

**THE ROYAL OPERA HOUSE BENEVOLENT FUND
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Registered Charity No. 1193337

**AZETS AUDIT SERVICES
Azets River House
1 Maidstone Road
Sidcup
Kent DA14 5RH**

THE ROYAL OPERA HOUSE BENEVOLENT FUND

CONTENTS

	Page
Charity Information	1
Report of the Trustees	2 – 6
Independent Auditor's Report	7 - 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 18

THE ROYAL OPERA HOUSE BENEVOLENT FUND

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Mr Oliver Parr (Chairman) Mrs Tessa King-Farlow (Vice-Chairman) Mr Alex Beard CBE Mr Neil Dolby Mr Greg Jauncey Mr Andrew Kaufman MBE Mr James Parry Ms Eleanor Sepanski Mrs Nicki Spencer
Charity Registration Number	1193337
Principal Office	Royal Opera House Covent Garden London WC2E 9DD
Key Management	Matthew Dewhirst – Secretary Maureen Baker – Welfare & Administration Officer Rose Goodman – OHU Advisor (To June 2023) Julie Hayes – Interim OHU advisor (From June 23)
Banker	Coutts & Co 440 Strand London WC2R 0QS
Statutory Auditor	Azets Audit Services River House 1 Maidstone Road Sidcup Kent DA14 5RH
Investment managers:	BlackRock Advisors (UK) Limited 12 Throgmorton Avenue London EC2N 2DL Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA Ruffer LLP 80 Victoria Street London SW1E 5JL Trojan Asset Management 33 Davies Street London W1A 5JA

THE ROYAL OPERA HOUSE BENEVOLENT FUND

REPORT OF THE TRUSTEES

The Trustees present their statutory report with the financial statements of The Royal Opera House Benevolent Fund ("the Fund") for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Fund.

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the Fund are, for the public benefit, the prevention of poverty, the advancement of education and the advancement of health principally by providing financial or other assistance (including help with re-training) to past or present employees or engagees of the Royal Opera House ("ROH") or the Birmingham Royal Ballet ("BRB") or their dependents who are in financial need. The Fund may provide grant funding to charities and organisations in order to support such individuals or their dependents, as well as artists and/or other persons employed by a company that gives performances of opera, ballet or music. Finally, the Fund may make grants to any charity or organisation involved with education in the fields of opera, ballet or music or do all such other things to promote the objects as the Trustees may decide.

Activities

The principal activities of the Fund are as follows:

Charitable Activities

Grants to individuals (including loans) and organisations, and regular monthly payments to retired ROH or BRB employees and their dependents remain the principal activities of the Fund. In addition, the Fund, on behalf of ROH employees, has fully funded the fees of Care First – a confidential counselling – and continues to support the ROH Occupational Health Unit.

Fundraising Activities

The Fund was originally established in 1961 as a registered charity with the prime object of assisting retired Royal Opera House employees at a time when there was no general occupational pension scheme available. The generous funding from successive galas in the first two decades of its existence has enabled the Fund, to date, to be self-financing from its investments without any further major fundraising.

Governance Activities

The day-to-day running of the Fund is vested in the Secretary and includes maintaining the financial records and ensuring that all constitutional and statutory requirements are met.

Whilst the Fund operates from within the ROH and assists past and present members of the ROH and BRB, it is not a related party although Alex Beard (a Trustee) is the CEO of the ROH. Staff worked from home during the Covid-19 pandemic and now adopt a hybrid model of working.

ACHIEVEMENTS AND PERFORMANCE

Achievements

In the year to 31 March 2023 the Fund provided a total of £670k in grants (2021/22: £629k), more than in any previous year other than 2020/21 when an exceptional Covid-19 related grant was made to the ROH.

During the year, the Fund provided a total of £84,700 in short term grants to 33 (2021/22: 60) individual beneficiaries who were still facing employment issues following the Covid-19 pandemic. At the end of the period, the Fund was supporting 11 remaining beneficiaries of these short term grants and it is anticipated that a small number of these will become longer-term beneficiaries.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

REPORT OF THE TRUSTEES

Achievements - continued

Regular monthly payments to retired ROH/BRB employees and their dependents remain an important activity and the number of beneficiaries assisted in this way during the period was 12. These payments (a total of £55,735 in 2022/23) are mainly to those struggling to get by on inadequate or non-existent occupational pensions. The Fund has also been able to provide support to some 28 additional beneficiaries during the period. These grants include help towards unforeseen expenditure, household goods and appliances, repairs, specialised care support, occupational aids, and funeral costs. In addition, the Fund offers practical advice and support to beneficiaries and, through its Welfare & Administration Officer, provides home visits for comfort and support to UK-based beneficiaries. Due to the exceptional rise in energy costs as a result of the conflict in Ukraine, the Fund made unbudgeted emergency energy payments to 37 individuals at a cost of £19,625.

As noted above, the Fund has fully funded the fees of Care First incurred by ROH and continues to support the ROH Occupational Health Unit, this year with a grant of £132k (2021/22: £104k). This grant also funds weekly visits by an osteopath, physiotherapist and acupuncturist for the benefit of ROH employees.

The Trustees are pleased to report that the Fund made grants of £49,650 to Dancers' Career Development, in support of its Evolve Workshops and its career and personal coaching sessions, and £25,000 to the Royal Ballet School for its Healthy Dancer Programme. In addition, BRB's Employee Assistance Programme was funded in full by the Fund.

During the period, the Fund has continued its support to the ROH and the BRB. In respect of the ROH, a grant of £131k (see note 7) was approved to cover its annual contribution to Dancers' Career Development. Grants totalling £121k were made to the BRB, principally in respect of its contribution to Dancers' Career Development and for screening, sports psychology, nutrition and occupational health. Additionally, the Fund continued to provide educational grants to Sloane Square Choral Society (£3,750) and to Ex-Cathedra (£5,500).

During the period, the Fund was able to help and support all applicants who came within the objectives and criteria referred to above, as well as providing practical advice and support.

The Trustees consider that the Fund has robust financial controls, and they are pleased to report that its core grant giving was in line with budget. Its level of reserves allowed it to make exceptional, unbudgeted, discretionary awards to beneficiaries with increased energy costs as outlined above. Increases to the OHU and organisational grants were largely due to inflationary pressures which were prevalent throughout the period.

Investment Policy

The Trustees' long term investment objectives are:

- a) the creation of a sufficient investment return to enable the Fund to carry out its purposes effectively and without interruption; and
- b) the maintenance of value and, if possible, the enhancement of the Fund's investments.

To achieve these objectives, the Trustees' past and current policy is to invest in a mixture of index tracking equity funds, real return funds and cash.

Investment Performance

Both the Investment Sub-Committee and the Trustees as a group regularly reviewed the Fund's investments and asset allocation during the period.

In view of the level of giving agreed during the period (which, as usual, necessitated a number of investment disposals), the Trustees consider the period end outturn to be acceptable. Total investments as at 31 March 2023 were £6.19 million (31 March 2022: £7.03 million), net investment losses during the period were £220k (2021/22: £474k gain) and net disposals to fund grants totalled £648k.

The assets of the Fund continue to be invested in a mixture of BlackRock equity tracker funds, absolute return funds (the Newton Real Return Fund, CF Ruffer Absolute Return Fund and the Trojan Investment Income Fund) and cash placed with Coutts & Co, a portion of which is placed in a fixed term deposit account.

Following a review of the Common Reporting Standard (CRS), which came into effect on 1 January 2016, and consequent amendments made to arrangements with certain investment managers, the Trustees concluded that the charity is not a Financial Institution under the terms of the CRS and that it is classified as an "Active Non-Financial Entity" with no further reporting requirements to HMRC.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

REPORT OF THE TRUSTEES

Financial Review of the Year

Total income from investment income and donations for the year was £139k (2022: £136k). Total expenditure for the year was £757k (2022: £710k).

Reserves Policy

It is the policy of the Fund to maintain unrestricted funds in investments sufficient to enable it to meet its charitable commitments and governance costs for the foreseeable future. The Trustees review the level of reserves on an ongoing basis. Any unspent income in a year is transferred to reserves for future contingencies.

Unrestricted general funds at 31 March 2023 were £6,396k (2022: £7,234k).

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Plans for Future Years

The Fund would welcome a greater number of individuals applying for assistance and works closely with the ROH to identify and encourage applicants to approach the Fund for support. It will also look to extend its reach by forging closer links with people involved in other opera, ballet and music companies in line with its giving criteria and charitable objectives set out above.

Support to organisations is expected to continue, with commitments already in place with ROH OHU, Dancers' Career Development, Royal Ballet School, Sloane Square Choral Society and Chelsea Chamber Choir.

Operational efficiencies will be achieved through the implementation of a grant management system.

The Trustees will continue to review the charity's activities and associated financial commitments following the creation of the CIO on 1 April 2021.

Post Balance Sheet Events

Since 31 March 2023, international stock markets have strengthened whilst UK markets have been largely unchanged. The Trustees consider the level of reserves to be sufficient to meet its operational and grant funding requirements and are of the view that its status as a going concern is not adversely affected.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The Fund's application to the Charity Commission to change its legal structure from a registered charity to a Charitable Incorporated Organisation was approved with effect from 1 April 2021. The Fund is now governed by a Deed of Constitution dated 22 September 2020.

Governance

Responsibility for the management of the charity is vested in the Trustees shown on page 1. The Trustees meet quarterly to, inter alia, assess requests for assistance, investment matters and financial performance.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

REPORT OF THE TRUSTEES

Governance (continued)

The Trustees who served during the year were as follows:

- Mr Oliver Parr - Chairman
- Mrs Tessa King-Farlow – Vice Chairman
- Mr Alex Beard CBE
- The Earl of Darnley (resigned 7 December 2022)
- Mr Neil Dolby
- Mr Greg Jauncey
- Mr Andrew Kaufman MBE
- Mr James Parry (appointed 8 March 2023)
- Ms Eleanor Sepanski
- Mrs Nicki Spencer

The Trustees formed a Nominations Sub-Committee to assist the Chairman and the Trustees' Board in appointing new Trustees and a Sub-Committee on grants to registered charities on 5 May 2015 and 17 April 2015, respectively. In addition, the Investment Sub-Committee continues to meet on a regular basis.

New Trustees are nominated and appointed by the existing Trustees. The Trust Deed provides for a minimum of three Trustees and a maximum of ten. Trustees are selected in order to ensure that there is a balance of experience, including knowledge of the ROH, investment, legal and financial matters. Following the appointment of a new Trustee, the Officers ensure that he or she is made aware of the duties and responsibilities of a Trustee as set out by the Charity Commission. They are also given a copy of the Trust Deed and the latest set of accounts.

Management

The Trustees are responsible for setting strategies and policies and for ensuring that these are implemented by the Officers of the Fund. The Trustees take professional advice when necessary, generally on legal matters.

Applications for help are reviewed against specific criteria, and, generally, each individual applicant has to submit a statement of income and expenditure. These criteria are based on Minimum Income Standards guidelines, published statistics (e.g. The Family Budget Unit) and the need to meet the objectives of the Fund. Help may be given by way of one or more grants, a monthly allowance (subject to regular review) or a loan. Applications for help from other charities within the Fund's objectives are also considered.

The Fund is a member of the Association of Charitable Organisations (ACO). The ACO provides much helpful information on good practice and changes in the law affecting charities and acts as an authoritative lobby on behalf of charitable foundations with the Government and regulators.

Risk Management

The Trustees examine the major strategic, business and operational risks which the Fund faces each year and confirm that formal systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks.

The major risks identified and the ways to mitigate them include the following:

- Lack of funds to meet the Fund's commitments - Overseen by the Investment Sub-Committee with regular reviews. The Fund maintains two bank accounts. Cash flow projections are reviewed quarterly. If required, cash can be raised from the investment portfolio.
- Payment of funds to people who are not eligible beneficiaries - Overseen by the staff. Adherence to the Grant Authorisation Protocol as agreed by the Trustees.
- Misappropriation of funds - Strict procedures for approval of investments and signing of cheques, and dual authorisation of online payments.
- Unavailability of staff: - The Fund has a small team of two who cover each other with assistance from the ROH Occupational Health Advisor when required. A Procedures Manual and Guidelines folder is available.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

REPORT OF THE TRUSTEES

Risk Management (continued)

Strategies are in place to manage and mitigate these risks and ensure that they do not adversely affect the Fund's operations or the welfare of its beneficiaries.

Through the above risk management process, the Trustees anticipate that major risks will be identified and, as far as practicable, adequately mitigated. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Public Benefit

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Fund's aims and objectives and in planning the Fund's future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives that have been set. The Trustees are satisfied that the Fund continues to meet the Charity Commission's guidelines with regard to delivering public benefit.

TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity 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 2015 (FRS 102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Deed of Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is 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 auditor is aware of that information.

This report was approved by the Trustees on 13 December 2023 and signed on their behalf by:

Oliver Parr
Chairman

THE ROYAL OPERA HOUSE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Opinion

We have audited the financial statements of The Royal Opera House Benevolent Fund (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet 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 charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's 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 doubt on the charity's ability to continue as a going concern for a year of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon⁴. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH

Date: 14 December 2023

THE ROYAL OPERA HOUSE BENEVOLENT FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Income from:			
Donations and legacies	2	35,252	2,106
Grants receivable	3	15,000	50,000
Investment income	4	89,083	82,460
Other income		67	-
Transfer of funds from The Royal Opera House Benevolent Fund registered charity		-	7,335,657
Total income		139,402	7,470,223
Expenditure on:			
Charitable activities			
Benevolent grants payable	6	553,150	534,395
Counselling	8	5,496	5,457
Occupational Health Unit	9	136,794	106,489
Welfare Support costs	10	61,758	63,902
Total expenditure	5	757,198	710,243
Net income / (expenditure) and net movement in funds before gains and losses on investments		(617,796)	6,759,980
Net gains / (losses) on investment assets	15	(219,635)	473,816
Net movement in funds		(837,431)	7,233,796
Fund balances			
Fund balance brought forward 1 April 2022		7,233,796	-
Fund balance carried forward 31 March 2023		6,396,365	7,233,796

All transactions are derived from continuing activities and from unrestricted income.

The statement of financial activities includes all gains and losses recognised during the year.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

**BALANCE SHEET
AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible Fixed Assets	14		-		-
Investments	15		6,194,130		7,032,885
Current assets					
Debtors	16	41,188		20,818	
Cash on short term deposit		167,929		229,929	
Cash at bank and in hand		2,845		2,696	
		211,962		253,443	
Creditors: Amounts falling due within one year	17	(9,727)		(52,532)	
Net current assets					
			202,235		200,911
Net assets					
			6,396,365		7,233,796
FUNDS					
Unrestricted general funds			6,396,365		7,233,796
			6,396,365		7,233,796

The financial statements were approved on 13 December 2023 and signed on behalf of the Board by:

Oliver Parr
Chairman

Tessa King-Farlow
Vice-Chairman

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The Royal Opera House Benevolent Fund is a registered charitable incorporated organisation (CIO) constituted under a Deed of constitution dated 22 September 2020. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is set out on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations and legacies to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The charity receives grants in respect of its activities. Income from grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as deposits or units in investment funds. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching to the grants are fulfilled. Grants offered subject to conditions that have not been met at the year end are noted as a commitment, but not accrued as expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1.4 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Principal Office. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 11.

1.5 Funds

Unrestricted funds (which have not been designated for other purposes) 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.

1.6 Investments

Investments are recognised initially at their transaction value which is normally the transaction price less transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the investments are publicly traded or their fair value can otherwise be measured reliably.

1.7 Foreign currency

Investments denominated in a foreign currency at the balance sheet date are translated using the closing rate on that day.

1.8 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.9 Loans

Loans are initially recognised at face value including transaction costs. Subsequently, they are measured at amortised cost, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

1.10 Tangible Fixed Assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Assets costing less than £500 are written off in the year of acquisition. All other assets are capitalised.

1.11 Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Assets are depreciated over 4 years commencing the year after acquisition.

1.12 Pension costs

Contributions to staff stakeholder pension schemes are charged to the statement of financial activities for the year in which they are payable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1.13 Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient, with the level of reserves, for the charity to be able to continue as a going concern.

1.14 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the equipment, and note 1.11 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.	DONATIONS AND LEGACIES	2023	2022
		£	£
	Donations	1,252	104
	Legacies	34,000	2,002
		35,252	2,106
3.	GRANTS RECEIVABLE	2023	2022
		£	£
	Headley Trust : Covid-19 support grant	-	10,000
	Acting for Others	15,000	40,000
		15,000	50,000
4.	INVESTMENT INCOME	2023	2022
		£	£
	Dividends receivable from investments and interest receivable from fixed interest securities and deposits with investment managers	88,518	82,418
	Interest receivable	565	42
		89,083	82,460

THE ROYAL OPERA HOUSE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5.	ANALYSIS OF EXPENDITURE	Staff costs £	Direct costs £	Support costs £	Total 2023 £	Total 2022 £
	Charitable activities					
	Benevolent grants payable	3,060	533,113	16,977	553,150	534,395
	Counselling	29	5,304	163	5,496	5,457
	Occupational Health Unit	748	131,894	4,152	136,794	106,489
	Welfare costs	58,816	-	2,942	61,758	63,902
		<u>62,653</u>	<u>670,311</u>	<u>24,234</u>	<u>757,198</u>	<u>710,243</u>

Support costs have all been allocated against charitable activities in line with direct costs.

6.	BENEVOLENT GRANTS PAYABLE	Number of Recipients	2023 £	2022 £
	Allowances for beneficiaries in financial need	12	67,800	63,655
	Other benevolent grants – Individuals	21	25,590	18,576
	Other benevolent grants – Covid-19 support	33	84,700	106,750
	Emergency energy grants	37	19,625	-
	Benevolent grants to Organisations (Note 7)		335,398	331,053
	Allocated staff costs (note 12)		3,060	3,373
	Allocated support costs (note 11)		16,977	10,988
			<u>553,150</u>	<u>534,395</u>

7.	BENEVOLENT GRANTS TO ORGANISATIONS	2023 £	2022 £
	Dancers' Career Development	49,650	49,700
	Birmingham Royal Ballet	120,798	121,521
	Ex Cathedra	5,500	5,500
	Royal Ballet School	25,000	20,000
	Dance Professional Fund	-	5,500
	Sloane Square Choral Society	3,750	2,200
	The Royal Opera House	130,700	126,632
		<u>335,398</u>	<u>331,053</u>

8.	COUNSELLING	2023 £	2022 £
	Counselling (Employee Assistance Programmes)	5,304	5,304
	Allocated staff costs (note 12)	29	36
	Allocated support costs (note 11)	163	117
		<u>5,496</u>	<u>5,457</u>

THE ROYAL OPERA HOUSE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9.	OCCUPATIONAL HEALTH UNIT	2023 £	2022 £
	OHU practitioner costs	131,894	103,624
	Allocated staff costs (note 12)	748	673
	Allocated support costs (note 11)	4,152	2,192
		<u>136,794</u>	<u>106,489</u>
10.	WELFARE SUPPORT COSTS	2023 £	2022 £
	Allocated staff costs (note 12)	58,816	60,551
	Allocated support costs (note 11)	2,942	3,351
		<u>61,758</u>	<u>63,902</u>
11.	SUPPORT COSTS	2023 £	2022 £
	Other expenses	3,533	3,578
	Accountancy fees	9,079	8,150
	Governance costs:		
	Auditors' remuneration	6,222	4,920
	Legal fees	5,400	-
		<u>24,234</u>	<u>16,648</u>
12.	STAFF COSTS	2023 £	2022 £
	Wages and salaries	55,194	55,184
	Social Security costs	5,235	5,023
	Pension costs	2,224	4,426
		<u>62,653</u>	<u>64,633</u>

3 members of staff (head count) (2022 – 3) were employed during the year.

No employees earned over £60,000 per annum.

The total amount of employee remuneration received by key management personnel is £62,653 (2022 - £64,633). The fund considers its key management personnel to comprise those individuals listed on page 1.

13. TRUSTEES' REMUNERATION

None of the Trustees received any remuneration or reimbursed expenses during the year.

THE ROYAL OPERA HOUSE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. TANGIBLE FIXED ASSETS

	OHU Equipment £	Office Equipment £	Total £
Cost			
At 1 April 2022 and 31 March 2023	7,852	139	7,991
Depreciation			
At 1 April 2022 and 31 March 2023	7,852	139	7,991
Net Book Value			
At 31 March 2022 and 31 March 2023	-	-	-

15. INVESTMENTS

	2023 £	2022 £
Transfer of funds from The Royal Opera House Benevolent Fund	-	6,954,391
Market value at 1 April 2022	7,032,885	-
Additions	28,509	24,797
Disposals	(647,629)	(420,119)
Investment gains / (losses)	(219,635)	473,816
Market value at 31 March 2023	6,194,130	7,032,885
Historical cost at 31 March 2023	4,754,748	5,271,158
<u>Market value of investments comprise:</u>		
UK listed investments	4,893,841	5,406,614
Overseas listed investments.	1,300,289	1,626,271
	6,194,130	7,032,885

The following each represent more than 5% of the total market value of investments:

	2023 £	2022 £
BlackRock Charities UK Equity Index Fund	601,637	691,972
BlackRock Emerging Markets Index Fund Institutional	219,796	431,171
BlackRock Europe EX-UK Index Fund Flexible Distributing Class	323,721	388,545
BlackRock North America Index Fund Flexible Distributing Class	976,568	1,237,725
CF Ruffer Absolute Return C Acc	1,584,530	1,569,390
Newton Real Return Exempt Fund (Inc)	1,267,716	1,457,549
Trojan Investment Fund S Income	1,220,162	1,256,533

THE ROYAL OPERA HOUSE BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. DEBTORS

	2023 £	2022 £
Loans to beneficiaries	17,683	18,391
Prepayments and accrued income	6,147	2,427
The Royal Opera House Covent Garden Limited	17,358	-
	<u>41,188</u>	<u>20,818</u>

Loans to beneficiaries are repayable either at an agreed monthly rate, upon death, or when certain conditions are satisfied and are on an interest-free basis.

17. CREDITORS: Amounts falling due
within one year

	2023 £	2022 £
The Royal Opera House Covent Garden Limited	-	40,432
Grants payable	-	5,500
Accrued expenses	9,727	6,600
	<u>9,727</u>	<u>52,532</u>

18. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.