577
Arts Council England grants	33,000	-	33,000
	<u>36,270</u>	<u>96,307</u>	<u>132,577</u>

5. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	12,000	-
Fees payable to the Group's auditor in respect of: All non-audit services not included above	11,554	10,982

6. Staff costs

	Group 2021 £	Group 2020 £
Wages and salaries	72,500	72,954
Social security costs	3,410	4,597
Contribution to defined contribution pension schemes	5,885	11,015
	<u>81,795</u>	<u>88,566</u>

All contributions to defined contribution pension schemes are allocated to unrestricted funds.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Staff costs (continued)

The average number of persons employed by the Group during the year was as follows:

	Group 2021 No.	<i>Group 2020 No.</i>
Management	2	<i>2</i>

No employee received remuneration amounting to more than £60,000 in either year.

The total employee benefits paid to key management personnel were £59,097 (2020 - £58,227).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses totalling £608 were reimbursed or paid directly to 1 Trustee (2020 - £NIL). Expenses reimbursed were for the purchase of items required for the festival.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Tangible fixed assets

Group

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 September 2020	6,476,085	23,096	6,499,181
Additions	71,994	-	71,994
At 31 August 2021	<u>6,548,079</u>	<u>23,096</u>	<u>6,571,175</u>
Depreciation			
At 1 September 2020	285,120	23,095	308,215
Charge for the year	134,157	-	134,157
At 31 August 2021	<u>419,277</u>	<u>23,095</u>	<u>442,372</u>
Net book value			
At 31 August 2021	<u>6,128,802</u>	<u>1</u>	<u>6,128,803</u>
At 31 August 2020	<u>6,190,965</u>	<u>1</u>	<u>6,190,966</u>

Tangible fixed assets relate to the subsidiary company only.

9. Taxation

Nevill Holt Community Arts Limited is a company limited by guarantee and is a registered charity. As such it is eligible for the relief applicable to charities.

Nevill Holt Opera Limited is a trading subsidiary and is eligible to claim Theatre Tax Relief under the provisions of the Finance Act 2014 in respect of core expenditure on productions.

NEVILL HOLT COMMUNITY ARTS LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2020	1
	<hr/>
At 31 August 2021	1
	<hr/> <hr/>
Net book value	
At 31 August 2021	1
	<hr/>
At 31 August 2020	1
	<hr/> <hr/>

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
Nevill Holt Opera Limited	08351346	Nevill Holt Theatre, Nevill Holt, Leicestershire, LE16 8EG	Musical/operatic performances
Class of shares	Holding	Included in consolidation	
Ordinary	100%	Yes	

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10. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / for the year £	Net assets £
Nevill Holt Opera Limited	1,147,911	(1,441,463)	(293,552)	(283,029)

11. Stocks

	Group 2021 £	Group 2020 £
Finished goods and goods for resale	2,947	-

12. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	78,342	88,951	-	-
Amounts owed by group undertakings	-	-	41,000	41,000
Other debtors	107,826	37,915	24,158	37,915
Prepayments and accrued income	217,574	159,242	-	-
	403,742	286,108	65,158	78,915

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13. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Other loans	6,588,876	6,426,086	-	-
Trade creditors	258,160	33,471	-	-
Amounts owed to group undertakings	-	-	208,906	83,035
Other taxation and social security	5,236	14,416	-	-
Other creditors	29,730	12,021	-	-
Accruals and deferred income	137,287	249,255	-	17,850
	<u>7,019,289</u>	<u>6,735,249</u>	<u>208,906</u>	<u>100,885</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 August 2021 £
Unrestricted funds					
General fund	(89,637)	1,048,821	(1,342,373)	100,160	(283,029)
Restricted funds					
Restricted fund	70,077	99,090	(99,090)	-	70,077
Total of funds	(19,560)	1,147,911	(1,441,463)	100,160	(212,952)

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Taxation £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds					
General fund	(66,061)	314,433	(431,635)	93,626	(89,637)
Restricted funds					
Restricted fund	70,077	36,270	(36,270)	-	70,077
Total of funds	4,016	350,703	(467,905)	93,626	(19,560)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 August 2021 £
General funds	(89,637)	1,048,821	(1,342,373)	100,160	(283,029)
Restricted funds	70,077	99,090	(99,090)	-	70,077
	<u>(19,560)</u>	<u>1,147,911</u>	<u>(1,441,463)</u>	<u>100,160</u>	<u>(212,952)</u>

Summary of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Taxation £	Balance at 31 August 2020 £
General funds	(66,061)	314,433	(431,635)	93,626	(89,637)
Restricted funds	70,077	36,270	(36,270)	-	70,077
	<u>4,016</u>	<u>350,703</u>	<u>(467,905)</u>	<u>93,626</u>	<u>(19,560)</u>

The restricted fund comprises donations received which are only to be used to support the activities of Nevill Holt Opera Limited. The fund includes grants or areas of income for which a specific purpose has been outlined by the body or individual making the grant or donation. For example, a grant may be made specifically to support Nevill Holt Opera Limited's community and education programme, or towards its young artist scheme.

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	6,128,803	6,128,803
Current assets	70,077	607,457	677,534
Creditors due within one year	-	(7,019,289)	(7,019,289)
Total	<u>70,077</u>	<u>(283,029)</u>	<u>(212,952)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	6,190,966	6,190,966
Current assets	70,077	454,646	524,723
Creditors due within one year	-	(6,735,249)	(6,735,249)
Total	<u>70,077</u>	<u>(89,637)</u>	<u>(19,560)</u>

17. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	<i>Group 2020 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	<u>(193,392)</u>	<u>(23,576)</u>
Adjustments for:		
Depreciation charges	134,157	129,522
Decrease/(increase) in stocks	(2,947)	-
Increase in debtors	(117,634)	(161,736)
Increase in creditors	121,250	137,722
Net cash provided by/(used in) operating activities	<u>(58,566)</u>	<u>81,932</u>

18. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	270,845	238,615
Total cash and cash equivalents	<u>270,845</u>	<u>238,615</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	238,615	32,230	270,845
Debt due within 1 year	(6,426,086)	(162,790)	(6,588,876)
	<u>(6,187,471)</u>	<u>(130,560)</u>	<u>(6,318,031)</u>

20. Operating lease commitments

At 31 August 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £
Not later than 1 year	684	-
Later than 1 year and not later than 5 years	2,564	-
	<u>3,248</u>	<u>-</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2021 £	Group 2020 £
Operating lease rentals	385	-
	<u>385</u>	<u>-</u>

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21. Related party transactions

The Directors and Trustees of the Charitable Company and the Directors of its subsidiary do not receive fees or salaries for the performance of their Director/Trustee roles. Nor do they claim for refunds of associated personal expenses.

Financial Statements of both Nevill Holt Opera Limited and Nevill Holt Community Arts Limited include immaterial transactions with members of both boards which arose during the normal course of business: no discounts on purchases of event tickets or goods are received by virtue of their position on the Board.

The financial statements include the following receivable grants and donations given without conditions and are disclosed in accordance with SORP (FRS 102 revised) requirements:

-Donations without conditions receivable from the Trustees of Nevill Holt Community Arts Limited, the Directors of Nevill Holt Opera Limited and related parties totalled £19,060 (2020 - £70,050).

-Nevill Holt Opera Limited incurred £8,254 (2020 - £2,692) to acquire insurance (on normal commercial terms) brokered through Locktons of which one of the Directors of Nevill Holt Opera Limited is a Partner.

-Nevill Holt Opera Limited incurred £2,240 (2020 - £NIL) in accommodation costs (on normal commercial terms) through Subtle Productions Limited of which one of the Directors of Nevill Holt Opera Limited is a Director.