

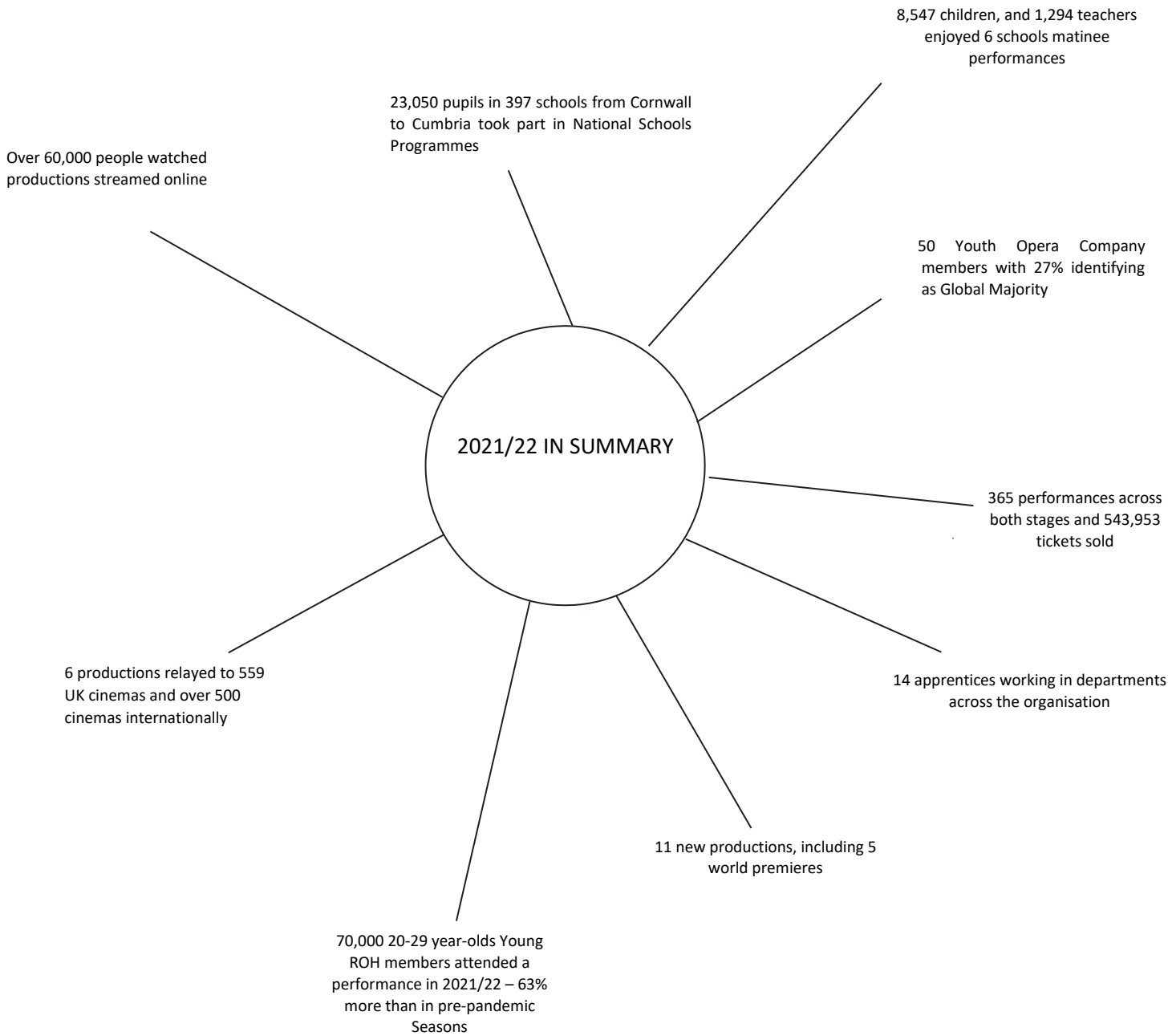


ROYAL  
OPERA  
HOUSE

THE ANNUAL

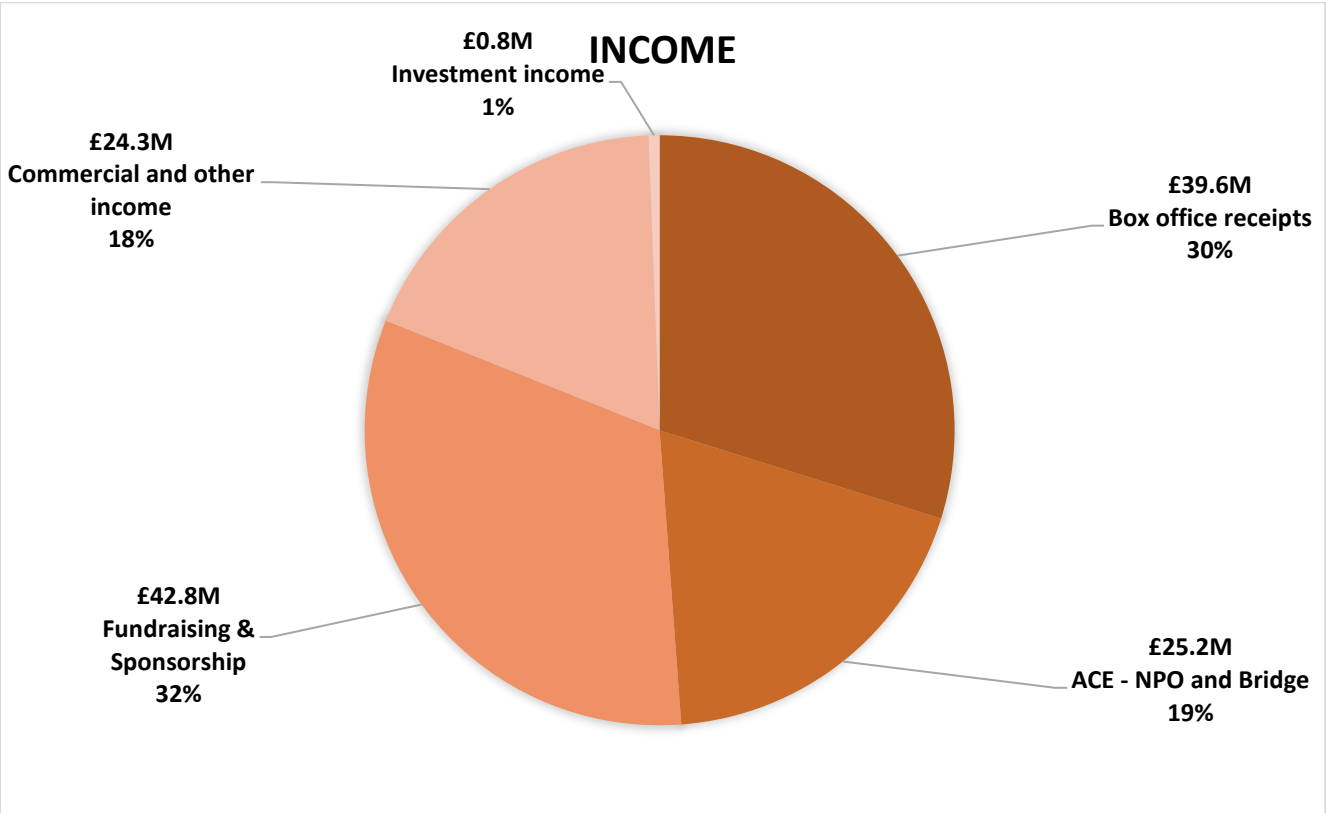
# REPORT

2021/22

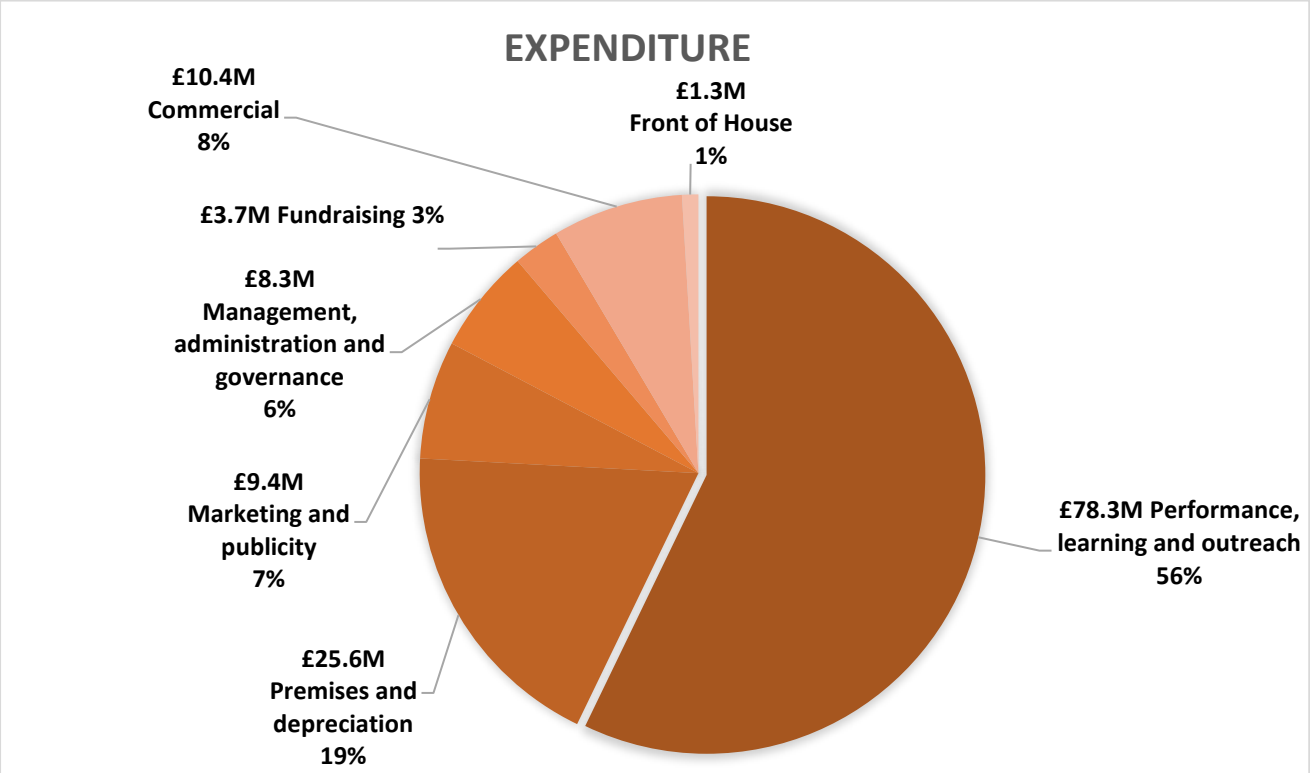


Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

INCOME 2021/22



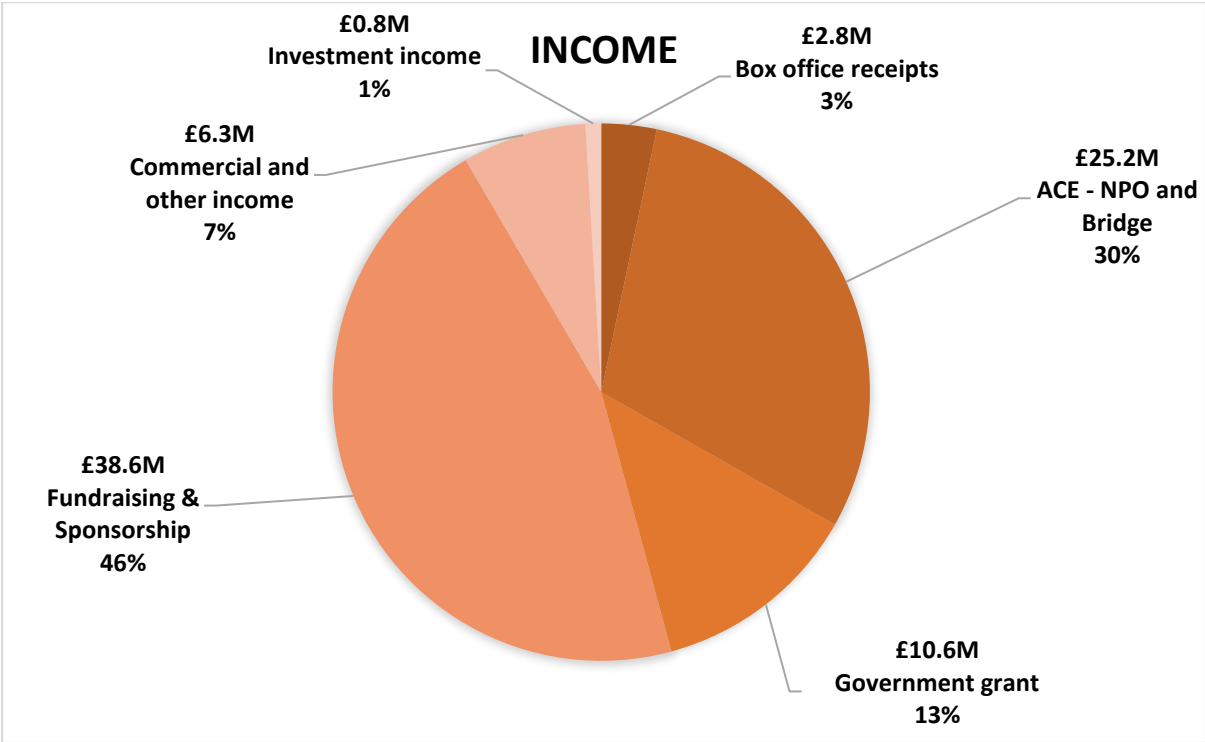
EXPENDITURE 2021/22



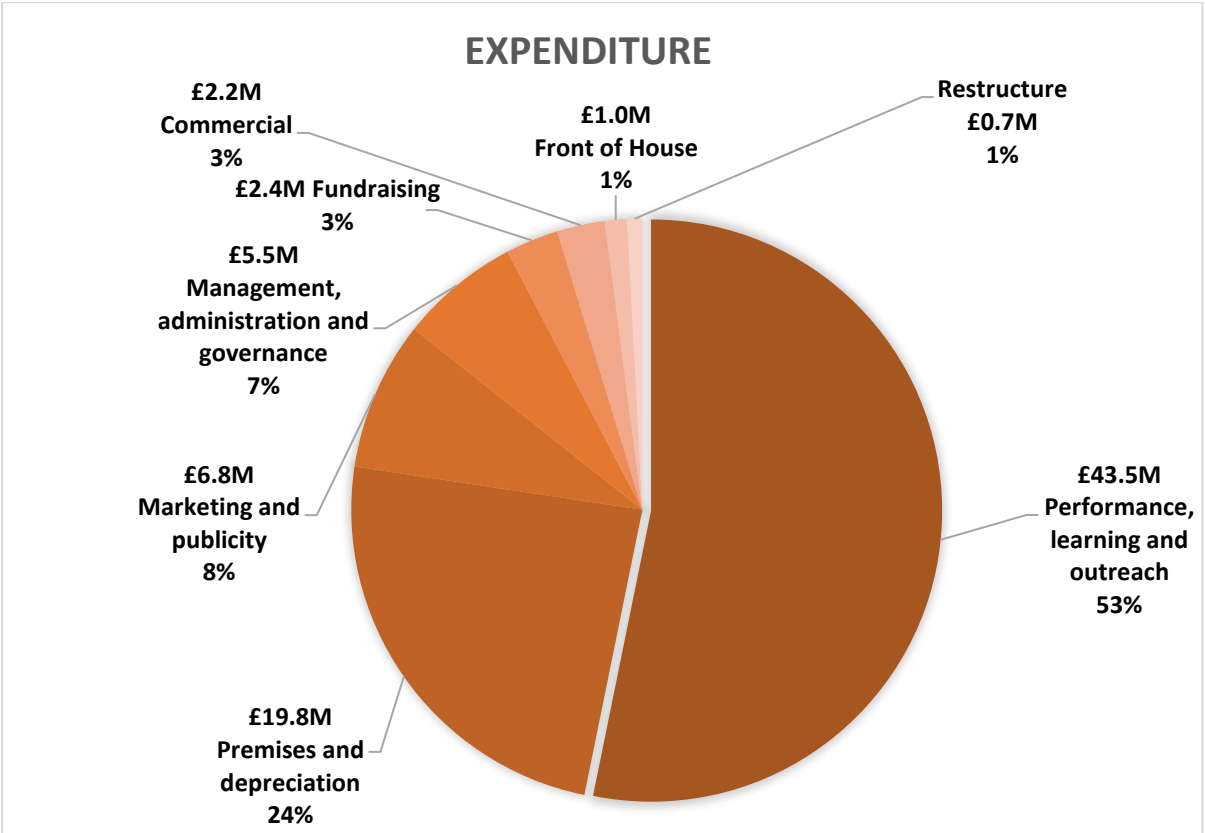
Total income £132.7m, including capital donations and funding of £0.5m. Total expenditure £136.9m, excluding capital expenditure, includes exceptional grant of £3.8m from Paul Hamlyn Education Fund. Figures exclude gains on investment, taxation and fund transfers.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

INCOME 2020/21



EXPENDITURE 2020/21



Total income £84.3m, including capital donations and funding of £0.5m. Total expenditure £81.9m, excluding capital expenditure. Figures exclude gains on investment, taxation and fund transfers.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

# TIMESCALE FOR THIS REPORT

The Trustees are pleased to present their report together with the audited financial statements of the Royal Opera House Covent Garden Foundation for the 52-week period ended 28 August 2022.

The comparative period is the 52-week period ended 29 August 2021.

This document will be filed with the Charity Commission and the Registrar of Companies.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## **SIR LLOYD DORFMAN CVO CBE *Chair***

*Welcome to the Royal Opera House Covent Garden Foundation (Limited by Guarantee) 2021/22 Annual Report.*

The Royal Opera House is one of the great arts institutions of the world and I was honoured and delighted to become its Chair in July 2022. I would like to extend my sincere thanks to my predecessor Sir Simon Robey, who stepped in at short notice, for his leadership and guidance at a particularly testing time. As a passionate and long-standing supporter of the arts, I and the Board of Trustees are committed to ensuring that the Royal Opera House continues to offer the very best of music, dance and theatre, engaging and inspiring diverse audiences, whether they be in our beautiful Covent Garden home, in cinemas in the UK and around the world, or through new digital channels. This work also underpins our dedicated learning and participation programmes that have seen dancing and singing embedded in schools the length and breadth of the country.

These are ambitious aims and achieving them has never been easy. In the last few years, however, the challenges facing the House, alongside everyone else in the sector, have been even more severe. During the 2021/22 Season we returned to a full performance schedule and managed to achieve a break-even financial outturn thanks to a comprehensive and robust recovery plan expertly delivered by our executive team. We remain eternally grateful to our partners at Arts Council England and the Culture Recovery Fund, and also to our loyal supporters who have been steadfast friends in very challenging times.

Our recovery was enabled by the incredible generosity of our supporters and propelled by a brilliant and deservedly well received first season back on stage. It was wonderful to welcome audiences back to a near-full season as, in the face of daunting odds, our opera and ballet companies rekindled our presence as part of the cultural fabric of the nation and as a global artistic force.

There are, however, even further challenges ahead: a cost of living crisis, the impact of a devastating war in Europe, the slow return of tourism to London and a reduced Arts Council funding settlement. We must also plan for the substantial renewal of our stage infrastructure and of our building. These challenges will require exceptional hard work and strategic thinking to navigate.

In doing so the Board of Trustees, and the whole organisation, are laser focused on our core priority: the maintenance of world-class artistic excellence upon which all our access and engagement work is founded. This is not just for our immediate stakeholders – whether they be audiences or staff, taxpayers or artists, important as they all are – we also have a wider responsibility. We are the largest employer of artists in the UK after the BBC and an entire artistic ecosystem is reliant on us far beyond Covent Garden. For the country as a whole, The Royal Opera and The Royal Ballet are also landmark companies and beacons of global excellence and performance. We will do everything we can to sustain them for all.

Sir Lloyd Dorfman CVO CBE  
28 March 2023

## ALEX BEARD *Chief Executive*

After two hugely difficult years we returned in 2021/22 for our first full season since the pandemic. Once again all the arts were together, and once again they were for everyone. The triumphant collision of music, theatre, dance, poetry, design and all the backstage crafts, performed in front of passionately engaged audiences, was the most wonderful of tonics and much needed given the many challenges lying ahead.

Covid-19 was still with us and growing infections led to 14 show cancellations over Christmas and New Year. Storm Eunice and combined rail and tube strikes led to another two. Central London tourism remained well below historic levels, which impacted box office yields. And of course Russia's invasion of Ukraine was a massive blow to our tightly knit international community of staff and artists, to say nothing of the attendant impacts on supply chains, energy costs and general inflation. We were shocked and appalled by the war, and all the more determined to ensure that the spirit of internationalism and free artistic expression remain at the heart of our ethos.

It is a great tribute to everyone that such an eagerly-awaited season triumphantly matched expectations amidst it all. Our new production of *Rigoletto*, one of several operas and ballets whose premieres had been delayed by the pandemic, established itself as an instant classic for a new generation. *The Dante Project*, an outstanding collaboration between three exceptional artists – choreographer Wayne McGregor, composer Thomas Adès and artist Tacita Dean – thrillingly showcased The Royal Ballet at the height of their powers. Alongside the triumphant return of *Romeo & Juliet*, this sparkling start to the season was then emphatically sustained through a remarkable run of new shows and returning favourites alike.

Christopher Wheeldon's new full-length ballet *Like Water for Chocolate*, based on Mexican author Laura Esquivel's novel, was the second ballet Main Stage world premiere closing The Royal Ballet's season and the third was Kyle Abraham's new work, *The Weathering*, his second here and the centrepiece of a contemporary mixed programme. Over the season, we welcomed back much-loved signature classics including *Giselle*, *The Nutcracker*, and Kenneth MacMillan's *Romeo and Juliet*. Dance on the Linbury stage again championed innovation and diversity in hosting both UK and international companies, established stars and new names, including Alessandra Ferri, marking the 40th anniversary of her association with The Royal Ballet, Ballet Black and Yorke Dance Project. Draft Works showcased new choreographic talent, including Emerging Choreographer Joseph Toonga, and the Next Generation Festival gave a platform to premiere junior companies and dance schools from across the world. We also presented fundraising performances for Ukraine, including a special one-off *Swan Lake* with four remarkable pairings of our principal dancers performing the roles of Odette/Odile and Prince Siegfried across each of the ballet's four acts. In total we raised £465,000 for Disasters Emergency Committee (DEC)'s Ukrainian Humanitarian Appeal.

In April we dedicated a programme celebrating our founding choreographer Sir Frederick Ashton to Her Majesty Queen Elizabeth II on the occasion of her Platinum Jubilee. She had a long association with the Royal Opera House, granting The Royal Ballet its royal charter and becoming its Patron in 1956. Her patronage was a source of great pride to all our artists and staff, and her long-standing support for the arts was deeply appreciated. The Royal Ballet's 2022/23 Season is dedicated to her memory.

On the opera stage *Rigoletto*, conducted by Antonio Pappano and directed by Oliver Mears, his first production as Director of The Royal Opera, was followed by a succession of inspiring and hugely enjoyable works that combined international perspective and reach with the very best of British talent. The Olivier Award-winning *Jenůfa* featured a stunning House debut for Lithuanian soprano Asmik Grigorian, and broke records for the longest gap between a stage rehearsal and its opening night, following the latter's initial cancellation in March 2020. Another work to receive a belated yet triumphant welcome was Richard Jones's thought-provoking production of *Samson et Dalila*.

We continued two cycles of work dedicated to composers with deep historical links to Covent Garden. Deborah Warner's production of *Peter Grimes*, featuring Alan Clayton as the definitive Grimes for a generation, added to our reappraisal of Benjamin Britten, and Katie Mitchell contributed to our cycle of Handel operas with a revelatory reading of *Theodora*.

We also enjoyed an exceptional revival of *Lohengrin* conducted by Jakub Hrůša, who has since been announced as the Music Director Designate to succeed Antonio Pappano in 2025.

Meanwhile the Linbury theatre was also producing prize-winning work. The opera season there began with a Christmas family show, *Wolf Witch Giant Fairy*, which won an Olivier award, as did our collaboration with Irish National Opera for *Bajazet*, remarkably the first opera by Vivaldi ever to be staged at Covent Garden.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

The Jette Parker Young Artists Programme celebrated its 20th anniversary and its mission to support and train the best young singers from all over the world continues to go from strength to strength.

This exceptional programme was enjoyed by near full houses of returning audiences and new visitors alike. We relaunched our Young ROH subsidised ticket scheme, with 63,000 tickets bought by over 20,000 people of whom 85% were new to Covent Garden. We welcomed 10,000 NHS nurses and porters through our #thanktheNHS programme recognizing the selfless dedication of health workers through the pandemic.

We reinstated our cinema programme of live relays, presenting six performances in 559 cinemas across the UK and a further 500 cinemas internationally. Alongside our online streaming activity this ensured that the very best of opera and ballet was available to audiences irrespective of geographic boundaries.

ROH learning and participation programmes returned to schools across the UK. Our Create and Learn programmes reached over 23,000 children in almost 400 schools across 75 local authorities up and down the country. Our 6 Schools Matinee performances were seen by 8,547 children and young people and 1,294 teachers. We celebrated the 30th anniversary of our award-winning Chance to Dance programme – in which we partner local ballet schools with primary schools – with events in Doncaster, Essex and the West Midlands. Our multi-year partnership with Cast and Doncaster Council continued in preparation for two landmark performances in Doncaster, in a mass participation event starring dancers of The Royal Ballet alongside more than 300 local children.

Outside of performances, visitors were welcomed to a myriad of events at our beautiful grade 1 listed Covent Garden home. These included our hugely successful family Sundays, exhibitions featuring Tacita Dean's original artwork for *The Dante Project* in the Paul Hamlyn Hall, a burgeoning programme of guided tours, free lunchtime recitals and much more besides. Meanwhile our five bars and restaurants, including the newly reopened terrace overlooking Covent Garden piazza, buzzed with pop-ups and events, ensuring that the building played its full role at the heart of London's shared cultural fabric.

Behind the scenes our new staffing structures and team arrangements bedded in, following the organisation-wide restructure in 2020. We undertook a full staff survey and introduced 360-degree appraisal for senior management, to ensure that a comprehensive picture of staff views and concerns informs future planning. A new volunteer pilot programme was launched successfully and, together with our longstanding apprenticeship programme, they will help to ensure a diverse talent pipeline for roles off-stage. And we redoubled our commitment to sustainability, with a clear target to achieve net zero emissions by 2035. In the year, we achieved a near 20% reduction in gas consumption compared to pre pandemic, while saving 5 tonnes of paper consumption by moving to digital cast sheets.

None of these achievements would have been possible without the extraordinary dedication, generosity, skill, flair and imagination of so many people. I would particularly like to thank Sir Simon Robey, who returned as our chair at short notice, for his support and outstanding leadership. I also extend a warm welcome to Sir Lloyd Dorfman who succeeded Simon in July 2022. Sir Lloyd is a long-standing trustee of the House and a true champion of the arts. I very much look forward to continuing our work together as he leads the board through the challenges ahead.

My deepest thanks also go to all the artists and the staff of the Royal Opera House, alongside our steadfast partner, donors and supporters, in government and commerce, and individuals who have stood with us through thick and thin and without whom we would not be here today. And of course to our audiences who returned – both in person and digitally – in such numbers and with such patent enthusiasm.

Alex Beard, Chief Executive, 28 March 2023



Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

# WHO WE ARE AND WHAT WE DO

## Who are we and what do we do, our mission, principles and commitments

We are home to two of the world's great performing art companies: The Royal Ballet and The Royal Opera, both supported by the exceptional musicians of the Orchestra of the Royal Opera House. We tell stories, whether from the great works of the past or from new commissions, that speak to universal themes while also reflecting contemporary culture and concerns. Our theatres are in London's Covent Garden but our work is accessed and experienced across the UK and internationally through touring partnerships, cinema programmes, radio, TV and online streaming.

Our mission is to enrich the cultural life of the nation by growing the public enjoyment and appreciation of exceptional ballet and opera. In doing this we strive to become more inclusive, accountable and effective in our commitment to our social and environmental responsibilities. We aspire to be a global centre of excellence for the great art we produce and for the inclusive way we do it. We aim to be a leading artistic force that takes calculated risks, both to invest in the art forms of the future and to sustain the existing repertory for new audiences. We work with leading creative teams and performers from around the world, consistently achieving the highest standards of stagecraft and embedding constant improvement into our processes and culture.

At the Royal Opera House we believe that diversity is about making sure we are able to attract and develop talented people who bring more, precisely because of their different backgrounds, experiences, cultures and outlooks. Making a difference requires systemic change, and we acknowledge that we must learn as we go. We equally believe that ballet and opera belong to everyone and we strive to make our work available to all – whether in our theatres, remotely in cinemas or online or in the schools and community groups with whom we work all over the UK. Our progress against our diversity goals is reported against each heading given its central importance.

We also strive to make our operations more sustainable, efficient and economical. We have committed to reaching net zero emissions by 2035. We recognise that everything we do has an impact on the environment – at our home in Covent Garden and at our sites in Thurrock in Essex and Aberdare in Wales. This includes events and activities led by The Royal Opera and The Royal Ballet as well as our nationwide education programmes. Our audiences, staff and artists have an effect too. We are making changes now to reduce this impact, and clearly communicate the steps we are taking.

As an organisation the Royal Opera House aspires to the highest standards of corporate governance and seeks to embed best practice in everything we do. We work to justify the faith and trust placed in us by our partners, audiences, artists and staff and we pledge to make the best use of public and private investment to further our art forms and our mission.

# ACHIEVEMENTS

## ARTISTIC EXCELLENCE

### *Ballet*

Few artistic disciplines were affected as much by the Covid-19 pandemic as dance. Even as restrictions ebbed, it remained necessary to maintain strict protocols in rehearsal for an art form in which close contact between participants is at the heart of the endeavour. It was therefore wonderful to return to the Main Stage with Kenneth MacMillan's *Romeo and Juliet*, one of the largest ballets in the repertory, and to feel the packed audience being once again whisked away to the drama in Verona. With Francesca Hayward and the newly promoted Cesar Corrales leading the Company, it was the first time this generation of young dancers had been given the opening night of a season. Later in the run, Fumi Kaneko, Mayara Magri and Anna Rose O'Sullivan also made their mark, presaging an exemplary season for the newly promoted Principals.

Following *Romeo*, our first premiere of the season was *The Dante Project*, an ambitious collaboration between choreographer Wayne McGregor, composer Thomas Adès, artist Tacita Dean, lighting designer Lucy Carter and dramaturg Uzma Hameed. It triumphantly demonstrated what a ballet company like ours can achieve in a house like this. With complex stage requirements including film, a large orchestra and the deployment of a full choir, the whole house had to work at capacity to make this project happen and it was an emphatic statement that we were back. The production was also notable for being the farewell production of one of our great Principal dancers, Edward Watson. To end such a fulfilling career, spent exclusively within The Royal Ballet, was both a tribute to Edward and to what the Company can offer to the best dancers. We are fortunate that he will continue to work with us behind the scenes as repetiteur and we look forward to his second successful career in the Company.

It is rare for us to have two full-length premieres in one season, but these were special circumstances and the season was bookended by *The Dante Project* at the start and another ambitious world premiere from our Artistic Associate Christopher Wheeldon in June. *Like Water for Chocolate* is an adaptation of novelist Laura Esquivel's captivating Mexican magic realist saga, which imaginatively probes the potent relationships between food, family and emotions. We were particularly mindful of sensitively portraying Mexican culture and were delighted that Laura Esquivel was a key part of the team as was Mexican conductor Alondra de la Parra who acted as music consultant working with composer Joby Talbot to ensure we inhabited an authentic soundworld. Being as true as we could to that culture was just one of the satisfactions of this extraordinary work.

More new work came from Kyle Abraham, one of America's most exciting new choreographic voices. Following the short piece made for us during lockdown, *Optional Family: A Divertissement*, his elegiac new one-act ballet *The Weathering* joined works by Christopher Wheeldon and Crystal Pite on the Main Stage.

We also presented audience favourites, and celebrated the 95th birthday of Sir Peter Wright, with revivals of his signature productions of *Giselle* and *The Nutcracker*. The return of Liam Scarlett's *Swan Lake* was also gratifying as we had lost several performances during the pandemic. Its return allowed some delayed debuts and to show support for the people of Ukraine with a unique fundraising evening. In a Company first, four of our most respected Principal dancers, Lauren Cuthbertson, Sarah Lamb, Marianela Nuñez and Natalia Osipova, joined forces to share the role of Odette/Odile across the four acts.

The Linbury was remodeled as an intimate chamber theatre in 2018, but 2021/22 was its first full season. As a smaller space it allows for new or experimental work by younger makers and performers but equally it provides a different context for established stars. Alessandra Ferri marked the 40th anniversary of her association with The Royal Ballet in the Linbury with Maurice Béjart's *L'Heure exquise*, a piece inspired by Samuel Beckett's *Happy Days*, and there were also visits by acclaimed companies Ballet Black and Yorke Dance Project. Innovation and diversity were at the core of the repertory with contributions from the UK and abroad and from young and emerging choreographic talent. Our Next Generation Festival gave a platform to premiere junior companies and dance schools drawn from across the UK and abroad. Contributions from ZooNation Youth Company, Queensland Ballet, Jette Parker Young Artists, American Ballet Theatre Studio Company, Dutch National Ballet Junior Company, The Royal Ballet School and others ensured an inspiring international range of choreography. *Draft Works* continued as a vital choreographic platform for Royal Ballet dancers to make new work for their peers. This included wonderful new work from Joseph Toonga, The Royal Ballet's Emerging Choreographer, who brings a contemporary hip-hop background to his choreography. We

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.

Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

also invited Joseph Powell-Main, a wheelchair user, to further extend our practice and the language of classical dance movement. The Dance Reflections by Van Cleef & Arpels Festival took place over three weeks, launching a fantastic collaborative initiative between the Royal Opera House, Sadler's Wells, Tate Modern and Van Cleef & Arpels, in a new model of philanthropy.

Our first season following the pandemic allowed us to showcase a diverse range of talent. There were more works choreographed by women and a greater awareness given to representation of the global majority on our stages. Following discussions with The Royal Ballet's Diversity and Inclusion Group, it was decided that all dancers, not just those of colour, would be given the opportunity to input into how they are represented on stage. The wardrobe department carried out a consultation with the dancers to ensure that all costumes, tights, make-up and hair are appropriate for each production.

Following the pandemic, we were particularly conscious of the health and well-being of the Company. A combination of Covid-19 protocols and the work of our medical team, led by Clinical Director Shane Kelly, who joined us from British Athletics, kept our artists fit and healthy, and performing at the highest levels. We have also been active in supporting dancers' mental health in a number of new ways including the introduction of intimacy consultants in the rehearsal process and examining the culture of the organisation. The Royal Ballet is a 'family' and there are dancers who have been associated with the Company since they were young performers. We are dedicated to finding ways of working together collaboratively and to ensure that The Royal Ballet is the best possible place to work.

## Opera

The opera season opened triumphantly on the Main Stage with *Rigoletto*. Verdi's evergreen masterpiece was conducted by The Royal Opera's Music Director Antonio Pappano in a staging by Oliver Mears, his first as Director of Opera. His fresh new vision made for a dynamic and thought-provoking production for our age. One of Mears's priorities has been to re-define the identity of the opera Company against its history and to think about those composers who have a particular association with Covent Garden. Handel, who wrote so many of his operas and oratorios for Covent Garden, is a prime example and the performance of a new production of *Theodora*, which had not been performed at Covent Garden since its premiere in 1750, was a special moment. Katie Mitchell's boldly feminist, impeccably staged and beautifully designed production was a stimulating and pertinent treatment of a classic work. Another composer strongly connected to the Royal Opera House is Benjamin Britten. Our ongoing cycle of his operas has already seen new productions of *Billy Budd* and *Death in Venice* and the intention is to stage all his operatic work in the coming years. *Peter Grimes* was another highlight of the 2021/22 Season. Superbly directed by Deborah Warner and performed under the baton of Mark Elder it featured a brilliant cast of mostly British singers lead by a compelling Allan Clayton in the title role.

Our work with British artists is all the more important at a time when they are finding it harder to work abroad. The creative cross-pollination between UK and overseas artists has always been at the core of a house with a strong international heritage. Going back nearly 300 years, Covent Garden has always presented the most extraordinary singers from around the world and more recently that has expanded to also welcome great directors and creative teams. In that spirit it was a joy to see *Jenůfa*, part of our ongoing cycle of Janáček's work, at the heart of the season. The production was especially notable for soprano Asmik Grigorian's outstanding performance in her Covent Garden debut, and for winning an Olivier for Best New Opera Production in the 2022 Olivier Awards – a well-deserved award for the whole Company.

Both *Rigoletto* and *Jenůfa* had to be postponed when the pandemic struck. Seeing these works come to belated fruition was one of the quiet satisfactions of this unique season. Another postponed production that finally came to the Main Stage was *Samson et Dalila*, which exemplified our continued commitment to presenting the best talent from home and abroad. Directed by long-time Royal Opera collaborator Richard Jones, it was designed by Korean-born Hyemi Shin with Elīna Garanča singing Dalila opposite Seok Jong Baek as Samson. Overall, the cast were led by artists from the global majority, another landmark for The Royal Opera. Other memorable performances included Russell Thomas's magisterial Otello, Pretty Yende and Angel Blue in *La traviata* and rising British star Freddie de Tommaso bringing the house down for his unexpected debut in *Tosca* when Bryan Hymel fell ill, making him not only the first British tenor to sing Cavaradossi in almost 60 years but also the youngest tenor to ever take on the role at the Royal Opera House. Across the season it was wonderful to watch us melding our established talent with new stars, revitalising the repertory and being consistently ambitious in our artistry and progressive in our values. A

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.

Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

glimpse of how this might play out in the future came in our production of *Lohengrin*, thrillingly conducted by Jakub Hrůša, who will succeed Antonio Pappano as Music Director for The Royal Opera in 2025.

Another glimpse into the future came from the Jette Parker Young Artists Programme, which celebrated its 20th anniversary in the 2021/22 Season. The Programme recreates the ensemble ethos within the House with singers not only working on our stages but giving recitals, performing in key events and becoming familiar faces to our audiences. The scheme finds, nourishes and foregrounds the most brilliant young singers of their generation, from all over the world, with many of them going on to have glittering global careers. The 20th anniversary concert celebrated that ethos and The Royal Opera's commitment to a new generation of artists of diverse background and heritage.

Away from the Main Stage, in the Linbury Theatre and elsewhere, there was an equally dynamic and fulfilling opera season. Following the pandemic we were determined that the Linbury would maintain its focus on renewing the opera form, looking to the future and finding different stories and different people to tell them. That was achieved in the 2021/22 season through both new work and existing repertory, created in interesting and imaginative ways. *Wolf Witch Giant Fairy*, a wild folk opera of music, mischief and magic, was a new collaboration between The Royal Opera and the always innovative Little Bulb theatre company. As a Christmas show for family audiences its joyful exuberance was a perfect antidote to the previous couple of years. The production was an enormous success with audiences and won the 2022 Olivier Award for Best Family Show, a category in which opera has rarely featured before. It was not the only Linbury show to win that night. *Bajazet*, remarkably the first opera by Vivaldi ever to be staged at Covent Garden, won the Achievement in Opera award for conductor Peter Whelan. In a co-production with Irish National Opera, director Adele Thomas brought a visceral intensity to the opera's negotiations between powerful men and strong women as desires of the heart clashed with rank and duty. Away from Covent Garden, at the Hackney Empire, The Royal Opera presented a collaboration with Music Theatre Wales and Britten Pears Arts: *Violet*, a new fable-like opera about a small village in which time is literally disappearing, written by two of the brightest stars of music and theatre, Tom Coult and Alice Birch.

This year Engender – The Royal Opera's initiative to change the gender imbalance in opera and music theatre – included projects, conversations and insight sessions undertaken to develop partnerships with women and non-binary people working in South Africa and Egypt. At the heart of this year's Festival was *The Blue Woman*, a new opera co-production with Britten Pears Arts from composer Laura Bowler, librettist Laura Lomas and director Katie Mitchell. The groundbreaking opera explored the psychological aftermath of sexual violence on women. Since the pandemic there has been a great deal of thought given to how we care for people in the widest sense and such was the subject matter of *The Blue Woman* that we ensured the creative team had access to emotional and psychological support throughout the project. We also allowed the audience to remain in the theatre after the performance until they were ready to leave the space and we worked with Rape Crisis to signpost places where people could get additional support. Renewal in the arts is not always just about the work that has been created, it is also about the way it has been created and the way it is presented and received.

## LEARNING AND PARTICIPATION

The arts have unique powers to inspire people, to make connections between people and to unlock creativity in all aspects of people's lives. The Royal Opera House demonstrates this every night on our stages, in cinemas and via streaming. But it also demonstrates the importance of art to people's lives in classrooms and in community groups across the country. Our Learning and Participation programme has for many years played a vital role in enabling wider access to ballet and opera, and to building and diversifying the art forms.

Since 2020 the pandemic has had as dramatic an impact on our work around the UK as it did in Covent Garden itself. Many of the schools and community group partners with whom we collaborated were in turmoil and while we attempted to maintain links and preserve programmes our activities were inevitably limited by social distancing and school closures. It has subsequently become evident that the inequalities within society have been magnified by the pandemic, not least in people's access to the arts, and so it has become more important than ever that as one of the largest creative organisations in the UK we reach communities in areas of disadvantage. We therefore re-focussed our programmes to ensure we were doing the most we could to support people with socio-economic or other disadvantages. The 2021/22 Season became a celebration of public value as we again went out to meet children and young people and they, and people of all ages, were again welcomed back to our buildings.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Our National Schools Programme is the bedrock of our efforts to inspire creativity and in 2021/22 we reached pupils the length and the breadth of the country. We were delighted to win both the Primary First award and the Gold Award in the Pearson National Teaching Awards for Impact through Partnership. Our Trailblazer Partnership Programme involved 44 of the 53 schools in Thurrock, Essex, and generated cultural activities that were attended more than 9,000 times by students. The Create and Sing, Create and Dance and Create and Design programmes operated in towns from Cumbria to Cornwall and took in over 900 schools with 23,000 children and young people participating.

The return of our Schools Matinee programme saw six full houses with over 8,500 young people enjoying the performances. We prioritised those schools out of London or with higher-than-average levels of free school meals, and they saw performances of *Swan Lake*, *The Nutcracker*, *Tosca* and others. The sight, and even more the sound of a packed house of children participating in a mass sing along with the cast and orchestra the 'Pa-, pa-, pa-, Papageno' duet from Mozart's *The Magic Flute* was undoubtedly one of the highlights of the season.

In 2022 we celebrated the 30th anniversary of Chance to Dance, in which we partner local ballet schools with primary schools to reach children who wouldn't usually have access to ballet lessons. Those with ability are then awarded a bursary to continue with dance lessons. Events in Doncaster, Essex and the West Midlands were attended by 770 year-three pupils from 14 schools. To see those very young children perform alongside Royal Ballet dancers on the stage at the Elmhurst ballet school was another highlight of the year. In parallel our Youth Opera Company auditioned 97 children to become part of the 50-member cohort from across London for the children's chorus for Royal Opera productions of *Cavalleria rusticana*, *Pagliacci* and *Otello* on the Main Stage.

We also returned to a full programme of events, exhibitions and tours in Covent Garden and threw open our doors on twelve Sunday mornings to welcome families to take part in ballet and opera and theatre-craft activities. The events are linked to performances in our repertory and this year included a packed family day celebrating Pride. The return of audiences to our venue as a destination, aside from performances, was one of the key successes of 2021/22 and in all we welcomed 14,000 families from diverse backgrounds through our Family Sundays. Live, in-person Insights events also resumed, exploring the history and context behind our productions and performances, and with over a million views for these events on digital platforms this year, we also welcomed nearly 6,000 people to live events.

Another special visitor was Little Amal, the 3.5m tall puppet of a 9-year-old Syrian refugee girl, who walked to Manchester from the Syrian border in search of her mother, representing the stories of millions of displaced refugee children. The Royal Opera House provided her with a bed for the night on the eve of her 10th birthday. After a performance of *Romeo and Juliet* the principal dancers, in costume, welcomed Little Amal into the Paul Hamlyn Hall for a specially-commissioned ballet performance. There were performances by Phosphoros Theatre Company by people with the lived experience of being a refugee or an asylum seeker in the UK, and The Citizens of the World Choir sang her to sleep under a giant quilt made from offcuts of ROH costume material made by ROH staff and Kite Spirit in Thurrock.

In December, to show our continuing thanks for the incredible work done by NHS staff throughout the Covid-19 pandemic and beyond we welcomed NHS key workers and their families to our annual Paul Hamlyn Christmas Treat: a morning of interactive workshops and activities followed by a special performance of *The Nutcracker*. We have formed partnerships with 10 NHS Trusts across London and in Doncaster and after the performance our orchestra and cast stood on the stage to applaud the audience, expressing our gratitude for their efforts to help us all through the pandemic. Over 10,000 NHS workers have now been our honoured guests at opera and ballet events.

## OPERATIONS AND BUILDINGS

Although the worst of the Covid-19 pandemic appeared to be behind us in September 2021, running the Royal Opera House safely was our top priority, ensuring protocols to mitigate infection risk. This was both a vital health decision and a vital business decision; having suffered such a significant loss of income over the previous 18 months it was imperative that the theatre remained open and as many performances as possible took place.

We set-up a Covid-19 clinic and members of the opera and ballet companies, the orchestra, and those working in close contact with them such as dressers and makeup artists, were all regularly subject to Covid-19 PCR tests. Other staff in back of house and front of house teams were also regularly tested. This

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.

Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

succeeded in keeping our work on stage and presented to capacity audiences until the arrival of the Omicron variant when the scale of infection necessitated the cancellation of some performances – including of *The Nutcracker*, one of our most popular and eagerly awaited shows. Later in the year we also lost a small number of performances to the effects of Storm Eunice and to the combined effects of the National Rail and Underground strikes given the scale of staff and artists required to deliver our schedule.

The success of our re-opening was a team effort across departments with our Front of House staff playing a vital role. Behind the scenes, the pandemic concentrated minds on our health and safety procedures and we conducted a wholesale review to restart our operation with health and safety front and centre of our thinking to improve on ways of doing things.

This period also gave us an opportunity to progress plans to maintain and renew our building. A full condition survey of the estate, begun in 2019 looking at infrastructure that was largely put in place in 1999, confirmed the need for remedial work and upgrades. During lockdown we completed an upgrade of our stage flys system, one of the largest such systems in the world. We spent much of 2021/22 devising a plan to undertake upgrades across most of the rest of the stage equipment. The key elements of this programme will take five years and during that time we will be fine tuning the next 10 years of upgrade and replacement work across the rest of our estate to ensure the delivery of world-class ballet and opera for decades to come.

## SUSTAINABILITY

The climate crisis is the most important issue facing the globe today. Recognising our international reach and leadership role within the UK arts sector, we have embraced our responsibility and obligation to reduce our greenhouse gas emissions, encouraging staff and audiences to do the same, and to act as a catalyst for positive change in our industry. We have committed to net zero emissions by 2035 for Scopes 1 and 2 (emissions from gas, ROH owned vehicles and electricity) and to setting targets for our Scope 3 emissions (emissions from transport and travel, waste, water and purchasing) by 2025.

Our efforts to minimise our direct energy usage has resulted in an 18% reduction of gas consumption compared with our last pre-pandemic season of 2018/19. Further actions to immediately reduce energy use are in place, as well as a longer-term plan that addresses the challenges presented by operating in a listed building with inadequate heating systems. The replacement of our gas boilers with low carbon technology has been adopted as part of a wider fifteen-year plan towards our 2035 net zero target.

The move to more digital ways of working was prompted by the pandemic, but we will be retaining and extending some of these initiatives into the post-pandemic era. E-tickets as opposed to paper, and not issuing daily printed cast sheets, have been a particular success with over 5 tonnes of paper saved – the equivalent of 1,800 tonnes of CO<sub>2</sub> not being released over the course of the year. But we are aware that an increased digital footprint has its own environmental costs and as we move more of our activities online we will be continually liaising with our digital suppliers to ensure any changes remain beneficial overall.

More generally we are committed to delivering sustainable actions across our operations. We have recruited dedicated resource to spearhead energy efficiency schemes and to pilot an approach to producing sustainably – we will promote and share good practice from these initiatives. We are also working with all our suppliers to understand their environmental principles, commitments and practices. Our significant purchasing spend on large items within the sector gives us considerable influence and we use supplier questionnaires to incorporate sustainability into our decision making. We are beginning to gather data about the cost of choosing more sustainable options. In terms of smaller, everyday spending decisions we have set up systems to ensure that individual teams within the organisation can assess what they are buying, who they are buying from and whether the suppliers and the product have appropriate environmental credentials.

Food production, transport and preparation is a significant source of carbon emissions. We are working closely with our restaurant contractors to source more sustainable products and minimise the impact of transport networks in public and staff restaurants, cafes and canteens. Different menu options, with more vegan and vegetarian options, have been introduced alongside a more sustainable approach to food waste. Throughout the building, in the public areas, backstage and in our offices, water fountains have been installed and staff and visitors are encouraged to bring their own reusable water bottles, resulting in a significant reduction in our consumption of plastic. Elsewhere all disposable cups are now made of vegware which is fully compostable.



Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

The Royal Opera House Shop, in our Covent Garden theatre and online, is also playing its part by making more sustainable products available. These include tote bags made from offcuts of fabric from old costumes that have been repurposed by a local small-scale manufacturer, enabling customers to carry around a reminder of a favourite production – *Carmen*, *Cinderella* and many more. In addition more products are now made from recycled leather, plastic bags and beads transformed into bracelets, and pens made from bamboo.

Efforts to reclassify and minimise waste are underway throughout in the organisation with flowers and foliage used on stage being made from old costumes, ballet shoes being recycled and even new uses being investigated for excess hair from the wig department. Surplus furniture has been passed on to a specialist distribution hub for resale to charities and small businesses, sewing machines have been donated to community textiles groups and South Essex College and products that could be used as arts-and-crafts supplies for children have been given to the Thurrock Play Network. The Royal Opera House partnered with the charity Suited & Booted, who support vulnerable men in London to donate 1,929 items of obsolete front of house uniforms – including jackets, trousers, waistcoats, T-shirts and shirts – providing new smart attire for vulnerable, unemployed men and those on low incomes, for job interviews.

Looking forward we have laid the ground for three significant initiatives. While our productions are based on the sustainable principle of reuse since we store and re-use sets, we are looking at ways to make modular sets that can be used for multiple productions and therefore minimise transport and storage. We are also planning two large-scale surveys. The first will examine the transport impact of an opera production, taking in the movement of both staff and audience with a view to encouraging more sustainable modes of transport. A second study will be a comprehensive carbon audit of a new production – Dvořák's *Rusalka*, to be performed in February 2023 – taking in every aspect of its preparation and staging to provide base figures for us to work towards lowering our total carbon footprint in the future and our wider aim of working with our staff, artists, audiences and industry stakeholders to enable and inspire more sustainable operations.

## OUR PEOPLE

During the pandemic, like many in the arts sector, we sadly had to part company with a significant portion of our staff. Around 250 colleagues left, with the vast majority volunteering for a redundancy programme. As we prepared to return to a full performance season in 2021/22 we had to build back our staffing levels while at the same time recalibrating the working experience here. To gain an understanding of how our staff and artists were feeling and what their expectations of work post-pandemic were, we undertook a comprehensive people survey.

It emerged that our staff are still primarily motivated by a desire to enable world-class performances on our stages. The levels of identification with the Royal Opera House's core objective of artistic excellence, as well as a pride in belonging to the organisation, remained at remarkably similar levels to those before the pandemic. The pandemic had made an impact on people's expectations, taking in issues such as work/life balance and a wider sense of wellbeing. We have already taken steps to prioritise these areas, bringing senior managers from across the organisation together to develop solutions while each director has a clear plan of action informed by their staff. To further support the development of our senior leaders, each has taken part in a 360-degree feedback process to provide them with constructive feedback to help them identify their strengths and areas for development.

The pandemic also had a dramatic impact on the employment market in general. A phenomenon seen across the UK and globally, the environment has fundamentally changed in terms of recruitment, retention and talent management. Just as we want to employ the world's best and diverse performers, we also want to employ the world's best technical staff. We need to be able to attract, retain and develop staff, which is now a greater challenge than it was before. Technical, production and craft skills in particular have been courted by the TV and film industries and recruitment into all roles has been challenging. This has led us to ask how we can best attract high quality people. We cannot always compete financially, but we have an advantage with a strong employer brand, and are able to compete on job satisfaction, quality of work and flexible schedules. This combined with a new, best practice, approach to how we manage recruitment has meant we have largely succeeded in building back a talented and diverse intake of staff and artists.

The reduction of our staff and artists was difficult across the board. One positive however, is that even at the lowest point of our headcount we maintained the same levels of diversity of staff as pre-pandemic. As we have built staff numbers back, we have extended the diversity of our staff from global

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.

Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

majority backgrounds, disabled colleagues and maintained a small female majority through efforts into recruitment, talent pipelines and outreach to communities and organisations that champion those with protected characteristics. Our task is now to ensure that we sustain an inclusive culture in which all our staff thrive. We track people in their progress through the organisation against published targets and are committed to the principle that the greater your diversity, the better the talent.

At the heart of our talent pipeline is the ROH apprenticeship scheme. We administer an inclusive system that enables equality of access to opportunities, allowing young people and those without degrees from diverse backgrounds to enter the world of theatre. We have run apprenticeship schemes across our stagecraft areas for 15 years and, as a sector leader, we have a responsibility to support and encourage the training of young people not only to work for us, but to benefit the industry as a whole. Our goal is to continually identify new areas where we can expand our apprenticeships. Over the years we have trained 64 apprentices and currently have 14 in our scheme working in our London and Thurrock sites.

A vital addition to the 2021/22 Season was the launch of a pilot volunteer scheme to help nurture new talent, increase contact with local communities and add value to the delivery of our services. The Welcome Host initiative engaged over 60 new volunteers and included an enhanced programme of training and support for volunteers to increase participation from underrepresented groups.

The contractual and pastoral care of our staff and artists takes many forms and last season we introduced an intimacy coordinator into the theatrical process. The Royal Opera led on this, closely followed by The Royal Ballet with HR working closely with artists to establish protocols around how to touch, act and how to physically engage – in rehearsals and on stage. This is a new area, but we have put a lot of thought, resource and effort into discussing with the wider staff and other performing groups with the aim of providing a safe space for people to feel confident to work and to perform.

Underpinning all our activities relating to staff and artists last season was an ongoing ambition to re-apply the 'invisible glue' that bonded the organisation together before the pandemic. With such a large turnover of people inevitably some of the knowledge as well informal relationships between departments and people has been lost. We have been proactive with training and information sessions for staff, new and old. We have brought back in-person induction sessions, rolled out anti-ableist training for managers, ran staff forums for equality, diversity and inclusion, as well as introducing a new weekly newsletter. At the same time we have re-introduced social and informal elements to the working life of the theatre to build relationships between teams. After the institutional and personal challenges of Covid-19 this sense of common purpose, mutual respect and of an organisation operating within a healthy and organic culture remain important goals.

## **PHILANTHROPY, OUR SUPPORTERS AND COMMERCIAL PARTNERS**

The Royal Opera House has always relied upon, and has been proud of, its diverse sources of support and funding. Ticket sales and the trust placed in us by the public are key elements of our mixed revenue model, and commercial enterprises play another significant part. Philanthropic support has always been at the heart of what the ROH does. Our members, friends and donors play an integral part in our work and the generous support we receive – whether for the art on our stages, for our learning and participation programmes, our public spaces or behind the scenes – enables us to aim for the highest standards.

This has never been more true than in recent years. We simply would not be here, let alone have returned with such strength and renewed energy after the pandemic, without the steadfast support we have received – including, of course, government support through the Culture Recovery Fund. We emerged from the disruptions of the pandemic with a profound sense of how much and how widely the Royal Opera House and its work is valued. Even when there had been so few shows to experience in the theatre, our members renewed their memberships and engaged with our work whenever there was an opportunity to do so. This was also true of the many individuals and companies who chose to continue to support, and we are deeply grateful that all our corporate partners stayed with us during the ROH's period of closure.

This bedrock of support not only provided vital security, but also demonstrated much needed imagination, flexibility and patience during the most trying times in recent history. We did our utmost to promote the visibility of our corporate partners and worked closely with them to transfer investment to initiatives such as digital and streaming. Many donors, who were committed to supporting the community of artists and makers through such difficult times, also pledged significant monies towards our recovery over two or three years and this has been invaluable in terms of our creative and financial planning.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Generous supporters of premieres, such as *Rigoletto*, *Jenůfa* and *The Dante Project*, had to wait for up to 18 months to see the fruits of their donations, and so it was particularly gratifying to see these productions arrive on the stage and for them to be so widely celebrated. Their triumph was both a tribute to the teams who made the work and the enthusiasm of the people who supported it.

Another welcome return to normality after the pandemic was the opportunity for supporters to again interact directly with our artists and staff. One of the most valued elements of ROH membership and other forms of support, both for us and our supporters, is the opportunity to meet up at rehearsals or events or in smaller gatherings, in person. These had been much missed and when they returned the energy and enthusiasm for them was felt across the House.

The Open Up project, completed in 2018, was itself a product of philanthropy in that no public funds were deployed in the physical redesigning of our front of house areas. It is the legacy of this generosity that enabled the opening-up of our front-of-house spaces in full. The foyers, restaurants, bars and cafe saw more people than ever before coming to the building, and more people venturing further into the building to enjoy our hospitality, events and exhibitions. With our prime location in Covent Garden and our terrace overlooking the Piazza, the Royal Opera House has become a landmark London destination, not just for people coming to see opera and ballet, but for visitors from around the world to experience the best of culture in the heart of the West End.

An important portion of income comes through our commercial enterprises, including the cafes, restaurants and the Royal Opera House Shop – both online and in Covent Garden. During 2021/22 we took the opportunity to examine which products we sold in store and online, why we sold them and what stories these products told about us as an organisation. The result was a radical refresh of stock lines that were more sustainable and more in tune with our values. With the easing of Covid-19 restrictions we worked closely with our catering partners, Company of Cooks, not only to re-open our five restaurants and cafes but also to refresh menus and offer an exceptional dining experience for all. We hosted two cocktail pop-ups in our bars and two pop-up chef events in our restaurants, which succeeded in changing the way our food and hospitality offerings fit into the wider London food and social culture.

Our relationships with partners – artistic, commercial and philanthropic – are at the heart of what we do. In this spirit we will continue to develop the ways that philanthropy can enhance our work and the work of our sector. One of our key roles as a global institution is to create a new and better understanding of arts philanthropy and the power of commercial partnerships, and we will continue to utilise our diverse funding model to produce great art for all in perpetuity.

## Streamline Energy and Carbon Reporting

In accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR) imposed by the 2018 SECR Regulations, we are required to disclose the following energy and carbon information for the reporting year 1 September 2021 to 31 August 2022.

<b>Scope 1:</b> Emissions from combustion of Gas tCO <sub>2</sub> e 2022: 1,258 (Energy consumption: Gas 6,892,888 Kwh) 2021: 1,334 (Energy consumption: Gas 7,281,114 Kwh) 2020: 1,127 (Energy consumption: Gas 6,127,551 Kwh) 2019: 1,502 (Energy consumption: Gas 8,168,576 Kwh)
<b>Methodology:</b> tCO <sub>2</sub> e calculated from the product of the invoiced gas consumption in Kwh during the reporting period and the 2022/2021/2020/2019 UK Government CHG Conversion Factors for Company Reporting (version 1.0) for
<b>Scope 2:</b> Emissions from purchased electricity tCO <sub>2</sub> e 2022: 1,801 (Energy consumption: Electricity 9,313,635 Kwh) 2021: 1,478 (Energy consumption: Electricity 6,960,717 Kwh) 2020: 1,748 (Energy consumption: Electricity 7,498,289 Kwh) 2019: 2,393 (Energy consumption: Electricity 9,360,362 Kwh)
<b>Methodology:</b> tCO <sub>2</sub> e calculated from the product of the above stated electricity consumption in Kwh during the reporting period and the 2022/2021/2020/2019 UK Government CHG Conversion Factors for Company Reporting (version 1.3/1.0) for 'Electricity Generated/Electricity: UK'
<b>Scope 3:</b> Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing for fuel tCO <sub>2</sub> e 2022: 2 (8,594 miles) 2021: 3 (9,672 miles) 2020: 13 (47,080 miles) 2019: 20 (68,557 miles)
<b>Methodology:</b> tCO <sub>2</sub> e calculated from the total mileage expenses claimed during the period (as stated above) multiplied by the 2022/2021/2020/2019 UK Government CHG Conversion Factors for Company Reporting (version 1.3/1.0) for an Average Car and unknown fuel type
<b>Intensity Ratio:</b> tCO <sub>2</sub> e gross figure based from mandatory fields (tCO <sub>2</sub> e/m <sup>2</sup> ) 2022: 0.0570 2021: 0.0506 2020: 0.0520 2019: 0.0744
<b>Methodology:</b> The intensity ratio stated above has been calculated as Tonnes of CO <sub>2</sub> e per total square metres of useful floor area (57,438 m <sup>2</sup> )

The 2021/22 season has been the first year during which the ROH has returned to a full performance schedule post-pandemic. During 2020/21, buildings remained closed or were only partially open until April '21, and performances commenced again in May initially as broadcasts before welcoming audiences, albeit limited in number for some months. From September '21 we have largely been operating under standard conditions, alongside Covid-19 protocols as required including maintaining our 100% fresh air ventilation system throughout the Covent Garden building.

Since our return to a standard operation, ROH have been working hard to reduce our energy consumption. Our Energy Manager has created an Energy Savings Opportunity Tracker which we are using to plan our energy reduction measures and track our path to achieving net zero carbon emissions for Scopes 1 and 2 by 2035.

For the SECR reporting period 1<sup>st</sup> Sep 2021 – 31<sup>st</sup> Aug 2022 our electricity consumption showed an overall increase by 2.3 MWh, a 34% increase compared to 20/21. This is reflective of the reduced number of performances in 20/21 causing a lower than standard electricity consumption. Comparison with the 18/19 pre-Covid-19 baseline year indicates a reduction in electricity by 0.04MWh or a 0.5% decrease.

Our gas consumption showed a decrease by 0.39MWh, a 5% decrease when compared to 20/21. There was a 1.3MWh or 16% decrease when compared with 18/19. Comparison with 18/19 shows decreases in both electricity and gas and is representative of the achievements made in energy efficiency during 21/22, despite continuing to use 100% fresh air ventilation.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Across the whole estate in 21/22, electricity accounted for around 57% of total annual energy demand and natural gas accounted for 43%. This composition of energy use has changed following the energy measures we have undertaken and our reduction in gas use; the balance previously being 53% electricity and 47% gas in 18/19. It is intended that this composition will gradually move more towards electricity as we attempt to decarbonise our energy consumption.

## Finance and Governance

The Royal Opera House strives to present an ambitious programme of work while balancing its books on unrestricted general funds in each full financial year.

The results for the period are set out in the consolidated statement of financial activities. Note 1 to the financial statements sets out the basis on which these financial statements have been prepared.

The Board of Trustees received Management Accounts at each Board meeting. The ROH's business plan includes a set of outcomes and related KPIs, agreed with the Executive team and Board of Trustees. KPIs included: public engagement across performances, digital activity and learning and participation initiatives; diversity of audiences, participants, staff and artists; results against budget; and environmental performance. Performance against the KPIs is reviewed in detail at the end of each year. As the pandemic severely impacted the KPIs, monitoring of the previously established KPIs was suspended, and frequent regular reporting of cashflow and progress on the Recovery Plan was a priority.

As well, Arts Council England receive Management Accounts on a monthly basis, enabling them to closely monitor progress against financial targets throughout the year.

The important continuing investment from Arts Council England enables the undertaking of a range and depth of work and investment in new work, artist development, craft excellence, engagement and access which could not be sustained otherwise.

While most Covid-19 restrictions for audiences had been lifted by the start of the 2021/22 Season, the implications of the pandemic were still playing out in our operations, costs and revenues. Our financial planning anticipated that audiences would not immediately return in the same numbers as before. Around 10 to 15% of our audience is usually made up of international tourists, a sector which had of course been decimated in the pandemic. The UK audience had also changed their habits as a result of working from home and apprehension about Covid-19. Furthermore, we lost performances to the Omicron variant, Storm Eunice and transport strikes. All of this had significant implications for income on a business that runs on tight margins.

Our cinema programme was particularly harshly affected by the pandemic. The global reach of our Live Cinema Season meant that, as the pandemic spread, different areas of the world were subject to different restrictions at different times. In response we were limited to only six broadcasts, as opposed to our usual twelve, which had a consequent impact on income. However, we still managed to broadcast to over 1,050 cinemas around the world and we will return to a full programme in the 2022/23 Season. In addition, our new range of digital streams, which were available to everyone across the globe, proved a huge success.

Looking ahead, we are acutely aware of other financial pressures including a cost of living crisis, the continuing devastating war in Ukraine, the slow return of tourism to London and a challenging Arts Council settlement. We are also making plans for significant long-term investment in the fabric of our stage infrastructure and our building. We believe in the mixed funding model – comprising public and private support, box office, cinema and streaming revenues, and other commercial activities – and we will make the best use of our diversified income sources at a time of ongoing economic uncertainty. We already generate the majority of our own income but strive to find new commercial revenues and examine our assets through a new lens to establish what additional value we can realise while staying committed to our core objectives and mission.

We remain grateful to the help given us by the Culture Recovery Fund and the continuing support of Arts Council England. Having taxpayer support for what we do is a vital link to our wider mission as a key part of the cultural fabric of the nation. We will also continue to work closely with other partners and supporters. Questions of how we collaborate, how we conduct ourselves as a sector leader and how we produce work are intrinsically linked to questions of resources and finance and we continue to endeavour to find the best models for our art and our business.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

As a National Portfolio Organisation (NPO), a grant of £24.5m (*52 week period ended 29 August 2021: £24.5m*) was received from Arts Council England, representing 20% of total (unrestricted) income (*52 week period ended 29 August 2021: 36%*). The Royal Opera House is one of only four National Portfolio Organisations to be awarded funding from Arts Council England to lead the Bridge programme for Bedford Borough, Central Bedfordshire, Luton, Hertfordshire, Essex, Thurrock, Southend, Dartford, Gravesham, Swale and Medway. Funding of £0.7m was received in the current year (*52 week period ended 29 August 2021: £0.7m*).

Excluding income within the Endowment, fundraising income targets of £31m (*52 week period ended 29 August 2021: £19m*) were set against fundraising activities in the development department for the period and these targets were exceeded with funds raised of £36.8m (*52 week period ended 29 August 2021: £36.7m*).

Our trading subsidiary, Royal Opera House Enterprises Limited, recorded an operating profit before tax of £2.8m for the 52-week period ended 28 August 2022 (*52 week period ended 29 August 2021: £1.2m*). This increase in operating profit is attributable to the build back of the business from the impact of Covid-19, with figures back more in line with results pre-Covid-19.

The overall result for the group Unrestricted general funds was no change from the previous year on the Unrestricted general funds of £4.2m (*52 week period ended 29 August 2021: £0.3m decrease*) after transfers from Restricted funds of £1.6m (*52 week period ended 29 August 2021: £1.7m*) and net transfers from Unrestricted Designated funds of £0.9m (*52 week period ended 29 August 2021: net transfers to Unrestricted Designated Funds of £1.7m*). Refer to Note 17 on pages 70-71 for details.

At 28 August 2022 unrestricted funds were £212.9m (*29 August 2021: £213.5m*) before Unrestricted pension reserve deficit of £14.2m (*29 August 2021: £30.1m*). There is £208.4m (*29 August 2021: £209.0m*) held in Unrestricted Designated funds and a further £0.4m (*29 August 2021: £0.4m*) held in Unrestricted Revaluation funds.

At the end of the period Restricted fund balances were £11.2m (*29 August 2021: £12.3m*). For further details refer to Note 27. At the end of period the Endowment fund balance of £44.8m (*29 August 2021: £48.7m*) is represented by restricted capital assets of the Royal Opera House Endowment Fund 2000.

The Royal Opera House group held positive cash balances throughout the period. Unrestricted cash (including unrestricted cash with a notice period of more than 3 months) held at the period end was £79.5m (*29 August 2021: £68.8m*), which included advance bookings held at the period end of £10.8m (*29 August 2021: £8.6m*). The overall increase in cash balances, including those with a notice period of 6 months, was a result of the return to pre-Covid-19 business levels and the impact on working capital.

## Reserves

The Trustees regularly review reserve levels, and designated the following amounts at the period end:

- Fixed Asset and Heritage Asset funds, of £172.6m and £5.6m respectively, equivalent to the tangible and intangible fixed assets owned by the charity, plus the current anticipated excess of capital expenditure over depreciation in the next season.
- Designated Future Project Fund of £30.2m. This fund comprises specific amounts put aside for future activity, which includes a fund of £2.4m (*29 August 2021: £5.6m*) toward the planned investment in digital.

The level of free reserves (represented by the Unrestricted General fund) at 28 August 2022 of £4.2m (*52 week period ended 29 August 2021: £4.2m*) equates to only 3.3% of current unrestricted incoming resources. The Trustees agree that a higher level of reserves is desirable in order to protect against reductions in box office and fundraising income, economic uncertainties, unforeseen events and further reductions in public funding. The Trustees review the level of free reserves annually, and considering the financial model of the charity, core expenditure and levels of cash held in advanced bookings, have determined that a target level of free reserves of £10m is appropriate, and this has been the target for the last several years. Trustees acknowledge, however, that any increase to free reserves over the next two to three years will be unlikely due to the impact of the challenging economic environment, including inflation and energy costs, on the business model and to the identified needs for the programme of major capital works and digital investments. As the current financial strategy is to budget for a minimum £4m contingency in annual budgets while building designated funds for specific, future, longer term planning, the Trustees will also consider increases to the free reserves when possible in order to make progress towards the £10m target.

The total funds held at 28 August 2022 was £254.7m (*29 August 2021: £244.4m*). The designated Future Projects Fund (£30.2m) is likely to be spent in the next two years, in line with our forward planning assumptions.

Levels of unrestricted funds, both current and forecast, are monitored closely to ensure they remain at an adequate level in order to provide financial flexibility and a buffer against operational risk.

## Pension scheme

In line with the requirements of FRS 102 S28 'Employee Benefits', the Royal Opera House defined benefit Pension Scheme liability and related costs are included in these financial statements. Within the Statement of Financial Activities employer contributions as determined by the actuary are recorded as an operating cost in the unrestricted general fund. The charge to the Statement of Financial Activities is £0.7m less than contributions (52 week period ended 29 August 2021: £0.9m less than contributions), in accordance with FRS 102 (refer to note 31 of the financial statements). The actuarial gain, net of actual return less interests on plan assets for the period was £15.2m (52 week period ended 29 August 2021: £5.3m). The net pension liability at the period end was £14.2m (29 August 2021: £30.1m), with the improvement from the prior period driven by the significant rise in the discount rate in excess of returns on scheme assets, all as part of the actuarial assumptions. It is important to note that the liability represented by this value (being based upon actuarial assumptions) will alter in response to changes to the future funding and structure of the pension scheme (as well as to economic and investment market conditions) and does not crystallise in the short or medium term.

## Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest funds not immediately required for its purposes in such investments, securities or property as may be considered appropriate by the Trustees. Aside from balances held with the Royal Opera House bankers, Coutts & Co. monies are only invested in funds that are regulated by the FCA.

The Trustees of the Royal Opera House Endowment Fund 2000 have no restrictions on their investment powers and are permitted to invest and reinvest the Trust Fund, providing the objectives and purposes of the charitable fund are met, and subject to such consents as may be required by law.

The Trustees reviewed and agreed an Investment Policy in line with the Charities Commission Guidance CC14. This is not shown in full in the accounts but a summary of the key investment objectives are as follows:

- Generate investment income to support the grant income available to support the ROHCGF; and
- Deliver capital growth to maintain the real value of investments for future years.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

To achieve the above objectives, the Trustees have set the investment benchmark of a blended return of CPI +3.5% on a rolling basis, (net income 1.5% and capital return of CPI+2%).

In line with more general market performance, the investment managers, Stonehage Fleming Investment Management Limited, Troy Asset Management Limited and Newton Investment Management Limited, have not achieved the benchmark for this year. Net of investment management fees it has declined 1.82% for the year ended 31 August 2022 (Year ended 31 August 2021 increase of 11.99%). The return for 2022 did not exceed the blended target of CPI plus 3.5% (13.4%). Investments with Stonehage Fleming which are long term in nature are being progressively wound down.

## Financial Risk Management

The following statements summarise the Board's policy in managing identified forms of financial risk.

**Credit Risk:** Risk on amounts owed to the charity by its customers is low as payment for ticket sales and operations through the trading subsidiary are mostly settled at the point of purchase.

**Price risk:** Payroll costs represent 41% of total expenditure for the Royal Opera House and higher levels of inflation represent a risk also as 20% of total income for the Royal Opera House group comes from Arts Council England, which will reduce from April 2023. The Royal Opera House has freedom over its ticket pricing, and box office income represents 31% of revenue. The pricing strategy aims to hold the lower ticket prices at an accessible level, while maximising box office income.

**Cash flow risk:** Excluding Endowment assets, surplus funds are placed on short-term deposits with major clearing banks and CCLA. Short-term deposits are those with a term no greater than six months.

**Liquidity risk:** The Royal Opera House manages cash flow to ensure that sufficient levels are held as operating capital. The Royal Opera House took out a 20 year loan during the year for £21.7m from the Government's Culture Recovery Fund to provide additional liquidity due to the impact of Covid-19 (see Note 26 of the financial statements for further details). There is one other loan with an outstanding loan balance for the year ended 28 August 2022 of £1.3m. Risk on repayment of loans is low as the annual loan payment due in 2022/23 is less than 0.1% of total income.

## Going Concern

The Trustees must satisfy themselves as to the Royal Opera House's ability to continue as a going concern for a minimum of 12 months from the signing of the financial statements. The Board of Trustees have considered business plans and budgets based on an artistic programme of activity to August 2024, supplemented by outline plans in other areas. These plans show the impact of the challenges ahead given the reduction in ACE funding from April 2023, the external environment and the impact of inflation and energy costs in the Board's assessment of going concern if they are taken into consideration whether the Royal Opera House has adequate resources to meet its obligations as they fall due in and beyond the 12 months from the date of approval of these financial statements.

Underlying assumptions in the plans and budgets are that there will not be further lockdowns or social distancing going forwards, however, we do anticipate a medium-term negative impact on levels of box office income as audience confidence rebuilds. In assessing going concern, the Board also considered financial risk should further closures occur, the impact of any shortfall in fundraising and trading income, and the impact of increasing inflation on costs. Whilst the Trustees are confident that these risks have adequate mitigation to ensure the ROH remains a going concern, the modelling shows that there is sufficient liquidity to August 2024 excluding mitigations.

After consideration of the scenarios, the Trustees consider that the Royal Opera House (Group and Parent Charitable Company) has adequate resources to continue in operational existence for the foreseeable future being a minimum of twelve months from when these financial statements are approved. For this reason, the financial statements of the Group and Parent Charitable Company have been prepared on a going concern basis.



## **2021/22: Risk Management approach**

During the period the Trustees have operated a risk management strategy which comprises:

- Review and assessment by the full Board of Trustees of the risks which the charity may face and the approach to risk management.
- The establishment of systems and procedures to mitigate those risks identified.
- Detailed review of the overall risk landscape by the Audit and Risk Committee, including Strategic Risk, Health & Safety, the Major Incident Plan and Technology and Cyber Security matters.
- Procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

The governance and management of risk is divided between **Strategic risk** and **Operational risk**.

Strategic risk is reviewed by the Executive at key meetings regularly throughout the year and is linked to the ROH Plan. The Executive considers each risk against its agreed risk appetite and reviews existing mitigations and planned actions. Operational risk is reviewed across specific projects and monitored regularly throughout the year included Health & Safety, Capital & Estates, Planning & Scheduling, major projects including Main Stage Flying System and Digital Stage, as well as an extensive risk assessment regime throughout the organisation. As a result of the impact of Covid-19, we have reviewed the structure and make-up of the Operational Risk Group, which operates under clear terms of reference, to widen participation, improve internal risk discussions and awareness and to provide a comprehensive risk register map for the organisation, and this updated group was in place from early 2023.

### **Strategic Risks**

Our box office is recovering following the end of the Covid-19 pandemic, but we have further challenges to navigate. Our Arts Council England grant suffered a 9% cash cut equating to circa 20% in real terms; inflation at over 10% is impacting utility costs (likely over £6m this year, up from £1.5m) as well as costs of goods, materials and services which, amongst other things is increasing the costs associated with our critical infrastructure upgrades; and there is significant upward pressure on wages.

The organisation continues to monitor and take necessary actions to ensure we come through this period with sufficient reserve levels to operate.

Other strategic risks are listed below:

1	Cost Control	<p>High levels of inflation causing two main risks:</p> <ol style="list-style-type: none"> <li><b>Pressure on salaries:</b> <ul style="list-style-type: none"> <li>- Existing staff (we have settled with two unions for 2022/23 season and expect there will be further pressure next year)</li> <li>- Recruitment in a tight labour market (especially for particular roles, e.g., IT)</li> <li>- Retention – risk of losing staff to higher-paying sectors</li> </ul> </li> <li><b>Increasing costs of equipment and consultant fees:</b> <ul style="list-style-type: none"> <li>- Risk of cost increases as a result of increases to raw materials and components</li> </ul> </li> </ol> <p>Mitigated by:</p> <ol style="list-style-type: none"> <li><b>Staff recruitment, retention and salary pressures:</b> <ul style="list-style-type: none"> <li>- Strengthened narrative about benefits of working at ROH</li> <li>- Better training to retain staff</li> <li>- Effective communication to staff about our financial challenges to manage expectations</li> </ul> </li> <li><b>Capital and other costs:</b> <ul style="list-style-type: none"> <li>- An overall framework and governance for assessing risk, balancing priorities and implementing change programmes, including investment needs supported by business cases and approvals</li> <li>- Three-year forward budget planning, additional project management resource</li> <li>- Robust procurement policies and controls</li> <li>- Focus on fundraising including from new prospects</li> </ul> </li> </ol>
2	Capacity to deliver ROH programme	<p>Failure to marry our increased organisational and artistic objectives within our organisational and people capacity.</p> <p>Mitigated by:</p> <ol style="list-style-type: none"> <li>1. Alignment of plans and ambitions with rigorous planning processes, integrated change planning and continuous reviews of systems and processes to ensure fit for purpose working practices</li> <li>2. Overlay of capital projects to BAU managed by separate team with consultation and risk assessment and planned for summer maintenance periods and overnights. Planned mitigations for equipment and infrastructure whilst capital projects are in planning.</li> </ol>
3	Access to creative talent	<p>Inability to attract and work with exceptional talent to deliver a high-quality programme owing to insufficient/inadequate training pathways, inability to pay competitive fees and salaries, post-Brexit visa regime, reputational concerns or reduction in range of repertory.</p> <p>Mitigated by a range of talent development initiatives, creative and workforce diversity strategies, fair pay, advocacy on employment issues and a multi-layered staff engagement programme.</p>
4	Reputation	<p>Perceived drop in innovation investment, artistic quality and access to talent, or association with an individual or organisation whose reputation becomes damaged, impacting all income streams and our ability to attract talent.</p> <p>Mitigated by balanced programming, clear processes for sharing production concepts, advocacy activity, sustainability policy, ROH Values and Behaviours and updated donations acceptance policy.</p>
5	Earned Income	<p>Earned income does not increase sufficiently to make a significant contribution to balancing the books in the context of reduced income from ACE, cost increases as above and potential donor fatigue.</p>

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

		<p>Mitigated by:</p> <ol style="list-style-type: none"> <li>1. Bridging the Gap strategy including: <ul style="list-style-type: none"> <li>- <b>A pricing review</b> – to increase box office yield, but with a continued high percentage of affordable tickets, in line with our access and audience diversity aims</li> <li>- <b>Adjustment to our programme mix</b> – assessing the benefit of increasing the number of summer ballet performances</li> <li>- <b>Brand and commercial</b> – new focus on brand exploitation and commercial: new Business Director in post with a strengthened team and utilising external support and Board</li> <li>- <b>Cost reduction</b> – driven by investment in the Digital Transformation Programme</li> </ul> </li> <li>2. A new development strategy and delivery plan with strengthened departmental teams and focus on retaining existing donors and prospecting for new ones (opportunities as set out in the strategy are the <i>Ring</i>, L&amp;P and capital)</li> </ol>
6	Health, safety and physical security	<p>The risks inherent in theatre production and presentation (e.g., working at height, noise, chemical, manual handling), combined with the challenges of operating a busy public venue and the potential for a terrorist attack on London.</p> <p>Mitigated by a robust management and governance structure for safeguarding, safety issues and reporting, staff training and awareness raising, investigation of near misses and incidents, and drawing on specialist external support as required.</p>
7	Equipment failure	<p>Cancellation of performance or loss of customer data or business information as a result of systems/equipment failures or cyber-attack.</p> <p>Mitigated by a robust testing and monitoring regime, training, contingency plans and required investments for transformation and/or resilience supported by external expertise as required.</p> <p>Mitigations in place and regularly assessed for risk of stage equipment failures.</p>
8	Public investment via Arts Council England (ACE)	<p>The cut to our ACE grant for financial years 2023/24 to 2025/26 (9% cash which equates to circa 20% in real terms). Poses two main risks:</p> <ol style="list-style-type: none"> <li>1. Insufficient income to meet our current needs (including capital and income / costs gap)</li> <li>2. Impacts on the UK opera ecology overall – particular risk is the talent pipeline</li> </ol> <p>Mitigated by:</p> <ol style="list-style-type: none"> <li>1. New advocacy strategy and collaborating with peer organisations to strengthen the messaging to the Government and Opposition</li> <li>2. As above re increasing other income (fundraising and brand / commercial) plus turning streaming from a cost to revenue generating</li> </ol>

## Trustees' duty to promote the success of the Charity – Section 172 Statement

Section 172 of the Companies Act 2006 requires the trustees to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes.

The Companies Act 2006 requires The Royal Opera House, as a large company, to report on how trustees have complied with Section 172 and other linked matters.

Section 172: the Trustees must promote the success of the charity to achieve its charitable purposes by having regard to:

### (A) The likely consequences of any decision long term

The current ROH Plan approved by the Trustees sets out four priorities which are aligned with the investment principles as set out by ACE and the actions and performance indicators for each over the period 2018-22. These four principles are:

- Inclusivity and Relevance
- Dynamism
- Ambition and Quality
- Environmental Responsibility

All the decisions made by Trustees are predicated on the desire to achieve these long term aims. The needs of all our beneficiaries: our current and future audiences as well as the many participants in our educational programmes as well as our other key stakeholders: our staff, our freelancers, the Arts Council England and donors, are vital to the success of our strategic plans.

Trustees also keep under review the charity's principal risks and opportunities and ensure that our plans can adapt to respond to changes as required. These are set out on pages 25-27 of this report.

Following the pandemic Trustees have been keen to ensure that the ROH has an effective plan to enable it to move forward, including the launch of a digital platform – ROH Stream – and a re-examination of our commercial strategy. A renewed ROH plan will be considered by Trustees and approved in 2023.

### (B) The interests of the Charity's staff

The Trustees recognise that it is its staff and artists that make the Royal Opera House such a remarkable institution. Considering and protecting their interests is crucial to the success of the ROH and our decision-making processes takes this into account.

Three trade unions are recognised with whom we work closely and consult.

### (C) The need to foster the charity's business relationships with suppliers, customers and others.

It is important for the ROH to ensure that we engage with our customers whether they are audiences in our theatre or the participants in our Learning and Participation programmes or simply those who visit the ROH. The Executive team regularly receives information on the audience feedback as well as detailed feedback from teachers and other educational participants. The ROH also communicates with our audience and those who are part of our membership programmes with targeted information according to their preferences whilst at the same time being mindful of data privacy concerns.

Our procurement function ensures that we deal with suppliers fairly and in a professional manner. We also develop strong working relationships with key suppliers who are able to work with us to best support and maintain our unique building.

### (D) The impact of the charity's operations on the community and the environment

Trustees and Management recognise that sustainability and the environment are at the centre of our activities and currently we are continuing work on a sustainability plan being implemented at all levels of the ROH. This is set out on pages 16-17. The ROH also works with both our local community but also communities elsewhere in the UK. We have long term partnerships in Thurrock as well as in Doncaster where we aim to foster community engagement with our artforms.

### (E) The desirability of the charity maintaining a reputation for high standards of business conduct

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

The Trustees recognise both that the ROH's reputation is critical both to its success and that we also have an obligation to maintain the highest standards given our position in the UK arts and charity sectors. The Trustees formally adopted the Charity Governance Code in July 2021 a review was conducted of its activities against the Code in July 2022.

There are a number of policies in place to promote corporate responsibility as well as ethical behaviour including anti-fraud and bribery, modern slavery, safeguarding, conflicts of interest, bullying and harassment, as well as donation and income acceptance. Summaries of all these policies are available on the ROH website and full versions are available on request.

The ROH Values and Behaviours continue to underpin our recruitment and induction processes as well as how we conduct our activities on and off stage. Our procurement strategy embeds ethical standards in our supply chain as well and health and safety and safeguarding compliance.

(F) How trustees have engaged with other stakeholder, e.g. service users, beneficiaries, funders and the wider community

We have outlined elsewhere in the report and in this statement how we engage with suppliers, staff, the wider community, customers and other users.

Our donors are a critical part of our success and this has been especially true in the current climate of rising costs including our energy costs and the decrease in our government grant. We continue to actively engage with all our donors at all levels. We receive significant funding from the Arts Council England (ACE) and it is an essential part of our financial wellbeing. We have a strong working relationship with ACE and keep them regularly informed on all aspects of our activities including having a representative attend some Board meetings.

(G) The need to act fairly as between members of the Charity and how directors/trustees have engaged with staff and taken account of their interests

We want to make sure we are able to attract and develop talented people who bring more, precisely because of the breadth of their different backgrounds, experiences, cultures and outlooks.

Recruiting and working with those talented people is just part of the work. We know that we need to create an environment where everyone believes they belong and can do their best work. Achieving inclusion requires inclusive leaders with the ability and desire to continually seek feedback, really listen and then act to establish a culture where difference is genuinely valued. We commit to regularly measuring our progress, holding our leadership team accountable for achieving our goals but we acknowledge that we must learn as we go.

### *Equality, Diversity and Inclusion*

Our EDI commitments fall under six themes: Representation, Talent Pipelines, Individual Voices, Authenticity, Access and Governance.

- REPRESENTATION - Our stages and events will better reflect and celebrate a diversity of communities and experiences
- AUTHENTICITY - We will engage more proactively with communities to ensure that our portrayals of diverse cultures are respectful and authentic
- TALENT PIPELINES - We will do more to attract and nurture wider talent pools, particularly in those areas of our work where gender, ethnic diversity and disability are currently under-represented
- INDIVIDUAL VOICES - We will respect everyone as individuals and ensure equal access to the support needed for people to perform at their best. We will be sensitive to different lived experiences and will seek and listen to different cultural perspectives
- ACCESS - We will do more to improve the access to and visibility of our work to communities who have historically had less engagement with our artforms and remove or reduce any practical barriers to access for our audiences and workforce
- GOVERNANCE - We will do more to develop the skills required to lead our EDI work with cultural competence and confidence, and ensure we have effective policies and procedures in place to support our values and behaviours:

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

*Monitoring Progress*

The Royal Opera House Board of Trustees and Executive Team are responsible for the delivery of this strategy. Assessment of our success will be data driven, and high-level KPIs for EDI have been embedded in the ROH Business Plan. Transparency with staff on our plans and progress is key. We will consult with the Staff Diversity and Inclusion Network before this strategy and future updates are finalised and will report back formally to staff twice a Season. This strategy was formally considered by the Board in October 2022 and approved.

# ACKNOWLEDGEMENTS

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.

Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

In the 2021/22 Season we worked with a large number of organisations and we would like to thank them all for their partnership:

AF Dance  
Alessandra Ferri  
American Ballet Theatre  
Arts Council England  
Ballet Black  
BBC  
British Council  
Britten Pears Arts  
Canadian Opera Company  
Carsten Jung  
Cast Theatre  
Centre for the Less Good Ideas  
City of London Sinfonia  
Curated Place  
Crystal Pite  
Doncaster Council  
Doncaster Creates  
Enoa (European Network of Opera Academies)  
Europalia Arts Festival  
Farnham Maltings  
Frederick Ashton Foundation  
Guildhall School of Music and Drama  
Hackney Empire  
High House Production Park  
InterArte  
Irish National Opera  
Joseph Toonga  
Kyle Abraham  
Little Bulb Theatre  
Los Angeles Philharmonic  
Music Theatre Wales  
National Opera Studio  
New English Ballet Theatre  
Northern Ballet  
Opéra National de Paris  
Paris Opera Ballet  
Picturehouse Cinemas  
Queensland Ballet  
Rambert School  
Ravenna Festival  
Roundhouse  
Screen Industries Research and Training Centre (SIRT)  
Sheridan College's Canadian Music Theatre Project  
Shubbak Festival  
St. Pancras International  
Teatro Massimo, Palermo  
Teatro Real, Madrid  
The Australian Ballet  
The National Ballet of Canada  
The Royal Ballet School  
Van Cleef & Arpels  
VisualEyes  
VocalEyes  
Yorke Dance Project  
ZooNation: the Kate Prince Company



# STRUCTURE, GOVERNANCE AND MANAGEMENT

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## **Directors and Trustees**

The directors of the charitable company ('The Royal Opera House' or 'the charity') are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees who held office during the period and since period end were as follows:

Sir Lloyd Dorfman CVO CBE (appointed as Chair 6 July 2022)  
Sir Simon Robey (retired as Chair 6 July 2022; retired as Director 28 August 2022)  
Lady Heywood (retired as Deputy Chair 28 August 2022)  
Zeinab Badawi  
Caroline Britton (appointed 14 December 2021)  
Lord Browne of Madingley  
Timothy Bunting  
Kirsty Cooper (appointed Senior Independent Director 4 October 2022)  
Susan Hoyle OBE (retired as Senior Independent Director 4 October 2022)  
Lisa Burger CBE (appointed 4 October 2022)  
Dr Genevieve Davies (retired 1 September 2021)  
Dame Vivien Duffield (retired 1 September 2022)  
Vanessa Kingori OBE (appointed 4 October 2022)  
Sir Nicholas Hytner (retired 1 September 2021)  
Sir John Kingman (retired 1 September 2021)  
Julian Methereil (retired 28 August 2022)  
Paul Morrell OBE  
Indhu Rubasingham MBE  
Janis Susskind OBE (appointed 4 October 2022)  
Christopher Townsend CBE  
Michael Ward (appointed 4 October 2022)  
Roger Wright CBE (retired 28 August 2022)  
Danny Wyler  
Sir Alexander Young KCMG (appointed 4 October 2022)

## **Chief Executive**

Alex Beard CBE

## **Company Secretary**

Leah Hurst

## **Governing Document**

The Royal Opera House Covent Garden Foundation is a company limited by guarantee (company number: 00480523) governed by its Memorandum and Articles of Association, which were last amended on 5 October 2021. It is registered as a charity at the Charity Commission (charity number: 211775).

## **Charitable objects**

Our charitable objects, as stated in the Royal Opera House governing document, are:

to promote and assist in the advancement of education so far as such promotion and assistance shall be of a charitable nature and in particular, to raise the artistic taste of the country, and to procure and increase the appreciation and understanding of the musical art in all its forms. The achievement of our aims as listed in the pages above (p11-p19) enable us to fulfil our charitable objects and therefore our legal purpose.

## **Public benefit**

The Trustees refer to the Charity Commission's general guidance on public benefit when shaping and reviewing the Charity's aims, objectives and future strategies. In setting the level of ticket prices, charges and concessions, and in developing digital and broadcast distribution, the Trustees give careful consideration to the accessibility of the Royal Opera House to those on low incomes. As outlined in this report, this is addressed through maintaining a wide range of ticket prices, as well as through several ticket subsidy schemes, free events, digital and broadcast activity and an extensive learning and participation programme.

## Appointment of Trustees

The Board of Trustees are responsible for the appointment of new trustees, who are appointed for an initial term of four years. The Nominations and Remuneration Committee has delegated authority to recruit Trustees who are formally elected at Board meetings and ratified at the next following Annual General Meeting of the Company. On the expiry of such initial term they may be re-appointed for additional terms expiring on or before the financial year end following either the second or fourth anniversary of the date of re-appointment. No Trustee shall be appointed for a term exceeding twelve years. The Trustees appoint a Chair for a term of five years or less and on expiry of such term he or she may be re-appointed for a second term of three years or fewer by approval of the Trustees provided that on expiry of such second term he or she shall, unless the Trustees otherwise exceptionally determine, retire from office. The Nominations and Remuneration Committee reviews regularly the structure, size, composition, diversity and succession needs of the Board, ensuring that the Board has the required blend of skills and experience and its remit is to identify, assess and formally recommend to the Board candidates for appointment as Trustees.

## Trustee Induction and training

New Trustees undergo an induction session with the Company Secretary to brief them on their obligations under charity and company law, the contents of the Memorandum and Articles of Association, the board manual and the committee and decision-making processes. During the induction new Trustees are also introduced to key staff and other Trustees.

## Organisation

The direction and control of the Royal Opera House is determined by the Board of Trustees, which meets at least six times a year. The role of the Board is to direct the Royal Opera House strategy and to ensure that the Royal Opera House is on the approved strategic course (including artistic strategy) and that it is properly and effectively managed. The following sub-committees of the Board are established (which in the case of Finance and Commercial, Development, Learning and Participation and Digital Strategy, include members who are not Trustees).

**Audit and Risk:** The committee meets at least three times a year. The committee was chaired by Julian Metherell until 1 July 2022 when Caroline Britton (appointed 8 February 2022) assumed the chair. Other members are Timothy Bunting (appointed 1 September 2022), Kirsty Cooper, Sir Lloyd Dorfman CVO CBE (appointed 7 July 2022), Lady Heywood (retired 28 August 2022), Sir Nicholas Hytner (retired 1 September 2021), Sir John Kingman (retired 1 September 2021), Paul Morrell OBE, Danny Wyler and Sir Alex Younger KCMG (appointed 7 December 2022). Alex Beard, Mindy Kilby (Director of Finance) and Heather Walker (Director of Operations) report to all meetings. The committee is responsible for considering and reviewing matters relating to the control environment, including internal audit, health and safety and risk management, including consideration of matters raised by the external auditors. The committee is responsible for the appointment of the external auditors, meets regularly with them and reviews their performance and independence.

**Finance and Commercial (previously known as Finance and Operations):** The committee meets five times a year. The committee was chaired by Lady Heywood until 28 August 2022 when Timothy Bunting assumed the chair. Other members are Caroline Britton (appointed 8 February 2022), Lord Browne of Madingley (retired 7 December 2022), Timothy Bunting, Lisa Burger CBE (appointed 7 December 2022), Sir Lloyd Dorfman CVO CBE, Sir Nicholas Hytner (retired 1 September 2021), Dan Ison (appointed 24 May 2022), Sir John Kingman (retired 1 September 2021), Vanessa Kingori OBE (appointed 7 December 2022), Julian Metherell (retired 28 September 2022), Paul Morrell OBE, Michael Ward (appointed 7 December 2022) and Danny Wyler. Alex Beard, Mindy Kilby (Director of Finance) and Heather Walker (Director of Operations) report to all meetings. The committee is responsible for reviewing and assessing the balance, integrity and transparency of financial information, the adequacy of financial planning, budgeting and forecasting, and the Royal Opera House's annual financial statements. It makes recommendations to the Board on major capital expenditure and revenue contracts and on the overall framework for delegated financial authority in the Royal Opera House.

**Development:** The committee was chaired by Danny Wyler until 7 December 2022 when Sir Lloyd Dorfman CVO CBE assumed the chair. Other members are Timothy Bunting, The Countess of Chichester, Sir Mick Davis (appointed 29 March 2022), Dame Vivien Duffield, Philipp Freise (appointed 4 October 2022), Anthony Gutman (appointed 29 March 2022), Robert Kalff (retired 31 August 2021), Yuanbo Liu (appointed 29 March 2022), Sir Simon Robey (appointed 14 May 2021, retired 6 July 2022), Dame Gail Ronson, Nicole Ronson (appointed 4 October 2022), The Earl of Snowdon, Andrew Walton (retired 31 August 2021) and Danny Wyler. Alex Beard and Amanda Saunders (Director of Development and Enterprises) report to all meetings. The committee supports the Development department in maximising fundraising opportunities and income.

**Donation and Income Acceptance:** Sir Simon Robey chaired the committee until 6 July 2022 when Sir Lloyd Dorfman CVO CBE assumed the chair. Other members are Zeinab Badawi, Kirsty Cooper, Susan Hoyle OBE (retired 6 July 2022), Danny Wyler and Sir Alex Younger KCMG (appointed 7 December 2022). The committee supports the organisation around the ethical acceptance/rejection of sponsorship, donations and membership. This includes making decisions, recommending referral of those decisions to the Charity Commission where appropriate, assessing the potential impact of those decisions while advising the business communications department with regard to their rationale, advising the main Board on the associated risks, annually reviewing the policy on accepting/rejecting such funds and monitoring compliance with this policy.

**Learning and Participation:** The committee is chaired by Susan Hoyle OBE. Other members are Alex Beard, Helen Bruckdorfer, Hilary Carty (retired 31 July 2022), Annie Crombie, Dame Vivien Duffield (retired 1 September 2022), Tanya Joseph, Simon Pearson (appointed 5 October 2021), Jonathan Sands, Janis Susskind OBE (appointed 7 December 2022), Sharon Watson (appointed 7 December 2022) and Bridget Whyte. Jillian Barker (Director of Learning and Participation) reports to all meetings. The committee supports the organisation in planning, implementing and monitoring programmes and initiatives focused on learning, participation and widening engagement.

**Nominations and Remuneration:** Susan Hoyle OBE chaired the committee until 7 July 2022 when Sir Lloyd Dorfman CVO CBE assumed the chair. Other members are Caroline Britton (appointed 1 September 2022), Lord Browne of Madingley (appointed 7 December 2022), Timothy Bunting (appointed 1 September 2022), Dame Vivien Duffield, Lady Heywood (retired 28 August 2022), Susan Hoyle OBE, Sir John Kingman (retired 1 September 2021), Julian Metherell (retired 28 August 2022) and Danny Wyler (retired 7 December 2022). Alex Beard and Dale Haddon also attends these meetings. The committee nominates appointees to the Board and other Senior Executives for approval by the Board. It may co-opt additional members where particular expertise is required and a particular role is under consideration. The committee is also responsible for the continuous review of Board membership to ensure that a proper balance of skills, experience and diversity is maintained. The committee is responsible for reviewing and benchmarking internationally the pay, benefits and total compensation of the Executive Team. The activities of the Royal Opera House are driven by the artistic plans of the Royal Ballet and the Royal Opera, and managed by the Chief Executive with the support of the Executive Team. The Committee consider the Chief Executive, Music Director, Director of the Royal Ballet and Director of Opera as key management personnel responsible for these activities. The Committee conducts an annual review of executive compensation, focussing on survey data from a range of comparable UK and international arts organisations, and also takes into account the annual pay award for all staff. Under the chairmanship of the Senior Independent Director the Nominations and Remuneration Committee will set up a subcommittee to propose and assess candidates for the Chairmanship of the Board.

**Business Transformation Group (previously known as Digital Strategy):** The committee is chaired by Christopher Townsend CBE. Other members are Timothy Bunting, Sir Lloyd Dorfman CVO CBE (appointed 7 July 2022), Dan Ison (appointed 24 May 2022), Simon McGrath and Sir Simon Robey (retired 6 July 2022). The committee supports the organisation in overseeing the development and implementation of the organisation's strategy for digital content and communications.

**Executive Team:** the day-to-day management is the task of the Royal Opera House Executive

The Trustees appoint the Chief Executive and Music Director. Royal Opera House operations are managed by the Chief Executive with the assistance of an Executive Team comprising:

Alex Beard **CBE**, Chief Executive  
 Peter Alesbury, Director of Estates and Facilities (from 10 October 2022)  
 Jillian Barker, Director of Learning and Participation  
 Heather Baxter, Administrative Director, The Royal Ballet  
 Mark Dakin, Technical Director (until 31 July 2022)  
 Dale Haddon, Director of Human Resources  
 Will Harding, Deputy Director, Production and Planning  
 Mark Heholt, Head of Policy and Strategic Funding  
 Leah Hurst, Head of Legal and Business Affairs  
 Peter Katona, Director of Casting  
 Koen Kessels, Music Director, The Royal Ballet  
 Mindy Kilby, Director of Finance  
 Terry McGrath, Director of Audiences & Media  
 Oliver Mears, Director of Opera  
 Kevin O'Hare, Director, The Royal Ballet  
 Christina Osterby, Commercial Director Audiences & Media (from 01 November 2022)

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Amanda Saunders, Director of Development and Enterprises  
Cormac Simms, Administrative Director, The Royal Opera  
Laura Stevenson, Renewal Programme Director (until 1 July 2022)  
Jane Storie, Business Director  
Heather Walker, Director of Operations  
James Whitebread, Chief Technology Officer  
Emma Wilson, Director of Technical, Production and Costume (from 1 August 2022)

The Chief Executive (assisted by the Executive Team) is responsible for the development and implementation of the strategy and business plans of the Royal Opera House. The Executive Team meets weekly to monitor artistic, operational and financial progress against plans approved by Trustees. It should be noted that where the title 'Director' is used in the above table this is an internal management term only and does not indicate directorship according to the Companies Act definition.

The Royal Opera Company and The Royal Ballet Company are internal divisions of the charity. The Royal Ballet has a Royal Charter dating in its original form from 1956. The Royal Opera House, The Royal Ballet and The Royal Opera Company have the Sovereign's permission to use the word 'Royal' in their titles.

**We would also to thank the following for support, advice and encouragement throughout the year:**

*Ambassadors*

The Countess of Chichester  
Dame Gail Ronson DBE

*The Board of the Royal Opera House Endowment Fund*

Dame Vivien Duffield, Chair  
Caroline Britton, Timothy Bunting, Hamish Forsyth, Lady Gavron, Sir Simon Robey, Peter Troughton CVO CBE

*Board of Honorary Directors*

Sir Simon Robey, Chair (retired 6 July 2022)  
Sir Lloyd Dorfman CVO CBE, Chair (appointed 6 July 2022)  
The Countess of Chichester, Honorary Vice Chair  
Dame Gail Ronson, Honorary Vice Chair

Gregory and Regina Annenberg Weingarten

Lady Ashcroft

Tim Ashley

Mikhail Bakhtiarov

Celia Blakey

Mr & Mrs Anthony Bolton

The BAND Trust

Boodles – Michael Wainwright

John Booth

BP International

The Deborah Loeb Brice Foundation

Tim and Sarah Bunting

John and Susan Burns OBE

Ricki Gail Conway

Dr Genevieve and Mr Peter Davies

Sir Mick and Lady Barbara Davis

Sir Lloyd and Lady Dorfman OBE

Dame Vivien Duffield

Aline Foriel-Destezet

Hamish and Sophie Forsyth

David Fransen

Kenneth and Susan Green

Sandra and Anthony Gutman

Charles and Kaaren Hale

Lady Hamlyn

Jane Hamlyn

Lady Heywood

Dr Catherine Høgel

Charles Holloway

Huo Family Foundation

Alan and Caroline Howard

Aud Jebsen

Doug and Ceri King

Frances Kirsh

Mrs Alfiya Askar Abulkhair and

Timur Kuanyshev

Lord and Lady Laidlaw

Rena and Sandro Lavery

Dr Patrick Mueller

Bertrand and Elisabeth Meunier

Marit Mohn

Mrs Susan A Olde OBE

Stefan Sten Olsson

Jette and Alan Parker

Natalie Parker

Melinda and Donald Quintin

Julia and Hans Rausing

Yvonne and Bjarne Rieber

Sir Simon and Lady Robertson

Rolex – Arnaud Boetsch

The Gerald and Gail Ronson Family Foundation

Ruinart – Alexei Rosin

Mrs Lily Safra (deceased July 2022)

Lady Sainsbury of Preston Candover

Kim Samuel

Tina Taylor

Lindsay and Sarah Tomlinson

Van Cleef & Arpels – Geoffroy Medinger

Danny and Lillian Wyler

Anonymous (4)

**The Royal Opera House Pension Fund:** Richard Soper, Chair

## REFERENCE AND ADMINISTRATIVE DETAILS

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

*Charity number*

211775

*Company number*

00480523

ACTUARIES

*(to the Royal Opera House  
Pension Scheme) Lane  
Clark & Peacock LLP*

95 Wigmore Street, London,  
W1U 1DQ

PRINCIPAL OFFICE

**Royal Opera House**

Covent Garden, London,  
WC2E 9DD

INTERNAL AUDITORS

**RSM UK Group LLP**

25 Farringdon Street London  
EC4A 4AB

AUDITORS

**Grant Thornton UK LLP** 30

Finsbury Square, London,  
EC2A 1AG

BANKERS

**Coutts & Co.** 440 Strand,  
London, WC2R 0QS

INVESTMENT  
ADVISORS

**Stonehage Fleming**

**Investment Management**

**Limited**, 15 Suffolk Street,  
London SW1Y 4HG

**Troy Asset Management**

**Limited** Brookfield House,  
33-34 Davies Street, London  
W1K 4BP

**Newton Investment**

**Management Limited** BNY

Mellon Centre, 160 Queen  
Victoria Street, London,  
EC4V 4LA

## **Group entities**

On 28 August 2022 the group included the charity and:

### **Royal Opera House Endowment Fund 2000**

### **Royal Opera House Enterprises Limited**

### **ROH Holdings Limited**

### **ROH Developments Limited**

The consolidated financial statements include the results of these entities, as detailed in note 2. See note 2 for the principal activities of these entities.

## **Equality policy/statement**

The Royal Opera House has an ongoing commitment to promoting diversity throughout all its work – as an employer, in the art we perform, and in the extent of our audience. We report annually to Arts Council England on our progress against an action plan, which is keenly monitored by the Board of Trustees.

## **Environmental strategy**

It is the ambition of the Royal Opera House to be a leader in environmental sustainability and to act as a catalyst for positive change in this field.

Recognising our global reach and leadership role within the UK arts sector, we embrace our responsibility and obligation to reduce our impact on the environment and we aim to engage with our audiences, staff, suppliers and partners to raise awareness about sustainability issues. It is our belief that reducing our environmental impact will not only have a positive effect on the environment, but will also make our operations more efficient and economical and will enhance our organisational resilience in the long term.

## **Health and safety**

The charity has a health and safety committee comprised of representatives from many departments. All new staff are issued with a health and safety policy document. In addition, under the supervision of the occupational health unit, there are trained first-aiders in all departments. A full report on Health and Safety is considered annually by the Board.

## **Staff**

The charity informs and seeks the views of its staff by means of regular department meetings open to all staff and newsletters. Regular meetings are held with the recognised unions: BECTU (Broadcasting Entertainment Cinematograph and Theatre Union), The Musicians' Union and Equity.

## **Disabled persons**

The charity encourages the employment of disabled persons. It is Board policy to ensure that continued employment is offered, wherever possible, to staff who become temporarily disabled and special arrangements are made for those permanently disabled.

## **Political and charitable contributions**

The charity made no political contributions during the period. No charitable contributions were made during the period, other than as disclosed in Note 9 to the financial statements.

## **Payment policy**

It is the charity's policy to pay suppliers in accordance with agreed credit terms. The Royal Opera House had trade creditors equivalent to 25 days supply at the period end (*52 week period ended 29 August 2021: 20 days*).



### **Fundraising statement**

Our guiding principle for fundraising is to build secure, long term fundraising support from our Members, encouraging their interest in our charitable work, allowing them to engage with our staff and projects and seeing how their additional gifts help us. Our fundraising materials are written and designed around this principle.

Fundraising activities include targeted direct mail, events and leaflets at promoting donations and bequests, donations through our website, and approaches to Trusts, Foundations, companies and individual benefactors.

Our fundraising is carried out by our in-house fundraising teams and we are a registered member of The Fundraising Regulator. We have procedures in place to ensure our staff and volunteers comply with fundraising standards and regulation; we are not aware of any failure by our staff or volunteers to meet these standards. We are committed to acting promptly if we receive any information indicating we have not met these standards.

In 2021/22 we received 6 general fundraising complaints about our fundraising activity. If complaints are received we respond quickly and ensure corrective action is taken as required. If complaints are received about the suggested donations added to ticket purchases, these are refunded at the point of complaint.

We take our responsibilities on managing our contact data very seriously and we strive to ensure that our policies and procedures around data and processing meet our legal requirements, our high expectations and those of our supporters. As part of the risk-based audit plan and in line with our risk management processes, Internal Audit performs regular reviews of the Fundraising team activities and control environment.

We recognise the need to protect vulnerable people. We ensure comprehensive training is provided to ensure that empathy and respect are demonstrated towards people in vulnerable circumstances and that no donation is sought or gained from someone who may not have the capacity to make an informed and considered decision.

We respect our supporters' privacy and rights to decide how and if we contact them. We make it easy for supporters to choose how they want to hear from us, and if they ask us not to contact them we will not, unless it is a legal or administrative requirement.

## Trustees' responsibilities statement

The Trustees (who are also directors of Royal Opera House Covent Garden Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report (incorporating the strategic report) was approved by the Board of Trustees and signed on 28 March 2023.

*Sir Lloyd Dorfman*

Sir Lloyd Dorfman CVO CBE, Chair

## **Independent auditor's report to the members of Royal Opera House Covent Garden Foundation**

### **Opinion**

We have audited the financial statements of Royal Opera House Covent Garden Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the 52 week period ended 28 August 2022, which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Account, the Consolidated Balance Sheet, the Parent Charitable Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 28 August 2022 and of the group's incoming resources and application of resources including, its income and expenditure for the period 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 have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as inflation, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

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 and parent charity'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 directors with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's 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 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 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 Strategic Report and the Directors' report, prepared for the purposes of company law, included in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

## Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Report.

## Matters on which we are required to report by exception

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 by the parent charitable company, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

## Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 42 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 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities SORP (FRS 102), The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), the Companies Act 2006 and the Data Protection Act 2018.
- We understood how the group and parent charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, and through our legal and professional expenses review.
- We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
  - Challenging assumptions and judgments made by management in its significant accounting policies
  - Identifying and testing journal entries
  - Identifying and testing related party transactions
  - Inspecting the board minutes
  - Assessing the extent of compliance with the relevant laws and regulations
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
  - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
  - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group and parent charitable company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
  - The group and parent charitable company's control environment, including:
    - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations
    - The adequacy of procedures for authorisation of transactions and review of management accounts, and
    - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Bird  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London  
28 March 2023

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

# FINANCIAL STATEMENTS

ROYAL OPERA HOUSE COVENT GARDEN FOUNDATION (LIMITED BY GUARANTEE)

Consolidated financial statements

52 week period ended 28 August 2022

Registered charity number: 211775. Registered company number: 00480523.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## Consolidated statement of financial activities

for the 52 week period ended 28 August 2022

				52 week period ended 28-Aug-22	52 week period ended 29-Aug-21
	Note	Total Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Charitable activities					
Operation of Royal Opera House (including box office)	3	51,007	-	-	6,619
Grant from Government	5	-	18	-	10,636
Donations and legacies					
Donations, legacies and similar incoming resources	6	33,919	6,322	625	36,746
Grants from Arts Council England	4	24,471	741	-	25,212
Other trading activities					
Commercial trading income	7	14,841	-	-	4,324
Investments	8	655	88	-	754
<b>Total income and endowments</b>		<b>124,893</b>	<b>7,169</b>	<b>625</b>	<b>84,291</b>
<b>Expenditure on:</b>					
Charitable activities					
Productions, sales and operations	9	(110,665)	(6,592)	(3,774)	(75,314)
Raising Funds					
Generating voluntary income	11	(4,470)	(54)	(87)	(3,409)
Commercial activities	12	(10,706)	0	-	(2,238)
Restructuring	15	0	-	-	(691)
Interest payable	16,25	(567)	-	-	(202)
<b>Total expenditure</b>	16	<b>(126,408)</b>	<b>(6,646)</b>	<b>(3,861)</b>	<b>(81,854)</b>
Net (loss) / gain on investments	19	-	(8)	(640)	4,462
<b>Net (expenditure) / income</b>		<b>(1,515)</b>	<b>515</b>	<b>(3,876)</b>	<b>6,899</b>
<b>Transfers between funds</b>	17	<b>1,630</b>	<b>(1,630)</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains</b>					
Gain on revaluation of heritage assets	19,23	-	-	-	156
Actuarial gain on the defined benefit pension scheme	31	15,196	-	-	5,316
<b>Net movement in funds</b>		<b>15,311</b>	<b>(1,115)</b>	<b>(3,876)</b>	<b>12,371</b>
Fund balances brought forward at 29 August 2021		<b>183,407</b>	<b>12,337</b>	<b>48,681</b>	<b>232,054</b>
<b>Fund balances carried forward at 28 August 2022</b>	27	<b>198,718</b>	<b>11,222</b>	<b>44,805</b>	<b>244,425</b>

Amounts relating to incoming resources and resources expended in the current and previous period derive from continuing activities. No significant new operations have been acquired in the period or the previous period.

There is no difference between the results for the period stated above and their historical cost equivalents, except for unrealised gains and losses on investments and heritage assets (see note 19).

Notes from pp. 53-99 form part of the financial statements.



Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## Consolidated income and expenditure account

for the 52 week period ended 28 August 2022

	Note	52 week period ended  28-Aug-22	52 week period ended  29-Aug-21 Total Income Funds
		Total Income Funds £'000	£'000
<b>Income</b>			
Charitable activities			
Operation of Royal Opera House (including box office)	3	51,007	6,619
Government Grant	5	18	10,636
Donations and legacies			
Donations, legacies and similar incoming resources	6	40,241	35,668
Grants from Arts Council England	4	25,212	25,212
Other trading activities			
Commercial trading income	7	14,841	4,324
Investments	8	743	754
<b>Total Income</b>		<b>132,062</b>	<b>83,213</b>
<b>Expenditure on:</b>			
Charitable activities			
Productions, sales and operations	9	(117,257)	(75,314)
Raising Funds			
Generating voluntary income	11	(4,524)	(3,409)
Commercial activities	12	(10,706)	(2,238)
Restructuring	15	-	(691)
Interest payable	16,25	(567)	(202)
<b>Total Expenditure</b>	16	<b>(133,054)</b>	<b>(81,854)</b>
<b>Net (Expenditure) / Income before taxation</b>		<b>(992)</b>	<b>1,359</b>
<b>Taxation</b>	35	-	-
<b>Net (Expenditure) / Income after taxation</b>		<b>(992)</b>	<b>1,359</b>

The consolidated income and expenditure account is prepared for Companies Act purposes and presents the group's gross income and expenditure. The consolidated statement of financial activities includes the consolidated income and expenditure account along with movements in endowment funds and unrealised gains and losses and actuarial gains and losses on pension liability.

Notes from pp. 53-99 form part of the financial statements.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## Consolidated balance sheet

as at 28 August 2022

				28 August 2022	29 August 2021	
	Note	Un-Restricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000	Total Funds £'000
<b>Fixed assets</b>						
Intangible fixed assets	20	1,492	-	-	1,492	1,327
Tangible fixed assets	21	170,739	10,009	-	180,748	190,150
Heritage assets	23	6,022	-	-	6,022	5,760
Investments	22(a)	-	-	38,426	38,426	39,075
<b>Total fixed assets</b>		<b>178,253</b>	<b>10,009</b>	<b>38,426</b>	<b>226,688</b>	236,312
<b>Current assets</b>						
Productions in preparation		3,567	-	-	3,567	2,427
Stocks	24	254	-	-	254	439
Debtors: amounts falling due after more than one year	25	1,105	-	5,430	6,535	6,660
Debtors: amounts falling due within one year	25	19,661	569	107	20,337	15,419
Cash at bank and in hand	32	79,523	701	-	80,224	71,075
<b>Creditors: amounts falling due within one year</b>		<b>104,110 (47,767)</b>	<b>1,270 1,235</b>	<b>5,537 842</b>	<b>110,917 (45,690)</b>	96,020 (34,766)
<b>Net current assets</b>		<b>56,343</b>	<b>2,505</b>	<b>6,379</b>	<b>65,227</b>	61,254
<b>Total assets less current liabilities</b>		<b>234,596</b>	<b>12,514</b>	<b>44,805</b>	<b>291,915</b>	297,566
<b>Creditors: amounts falling due after one year</b>		<b>(21,700)</b>	<b>(1,292)</b>	<b>-</b>	<b>(22,992)</b>	(23,023)
<b>Net assets excluding pension liability</b>		<b>212,896</b>	<b>11,222</b>	<b>44,805</b>	<b>268,923</b>	274,543
Defined benefit pension scheme liability	31	<b>(14,178)</b>	-	-	<b>(14,178)</b>	(30,118)
<b>Net assets including pension liability</b>		<b>198,718</b>	<b>11,222</b>	<b>44,805</b>	<b>254,745</b>	244,425
<b>Funds</b>						
Unrestricted general funds	27	4,156	-	-	4,156	4,156
Unrestricted revaluation funds	27	389	-	-	389	389
Unrestricted designated funds	27	208,351	-	-	208,351	208,980
Unrestricted funds before pension reserve		212,896	-	-	212,896	213,525
Unrestricted pension reserve	31	(14,178)	-	-	(14,178)	(30,118)
Restricted funds	27	-	11,222	-	11,222	12,337
Endowment fund	27	-	-	44,805	44,805	48,681
<b>Total Funds</b>		<b>198,718</b>	<b>11,222</b>	<b>44,805</b>	<b>254,745</b>	244,425

These financial statements were approved by the board of Trustees on 28 March 2023 and were signed on its behalf by:

SIR LLOYD DORFMAN CVO CBE

CAROLINE BRITTON

Trustee *Sir Lloyd Dorfman*

Trustee *Caroline Britton*

Notes from pages 53-99 form part of these financial statements.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## Parent charitable company balance sheet

as at 28 August 2022

			28 August 2022	29 August 2021
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
<b>Fixed assets</b>				
Intangible fixed assets	20	1,492	-	1,492
Tangible fixed assets	21	170,739	10,009	180,748
Heritage assets	23	6,022	-	6,022
Investment in subsidiaries	22(b)	6,676	-	6,676
<b>Total fixed assets</b>		<b>184,929</b>	<b>10,009</b>	<b>194,938</b>
<b>Current assets</b>				
Productions in preparation		3,567	-	3,567
Debtors: amounts falling due after more than one year	25	200	-	200
Debtors: amounts falling due within one year	25	19,018	618	19,636
Cash at bank and in hand		76,929	-	76,929
<b>Creditors: amounts falling due within one year</b>	26	<b>99,714</b> <b>(43,753)</b>	<b>618</b> <b>-</b>	<b>100,332</b> <b>(43,753)</b>
<b>Net current assets</b>		<b>55,961</b>	<b>618</b>	<b>56,579</b>
<b>Total assets less current liabilities</b>		<b>240,890</b>	<b>10,627</b>	<b>251,517</b>
<b>Creditors: amounts falling due after one year</b>	26	<b>(21,700)</b>	<b>(1,292)</b>	<b>(22,992)</b>
<b>Net assets excluding pension liability</b>		<b>219,190</b>	<b>9,335</b>	<b>228,525</b>
Defined benefit pension scheme liability	31	(14,178)	-	(14,178)
<b>Net assets including pension liability</b>		<b>205,012</b>	<b>9,335</b>	<b>214,347</b>
<b>Funds</b>				
Unrestricted general funds	27	4,672	-	4,672
Unrestricted revaluation funds	27	389	-	389
Unrestricted designated funds	27	214,129	-	214,129
Unrestricted funds before pension reserve		219,190	-	219,190
Unrestricted pension reserve	31	(14,178)	-	(14,178)
Restricted funds	27	-	9,335	9,335
<b>Total Charity Funds</b>		<b>205,012</b>	<b>9,335</b>	<b>214,347</b>

The parent company's loss for the period, before other comprehensive income, was £0.146m (2021: £2.505m gain). After actuarial gain on defined benefit scheme of £15.196m (2021: £5.472m total other recognised gains), the profit for the period was £15.050m (2021: £7.977m).

These financial statements were approved by the board of Trustees on 28 March 2023 and were signed on its behalf by:

**SIR LLOYD DORFMAN CVO CBE**

**CAROLINE BRITTON**

Trustee *Sir Lloyd Dorfman*

Trustee *Caroline Britton*

Notes from pages 53-99 form part of these financial statements.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## Consolidated statement of cash flows

for the 52 week period ended 28 August 2022

	Note	52 week period ended  28-Aug-22  £'000	52 week period ended  29-Aug-21  £'000
Cash inflow from operating activities	32(a)	12,779	12,809
Cash (outflow) / inflow from investing activities	32(b)	(3,528)	12,868
Cash (outflow) / inflow from financing activities	32(c)	<u>(102)</u>	<u>21,598</u>
Change in cash and cash equivalents in the reporting period		9,149	47,275
Cash and cash equivalents at the beginning of the reporting period		<u>71,075</u>	<u>23,800</u>
Cash and cash equivalents at the end of the reporting period		<u><u>80,224</u></u>	<u><u>71,075</u></u>

Notes from pages 53-99 form part of these financial statements.

# NOTES

*(forming part of the financial statements)*

## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

### Basis of preparation

The financial statements have been prepared in accordance with FRS102 : The Financial Reporting Standard applicable in the UK and Republic of Ireland and under the historical cost convention, modified to include the revaluation of investments and heritage assets, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and Companies Act 2006. There are no material departures from FRS102.

Comparative figures are shown for the 52 week period ended 29 August 2021.

### Going Concern

The Trustees must satisfy themselves as to the Royal Opera House's ability to continue as a going concern for a minimum of 12 months from the signing of the financial statements. The Board of Trustees have considered business plans and budgets based on an artistic programme of activity to August 2024, supplemented by outline plans in other areas. These plans show the impact of the challenges ahead given the reduction in ACE funding from April 2023, the external environment and the impact of inflation and energy costs in the Board's assessment of going concern if they are taken into consideration whether the Royal Opera House has adequate resources to meet its obligations as they fall due in and beyond the 12 months from the date of approval of these financial statements.

Underlying assumptions in the plans and budgets are that there will not be further lockdowns or social distancing going forwards, however, we do anticipate a long-term negative impact on levels of box office income. In assessing going concern, the Board also considered financial risk should further closures occur, the impact of any shortfall in fundraising and trading income, and the impact of increasing inflation on costs. Whilst the Trustees are confident that these risks have adequate mitigation to ensure the ROH remains a going concern, the modelling shows that there is sufficient liquidity to August 2024 excluding mitigations.

After consideration of the scenarios, the Trustees consider that the Royal Opera House (Group and Parent Charitable Company) has adequate resources to continue in operational existence for the foreseeable future being a minimum of twelve months from when these financial statements are approved. For this reason, the financial statements of the Group and Parent Charitable Company have been prepared on a going concern basis.

### Basis of consolidation

The consolidated statement of financial activities and balance sheet include the financial statements of the charity (Royal Opera House Covent Garden Foundation (Limited by Guarantee), incorporated in the United Kingdom with registered address and principal address of Royal Opera House, Covent Garden, London WC2E 9DD) and its subsidiaries as set out in note 22(b). All subsidiary results are presented for their statutory financial period, which falls within three months of the year end of the charity. The results of the ROH Holdings Limited Group and Royal Opera House Enterprises Limited (Company Number 04112266) have been included in the consolidated statement of financial activities throughout the period. ROH Holdings Limited (Company Number 02580395) is the holding company of ROH Developments Limited (Company Number 02580400). In the charity's financial statements, the investment in subsidiary undertakings is stated at cost.

The Royal Opera House Endowment Fund 2000 (Charity Registration Number 1089928) has also been consolidated in full throughout the period. Since its inception the Fund has been able to make grants (directly or indirectly) for the benefit of the Royal Opera House. The extent to which the Royal Opera House benefits from the Royal Opera House Endowment Fund 2000 and the extent of grants and consideration of grants to other bodies has been reviewed annually by the Trustees since its creation. Since the beginning of the period ended 25 March 2007, the Trustees have considered it appropriate to consolidate the Royal Opera House Endowment Fund 2000 into the Royal Opera House Covent Garden Foundation Group (formerly the Royal

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Opera House Covent Garden Limited Group). In the Trustees' view, Royal Opera House Covent Garden Foundation has control in that it actually exercises dominant influence over the Royal Opera House Endowment Fund 2000, through influencing the operating and financial policies for the benefit of the ROH and both entities are managed on a unified basis. Also, the objects of Royal Opera House Endowment Fund 2000 are substantially confined to the benefit of Royal Opera House Covent Garden Foundation.

A separate Statement of Financial Activities, or income and expenditure account, has not been presented for the charity in accordance with Section 408 of the Companies Act 2006. The income and expenditure of the charity are detailed in note 27. A separate cash flow statement has not been presented for the charity in accordance with FRS 102 section 1.12(b).

### Public Benefit Entity

The Royal Opera House Covent Garden Foundation (Limited by Guarantee) is a Public Benefit Entity under FRS102.

### Significant judgements and key sources of estimation uncertainty

Management have exercised their judgement in the following areas:

Assessing the useful lives of tangible fixed assets (see **Tangible fixed assets and depreciation** below) as well as any impairment provision required for those assets. See note 21 for carrying values for the current and prior periods.

The valuation method of heritage assets. See **Heritage assets** below and note 23 for more details and for carrying values for the current and prior periods.

The decision to include ROH Endowment Fund 2000 in the Group Consolidation. See **Basis of consolidation** above.

In addition, the pension actuarial assumptions (see **Pension Costs** below and note 31) are areas of significant judgement.

That the rate payable on the intragroup loan payable from Royal Opera House Enterprises Limited to Royal Opera House Covent Garden Foundation Limited a commercial rate of interest and that, given the decision to continue not to demand immediate payment, that the long term portion of the loan continue to be disclosed in **Debtors: amounts due after more than one year** (see note 25).

Management have used estimations in the following areas:

Determining that the fair value of the leased commercial units at the inception of the leasing arrangement amounts to the initial payments paid by the third party and the present value of rent receipts over the term of the lease and determining that the residual value of the leased units at the end of the lease term is negligible when discounted to present value. See note 25 for carrying values for the current and prior periods.

In addition, the valuation of Investment in Programming assets (see **Intangible Fixed Assets** below and note 20) is an area of significant judgement and estimation.

### Functional Currency

The Group operates primarily economically in the UK and the functional currency as well as the reporting currency is the pound sterling.

## **Income**

Box office and other income from the operation of the Royal Opera House is stated net of Value Added Tax and consists primarily of ticket sales together with sales of other goods and services. Revenue from ticket sales is recognised on the night of the performance.

Membership income received is recognised on a time-apportioned basis over the period to which the membership relates.

Grants and donations are accounted for when the receipt is probable, there is evidence of entitlement and can be measured reliably. Entitlement is assessed using performance and time-restriction conditions.

Legacies are accounted for when the receipt is probable, there is evidence of entitlement and can be measured reliably. Entitlement is assessed using conditions as set out in the will of the deceased legacy owner.

Sponsorship income represents income from commercial organisations in support of specific activities. Income is recognised at the date of the event which is the point of delivery for goods or services.

Co-production income represents income from other theatre companies as a contribution towards the costs of delivering a new Opera or Ballet production. Income is recognised at the date of the first performance of the production.

Grants from Arts Council England are recognised on entitlement and when their receipt is probable.

Commercial trading income and other income is recognised at the point of delivery of goods or services.

Investment income is recognised on an accruals basis. Specifically, interest is recognised using the effective interest method and dividend income is recognised when the right to receive payment is established.

Amounts due to the Royal Opera House in respect of the Theatre Tax Credit are included in the financial year to which the claim relates. These amounts are recognised in income, rather than as a tax credit or recovery of expenditure, as the intention and nature of the Theatre Tax Credit is akin to government grant income.

## **Payment from a trading subsidiary under Gift Aid**

Royal Opera House Enterprises Limited has adopted a policy of paying all its taxable profits to its parent charity, Royal Opera House Covent Garden Foundation, under Gift Aid. These gift aid payments are recognised in Royal Opera House Enterprises Limited as distributions through equity in the financial period in which the profits arise, under the terms of the Deed of Covenant between Royal Opera House Enterprises Limited and Royal Opera House Covent Garden Foundation.

The Royal Opera House Covent Garden Foundation recognises the income in the period in which the profits of the subsidiary arise.

## **Assets**

Assets are resources which are controlled by the company as a result of a past event, from which future economic benefits are expected to flow to the Charity. Assets are recognised only when it is probable that future economic benefits will flow to the Charity when the item has a cost or value that can be measured reliably.

## **Debtors**

Debtors fall into the definition of assets and encompass trade debtors, accrued income, prepayments and intra-group balances. Debtors are measured at the cost of the transaction where receipt is not deferred beyond normal terms. Where receipt is deferred beyond normal terms, the debtor is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. In both instances, measurement is net of provision for doubtful debts.

## Liabilities

Liabilities arise when there is a present obligation (legal or constructive) as a result of a past event, from which future economic benefits are expected to flow to the supplier or counterparty. Liabilities are recognised only when it is probable that future economic benefits will flow to the supplier or counterparty and when the item has a cost or value that can be measured reliably. Contracted commitments are not recorded as liabilities on the balance sheet, as the criteria for recognition have not been met. Commitments are disclosed in notes 30(b) and 30(c).

## Creditors

Creditors fall into the definition of liabilities and encompass trade creditors, accruals for costs not yet billed or processed, deferred income and intra-group balances. Creditors are measured at the cost of the transaction where payment is not deferred beyond normal terms. Where payment is deferred beyond normal terms, the creditor is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

## Fund accounting

Unrestricted funds are those that can be used in accordance with the charitable objectives at the discretion of the Trustees and include designated funds, representing unrestricted funds which have been earmarked for particular purposes.

Restricted funds are to be used in accordance with charitable objects and specific restrictions placed by the donor. Restricted funds have been further subdivided into restricted income funds and endowment funds. Restricted income funds are expendable at the discretion of the Trustees on specific purposes as required by donors.

Endowment funds represent those assets that are required to be invested to produce income to meet expenditure, either as directed by the endowment or for general purposes.

A transfer is made between restricted capital funds, representing tangible fixed assets required to be held for restricted purposes, and unrestricted funds to match depreciation charged on those tangible fixed assets.

## Cash at bank and in hand

Cash at bank and in hand includes cash equivalents which are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. These include deposits with more than 24 hours' notice to access. Any cash deposits at institutions with a notice period of longer than three months are separately disclosed under Short term investments: Deposits.

## Short term investments: Deposits

Cash deposits with notice periods of more than three months are separately disclosed on the balance sheet and included in investing activities for the purposes of the cash flow statement. These have a maturity date of less than one year and are held for investment purposes rather than to meet short-term cash commitments as they fall due.

## Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Tangible fixed assets costing less than £1,500 are not capitalised and are expensed through the income and expenditure account. Depreciation is provided at annual rates on a straight-line basis to write off the cost of tangible fixed assets over their estimated useful lives.

The principal rates used are as follows:

Freehold land and buildings	1 - 10%
Equipment and vehicles	2 - 33%



Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Stage, production and technical equipment	2 - 20%
Other equipment	2 - 25%
Computer hardware	33%
Motor vehicles	25%

Assets in course of construction are transferred to functional tangible fixed asset categories when the asset is ready for use and depreciated thereafter.

### Heritage assets

The Royal Opera House maintains the following types of heritage assets:

- Fine art
- Costumes and accessories
- Other collections

Heritage assets are carried at fair value. Fair value of the fine art collection is based on retail replacement cost. Management have made reference to the latest available external valuations in forming their assessment of period end fair value. Gains and losses on revaluation are recognised through 'Other recognised gains' in the Statement of Financial Activities.

The Royal Opera House only recognises new acquisitions on the Balance Sheet where the value of these acquisitions is greater than £10,000. Purchases under £10,000 are recognised as an expense in the income and expenditure account in the period they were incurred.

Outside of those assets recognised on the balance sheet, there is an extensive collection of other items that are not valued and not included on the balance sheet. These include, but are not limited to, costumes, accessories, music scores and the audio visual collection. Before embarking on a comprehensive valuation, these assets would need to be fully catalogued, and given the extent of the items this would be a considerable and lengthy task. Also, due to the uniqueness of the majority of these assets, there is no comparable market value.

Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the income and expenditure account when it is incurred. The Collections department has a rolling programme of review and restoration and the budget put aside for this on an annual basis is £15,000.

### Investments

Investments, excluding investments in subsidiaries, are shown at fair value as at the balance sheet date. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than the quoted prices within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Realised and unrealised gains on investments are recognised in the income and expenditure account. Investments in subsidiaries are recorded at cost in the individual balance sheet of the charity.

### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the exchange rate ruling at balance sheet date. Transactions in foreign currency are translated at the exchange rate ruling at that date of the transaction. Foreign currency gains and losses are recognised as resources expended in the income and expenditure account.

## **Intangible fixed assets**

Intangible fixed assets include investment in programming costs and computer software.

Investment in programming costs are capitalised and amortised over their expected useful life, which is up to two years depending on format and the terms of licences acquired. The costs capitalised are third party costs that include capture costs, post-production costs, rights clearances and other directly attributable costs. These assets are reviewed for impairment where events or changes in circumstances indicate that the carrying amount may not be recoverable. Any anticipated losses on individual projects are expensed in the income and expenditure account.

Computer software is stated at cost less accumulated amortisation. Computer software costing less than £1,500 is not capitalised and is expensed through the income and expenditure account. Amortisation is provided at an annual rate of 33% on a straight-line basis to write off the cost of the computer software over its estimated useful life. Computer software in course of construction is transferred to the intangible asset category when the asset is ready for use, and amortised thereafter.

## **Basic Loans**

Loans payable are included at their amortised cost and disclosed in note 26. The long term portion is included in Creditors: amounts falling due after one year with the current portion included in Creditors: amounts falling due within one year.

Loans receivable are included at their amortised cost and disclosed in note 25. The long term portion is included in Debtors: Amounts due after one year with the current portion included in Debtors: amounts due within one year.

## **Expenditure**

Expenditure on charitable activities comprises expenditure on productions, sales and operations of the Royal Opera House, and grants and transfers to third party organisations. Direct expenditure on productions staged is charged to costs of production and sales on the day of the first performance. Expenditure relating to productions which have not had their first performance by the period end are held on the balance sheet under the caption 'Productions in preparation.'

Expenditure on raising funds consist of direct fundraising costs and costs of commercial trading operations. These costs are recognised when incurred.

Support costs, including management and administration, and premises and depreciation costs have been allocated across expenditure on production, sales and operation, and expenditure on raising funds. Support costs are analysed in note 14.

On occasion, management decides to make redundancy or termination payments for operational reasons. These are expensed in the SOFA on an accruals basis.

Governance costs, including audit fees and legal and professional fees on statutory and governance matters, are allocated across expenditure on productions, sales and operation, and expenditure on raising funds. These are analysed in note 13.

Interest payable is shown separately in the Statement of Financial Activities and in note 26.

Any irrecoverable VAT is included as part of the cost to which it relates.

## **Leases**

As a lessee: Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

As a lessor: Finance leases are leases in which substantially all the risks and rewards of ownership, other than legal title, are transferred to the lessee. Assets acquired and held for use under finance leases are presented as a debtor at an amount equal to the net investment in the lease. Finance income is subsequently recognised at a constant periodic rate of return on that net investment. Contingent rentals arising under finance leases are recognised on receipt.

## **Pension costs**

The charity operates a pension scheme providing benefits based on final pensionable pay, which is now closed to future accrual. Pension scheme assets are measured at fair value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability method. The pension scheme liability is disclosed on the balance sheet within unrestricted funds. The actuarial gain or loss for the period is disclosed under other recognised gains and losses in the Statement of Financial Activities. The current service costs and finance charge are included within expenditure on productions, sales and operations. These movements are analysed in detail in note 31.

The group also contributes to five defined contribution schemes for dancers, singers, musicians, and administration staff. The amounts charged to the Statement of Financial Activities represent the contributions payable to the schemes during the period. The amounts are shown in the Statement of Financial Activities in the same activity as the payroll costs which relate to that activity. For amounts which relate to payroll costs within support costs, these are allocated to the relevant activity on the same basis as other support costs (see note 14).

Any liabilities for unpaid contributions at year end are included in unrestricted creditors in the balance sheet.

## **Stocks**

Retail items are included at the lower of cost and net realisable value.

## **Productions in preparation**

Expenditure relating directly to a production which is incurred in advance of its staging, such as commissioning, build costs and stocks of production materials, are held in the first instance on the balance sheet and disclosed under the heading 'Productions in preparation.' These costs are subsequently charged to the income and expenditure account in the period in which the production's first performance takes place.

## **Gifts in kind**

Investments and other assets donated to the charity are included as donated voluntary income valued at market value at the time of receipt.

## **Volunteers**

The Royal Opera House Group benefits from the role played by volunteers, which includes assisting in certain learning and participation activities, helping with large mail-outs and some general administrative support. The Royal Opera House Volunteer Programme includes a number of volunteers in Thurrock. Donated services such as the contribution from unpaid volunteers are not recognised in the Statement of Financial Activities as the amounts involved would be impractical to measure.

## **Financial Instruments**

Financial instruments are accounted for in accordance with FRS102. Financial instruments are recognised only when the Group and Charity becomes a party to the contractual provisions of the instrument.

The initial amount recognised is the transaction price, except for financing transactions (for example, loans below market rate or accounts where payment is deferred beyond normal terms) where the amount recognised initially is the present value of the future payments, discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost using the effective rate of interest determined at inception of the loan.

Subsequent measurement at each year end for non-financing transactions is:

- undiscounted cash receivable or payable for debt instruments due or receivable within one year (this includes intra-group balances, apart from intra-group loans, which are deemed to be repayable on demand); or
- amortised cost using the effective interest rate method for debt instruments due or receivable for more than one year; or

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

- fair value for investments in publicly traded shares, funds and bonds.

For financial assets measured at amortised cost, an impairment assessment is conducted at year end and if there is any objective evidence of an impairment loss, that loss is recognised in the Statement of Financial Activities immediately. Where there is subsequently objective evidence that the circumstances have improved, the impairment loss is reversed in the Statement of Financial Activities immediately, limited to what the carrying amount would have been without the initial impairment.

A financial asset and a financial liability is offset and the net amount presented in the Balance Sheet when, and only when, (a) there is currently a legally enforceable right to set off the recognised amounts; and (b) there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial instruments are disclosed in note 33. See policies above for specific policies for cash at bank and in hand, debtors, creditors, investments and basic loans.

## **Taxation**

As a charitable entity, the Royal Opera House Covent Garden Foundation (Limited by Guarantee) is exempt from corporate taxation, so long as it uses its resources for charitable purposes. There are no recognised deferred tax amounts in the subsidiaries as there are no recognised significant timing differences.

## **Employee benefits**

All employee benefits are recognised as expenses in the period in which they are incurred. Post-employment benefits, representing contributions into defined contribution plans for current staff are equally recognised as expenses in the period in which the contribution payable is exchanged for services rendered by staff. The assets of the scheme are held separately from the charity.

A termination benefit liability is recognised at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those benefits or;
- when the entity recognises costs for the restricting which involves the payment of termination benefits.

## 2. Subsidiary undertakings

### Charitable subsidiaries

The charity has one connected charity – the Royal Opera House Endowment Fund 2000. The Royal Opera House Endowment Fund 2000 is treated as a subsidiary for reasons outlined in Note 1.

Royal Opera House Endowment Fund 2000 (the “Endowment Fund”) supports the work of the Royal Opera House and other organisations by raising funds to support projects which increase the appreciation and understanding of the musical arts in all forms. It is a separately registered charity, and its board has a majority of Trustees who are independent of the Royal Opera House.

The summary results for the Endowment fund are shown below:

	<b>Endowment Fund</b>	
	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31-Aug-22</b>	<b>31-Aug-21</b>
	<b>£'000</b>	<b>£'000</b>
<b>Income</b>		
Donations, legacies and similar income	<b>1,798</b>	1,900
Investment income	<b>489</b>	712
<b>Total income</b>	<b>2,287</b>	2,612
<b>Expenditure</b>		
Cost of sales and administrative expenses	<b>(20)</b>	(9)
Donations and grants to other group undertakings	<b>(6,072)</b>	(2,426)
Investment managers' fees	<b>(275)</b>	(246)
<b>Total expenditure</b>	<b>(6,367)</b>	(2,681)
<b>(Losses) / gains on revaluation and disposal of investments</b>	<b>(648)</b>	4,462
<b>Net movement in funds</b>	<b>(4,728)</b>	4,393

## 2. Subsidiary undertakings (continued)

The assets and liabilities of the Endowment fund were:

	Endowment Fund	
	31-Aug-22 £'000	31-Aug-21 £'000
Fixed asset investments	38,426	39,075
Current assets	8,619	12,511
Current liabilities	(253)	(65)
<b>Total net assets</b>	<b>46,792</b>	<b>51,521</b>
<b>Total funds</b>	<b>46,792</b>	<b>51,521</b>

Except for fixed asset investments which at 31 August 2022 had an historical cost of £35.4m (31 August 2021: £35.4m) there is no difference between the carrying values and their historical cost equivalents.

### Trading subsidiaries

The charity has two trading subsidiaries – ROH Holdings Limited and Royal Opera House Enterprises Limited.

Royal Opera House Enterprises Limited ("ROHEL") is a wholly owned trading subsidiary, whose principal activities are catering to customers and staff of the Royal Opera House, the sponsorship of Royal Opera House productions, multimedia production and distribution, hire of allocated spaces within the Royal Opera House, the sale of merchandise through the Royal Opera House shop, the sale of advertising through the Royal Opera House programmes and the licensing of the Royal Opera House brands. The charity owns the entire issued share capital. The reporting date of ROHEL is the same as the charity's, which falls on the last Sunday in August each year.

ROH Holdings is a holding company and has one wholly owned subsidiary, ROH Developments Limited, a property development company. The ROH Holdings Group prepares its accounts to 31 August each year. Summary trading results of all trading subsidiaries are shown below:

	ROHEL		ROHHL	
	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000	52 week period ended 31-Aug-22 £'000	52 week period ended 31-Aug-21 £'000
Turnover	14,341	3,856	5	5
Cost of Sales	(10,202)	(1,609)	(5)	(5)
Gross profit	4,139	2,247	-	-
Administration and financial expenses	(1,299)	(1,054)	-	-
Operating profit	2,840	1,193	-	-
<b>Profit before taxation</b>	<b>2,840</b>	<b>1,193</b>	<b>-</b>	<b>-</b>
Taxation for current year's profits	(540)	(227)	-	-
Taxation relief for current year's profits	540	227	-	-
<b>Net profit for the period</b>	<b>2,840</b>	<b>1,193</b>	<b>-</b>	<b>-</b>
Donations under the gift aid scheme	(2,840)	(1,193)	-	-
Retained result in subsidiary for the period	-	-	-	-

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 2. Subsidiary undertakings (continued)

The assets and liabilities of each trading subsidiary were:

	<b>ROHEL</b>		<b>ROHHL</b>	
	<b>28-Aug-22</b>	29-Aug-21	<b>31-Aug-22</b>	31-Aug-21
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Intangible fixed assets	-	-	<b>320</b>	320
Current assets	<b>2,713</b>	2,526	<b>10</b>	5
Current liabilities	<b>(2,337)</b>	(1,950)	<b>(10)</b>	(5)
Non-current liabilities	<b>(200)</b>	(400)	-	-
<b>Total net assets</b>	<b>176</b>	176	<b>320</b>	320
<b>Aggregate share capital and reserves</b>	<b>176</b>	176	<b>320</b>	320

## 3. Income from operation of Royal Opera House

	<b>52 week period ended 28-Aug-22 £'000</b>	<b>52 week period ended 28-Aug-22 £'000</b>	52 week period ended 29-Aug-21 £'000	52 week period ended 29-Aug-21 £'000
<b>Unrestricted funds:</b>				
Box office receipts:				
The Royal Opera	<b>23,747</b>		1,698	
The Royal Ballet	<b>15,882</b>		1,097	
		<b>39,629</b>		2,795
Other income:				
Publications	<b>751</b>		1	
Other	<b>3,853</b>		1,968	
Theatre Tax Credit	<b>6,774</b>		1,855	
		<b>11,378</b>		3,824
UK total		<b>51,007</b>		6,619
Overseas touring receipts		-		-
		<b>51,007</b>		6,619

Other income includes £3.85m (52 week period ended 29 August 2021: £1.97m). This represents box office receipts from productions, other than those on the main stage, co-production income and income from production and costume hires, income from audio-visual exploitation, income from learning and participation, income from ice-cream sales and backstage tours and other income from sundry sources.

## 4. Grants from Arts Council England

	<b>52 week period ended 28-Aug-22 £'000</b>	52 week period ended 29-Aug-21 £'000
<b>Unrestricted funds:</b>		
Arts Council England - grant in aid	<b>24,471</b>	24,472
<b>Restricted funds:</b>		
Arts Council England - Bridge funding	<b>741</b>	740

Other forms of government assistance, apart from Arts Council England, included grants from the Thurrock Borough Council and other government agencies for learning and participation projects of £0.13m (52 week period ended 29 August 2021: £0.02m) included as other income in Note 3.

## 5. Grants from the UK Government

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
<b>Restricted funds:</b>		
UK Government – Coronavirus Job Retention Scheme	18	10,636

The UK Government's Coronavirus Job Retention Scheme (CJRS) was announced on 20 March 2020 as one of a number of support schemes for UK employers as a result of the impact of the Covid-19 pandemic. Initially the scheme was to run for three months, backdated to 1 March 2020. The UK Government extended the scheme into 2021 with support varying from 60% of a staff wage up to a maximum of £1,875 per person per month to 80% of a staff wage up to a total of £2,500 per person per month. No national insurance or employer pension contributions were supported. The scheme closed at 30 September 2021.

## 6. Donations, legacies and similar incoming resources

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	52 week period ended 28-Aug- 22 £'000
Membership	7,483	-	-	7,483
Events	703	-	-	703
Donations, gifts and legacies	25,733	6,322	625	32,680
	33,919	6,322	625	40,866
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	52 week period ended 29-Aug- 21 £'000
Membership	5,737	-	-	5,737
Events	10	-	-	10
Donations, gifts and legacies	26,527	3,394	1,078	30,999
	32,274	3,394	1,078	36,746



	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
<b>Unrestricted Funds</b>		
Catering	8,977	614
Sponsorship	1,872	1,799
Sales of audio-visual materials	1,114	427
Cinema broadcast	257	257
Retail	1,108	546
Promotions and summer season	341	184
Venue Hire	460	-
Advertising	156	21
Property recharges	500	468
Licensing	56	8
	<b>14,841</b>	<b>4,324</b>

## 8. Investment income

	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 28-Aug-22 £'000
	£'000	£'000	£'000	
Dividend and interest income	385	88	-	473
Finance lease interest income	270	-	-	270
	<hr/>	<hr/>	<hr/>	
	655	88	-	743
	<hr/>	<hr/>	<hr/>	
	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 29-Aug-21 £'000
	£'000	£'000	£'000	
Dividend and interest income	262	222	-	484
Finance lease interest income	270	-	-	270
	<hr/>	<hr/>	<hr/>	
	532	222	-	754

65

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 9. Expenditure on productions, sales and operations

	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 28-Aug-22 £'000
	£'000	£'000	£'000	
The Royal Opera	16,966	-	-	<b>16,966</b>
The Royal Ballet	11,749	-	-	<b>11,749</b>
Orchestra of the Royal Opera House	9,678	-	-	<b>9,678</b>
Royalties and hire fees	1,036	-	-	<b>1,036</b>
Production	6,615	5,840	-	<b>12,455</b>
Stage and transport	12,448	-	-	<b>12,448</b>
Other production and sales costs	7,014	-	-	<b>7,014</b>
Front of House	1,297	-	-	<b>1,297</b>
Marketing and publicity	9,395	-	-	<b>9,395</b>
Education, archives & live relays	3,096	752	3,774	<b>7,622</b>
Support costs (note 14)	32,067	-	-	<b>32,067</b>
Grants (note 10)	48	-	-	<b>48</b>
Expense on pension scheme	(744)	-	-	<b>(744)</b>
	<b>110,665</b>	<b>6,592</b>	<b>3,774</b>	<b>121,031</b>

	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 29-Aug-21 £'000
	£'000	£'000	£'000	
The Royal Opera	5,054	1,179	-	<b>6,233</b>
The Royal Ballet	7,803	1,623	-	<b>9,426</b>
Orchestra of the Royal Opera House	4,163	2,024	-	<b>6,187</b>
Royalties and hire fees	81	-	-	<b>81</b>
Production	2,357	4,024	-	<b>6,380</b>
Stage and transport	6,397	1,727	-	<b>8,124</b>
Other production and sales costs	5,306	197	-	<b>5,503</b>
Front of House	566	437	-	<b>1,003</b>
Marketing and publicity	6,495	275	-	<b>6,770</b>
Education, archives & live relays	1,612	903	-	<b>2,515</b>
Support costs (note 14)	22,391	1,561	-	<b>23,952</b>
Grants (note 10)	10	-	-	<b>10</b>
Expense on pension scheme	(870)	-	-	<b>(870)</b>
	<b>61,365</b>	<b>13,949</b>	<b>-</b>	<b>75,314</b>

The employer cash contribution to the defined benefit pension scheme is included in the expenditure on productions, sales and in operations in the Unrestricted fund in the Statement of Financial Activities. The gain on the pension scheme above, which is recognised in the Unrestricted pension reserve in note 27, represents the difference between the cash contributions and the expense in the Statement of Financial Activities as calculated by the Scheme's actuary (refer to note 31).

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
<b>Unrestricted funds</b>		
Grant to Royal Ballet School	48	10
	<b>48</b>	10

## 11. Expenditure on generating voluntary income

	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 28-Aug-22 £'000
	£'000	£'000	£'000	
Fundraising staff costs	1,925	-	-	1,925
Fundraising overheads	1,315	54	87	1,456
Support costs	1,230	-	-	1,230
	<hr/>	<hr/>	<hr/>	<hr/>
	4,470	54	87	4,611
	<hr/>	<hr/>	<hr/>	<hr/>
	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 29-Aug-21 £'000
	£'000	£'000	£'000	
Fundraising staff costs	1,578	102	-	1,680
Fundraising overheads	530	127	-	657
Support costs	1,007	65	-	1,072
	<hr/>	<hr/>	<hr/>	<hr/>
	3,115	294	-	3,409

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 12. Expenditure on commercial activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 28-Aug-22 £'000
	£'000	£'000	£'000	
Retail costs	565	-	-	565
Advertising and licensing costs	27	-	-	27
Sponsorship costs	327	-	-	327
Cinema broadcast costs	1,021	-	-	1,021
Property recharges	500	-	-	500
Catering costs	7,518	-	-	7,518
Other commercial costs	748	-	-	748
	<hr/>	<hr/>	<hr/>	<hr/>
	10,706	-	-	10,706
	<hr/>	<hr/>	<hr/>	<hr/>

	Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 29-Aug-21 £'000
	£'000	£'000	£'000	
Retail costs	295	-	-	295
Advertising and licensing costs	(1)	-	-	(1)
Sponsorship costs	65	-	-	65
Cinema broadcast costs	301	16	-	317
Property recharges	468	-	-	468
Catering costs	507	-	-	507
Other commercial costs	512	75	-	587
	<hr/>	<hr/>	<hr/>	<hr/>
	2,147	91	-	2,238
	<hr/>	<hr/>	<hr/>	<hr/>

## 13. Governance costs

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
<b>Unrestricted funds</b>		
External audit (see note 14)	136	104
Legal and professional costs	317	359
	<hr/>	<hr/>
	453	463
	<hr/>	<hr/>

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 14. Allocation of support costs

	Expenditure on production, sales and operations (note 9) 28-Aug-22 £'000	Expenditure on generating voluntary income (note 11) 28-Aug-22 £'000	<b>Total 52 week period ended 28-Aug-22 £'000</b>
Management and administration	7,009	269	<b>7,278</b>
Premises	12,158	466	<b>12,624</b>
Depreciation, amortisation and impairment	12,464	478	<b>12,942</b>
External audit	131	5	<b>136</b>
Legal and professional costs	305	12	<b>317</b>
	<hr/>	<hr/>	<hr/>
	32,067	1,230	<b>33,297</b>
	<hr/>	<hr/>	<hr/>
	Expenditure on production, sales and operations (note 9) 29-Aug-21 £'000	Expenditure on generating voluntary income (note 11) 29-Aug-21 £'000	<b>Total 52 week period ended 29-Aug-21 £'000</b>
Management and administration	4,590	205	<b>4,795</b>
Premises	9,810	439	<b>10,249</b>
Depreciation, amortisation and impairment	9,109	408	<b>9,517</b>
External audit	100	4	<b>104</b>
Legal and professional costs	343	16	<b>359</b>
	<hr/>	<hr/>	<hr/>
	23,952	1,072	<b>25,024</b>
	<hr/>	<hr/>	<hr/>

Directly attributable support costs are allocated to governance costs where appropriate. The remaining support costs are pro-rated between the key cost driving areas: expenditure on productions, sales and operations and expenditure on raising funds, based on their proportional costs to the overall costs.

## 15. Restructuring costs

	<b>52 week period ended 28-Aug-22 £'000</b>	52 week period ended 29-Aug-21 £'000
<b>Unrestricted funds</b>		
Restructuring costs	-	691
	<hr/>	<hr/>
	-	691
	<hr/>	<hr/>

In July 2020 the Royal Opera House announced a restructure of the organisation as part of a four-point plan to deal with the long-term impacts of the Covid-19 pandemic on the Royal Opera House and ensure its continued existence. The consultation process with affected staff and the three recognised unions: Equity, the Broadcasting, Entertainment, Cinematographic and Theatre Union (BECTU) and the Musician's Union concluded in December 2020. The impact of the restructure continued into the 2020/21 Season.

Net (expenditure) / income is stated after charging the following:

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	111	79
Fees payable to the charitable company's auditor for other services:		
Audit of the charitable company's subsidiaries, pursuant to legislation	25	25
Audit fees relating to prior period	-	15
Depreciation and other amounts written off:		
Tangible fixed assets - owned (note 21)	8,587	8,466
Amortisation of intangible fixed assets (note 20)	575	887
Operating leases - land and buildings	14	24
Interest payable	567	202

		Unrestricted General Fund	Unrestricted Designated Fund	Restricted Funds	Endowment Funds	52 week period ended 28-Aug-22
Gross transfers between funds		£'000	£'000	£'000	£'000	£'000
Depreciation & Amortisation	17(a)	251	-	(251)	-	-
Fixed Asset Fund	17(b)	7,837	(7,337)	(500)	-	-
Other Designated Funds	17(c)	(6,448)	6,448	-	-	-
Endowment	17(d)	879	-	(879)	-	-
		2,519	(889)	(1,630)	-	-
		Unrestricted General Fund	Unrestricted Designated Fund	Restricted Funds	Endowment Funds	52 week period ended 29-Aug-21
Gross transfers between funds		£'000	£'000	£'000	£'000	£'000
Depreciation & Amortisation	17(a)	271	-	(271)	-	-
Fixed Asset Fund	17(b)	5,544	(5,044)	(500)	-	-
Other Designated Funds	17(c)	(6,798)	6,798	-	-	-
Endowment	17(d)	926	-	(926)	-	-
		(57)	1,754	(1,697)	-	-

(b) A net transfer of £7.8m (*52 week period ended 29 August 2021: £5.5m*) was made to the Unrestricted General Fund. There was a transfer from Restricted Funds of £0.5m, representing amounts received for the Open Up project (*52 week period ended 29 August 2021: £0.5m*). There was a transfer of £7.3m from the Unrestricted Fixed Asset Fund to the Unrestricted General Fund, representing a transfer for the net decrease in the charity's tangible fixed assets (*52 week period ended 29 August 2021: £5.0m*).

## 17. Gross transfers between funds (continued)

(c) A net transfer of £6.4m (52 week period ended 29 August 2021: £6.8m) was made to other designated funds representing recovery campaign funds accumulated in the 21/22 Season.

(d) Transfers of £0.9m (52 week period ended 29 August 2021: £0.9m) were made to Unrestricted General Funds from Restricted Funds.

## 18. Staff numbers and costs

The full time equivalent number of permanent and casual staff employed by the group during the period was as follows:

	Number of staff	
	52 week period ended 28-Aug-22	52 week period ended 29-Aug-21
Production	368	291
Orchestra	126	114
Royal Ballet	144	128
Royal Opera	78	71
Sales and marketing	92	67
Management and administration	88	72
Fundraising	34	34
Education and collections	35	35
Premises	3	2
Shop	10	7
	<b>978</b>	<b>822</b>

The aggregate payroll costs of these persons were as follows:

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
Payroll Costs		
Wages and salaries	41,893	34,218
Social security costs	5,468	4,298
Other pension costs, of which:	4,302	3,666
-contributions to defined contribution pension schemes	2,521	2,434
-operating costs of defined benefit pension scheme	1,781	1,232
Non-PAYE payroll costs	3,491	3,497
	<b>55,154</b>	<b>45,679</b>

The average salary cost per staff member (£42,835), excluding termination costs, is an increase compared to prior period (£40,787) and includes increases for the London Living Wage. The increase in average salary cost is partly due to a return to normal salary levels after reductions the previous Season as a response to the impact of the Covid-19 pandemic.

Included in the wages and salaries are termination and redundancy payments of £412,431 (for 52 week period ended 29 August 2021: £1,334,682) that left employment up to 28 August 2022. All termination and redundancy costs are included in total payroll costs of £55.2m, as above. During 21/22 there were no additional payroll costs associated with restructure (for 52 week period ended 29 August 2021: £691,103) that was first announced in July 2020. See Note 15 for further details.

## 18. Staff numbers and costs (continued)

The emoluments of all staff, including staff whose emoluments exceeded £60,000 for the period, fell within the following bands:

			Number of staff 52 week period ended 28-Aug-22			Number of staff 52 week period ended 29-Aug-21		
			Performers	Artistic and General Management	Total	Performers	Artistic and General Management	Total
up to	£59,999		187	654	841	235	502	737
£60,000	-	£69,999	36	22	58	25	16	41
£70,000	-	£79,999	22	12	34	4	10	14
£80,000	-	£89,999	10	3	13	5	2	7
£90,000	-	£99,999	5	5	10	2	1	3
£100,000	-	£109,999	-	2	2	1	2	3
£110,000	-	£119,999	1	1	2	1	2	3
£120,000	-	£129,999	1	-	1	3	-	3
£130,000	-	£139,999	3	2	5	3	1	4
£140,000	-	£149,999	2	1	3	-	2	2
£150,000	-	£159,999	-	2	2	-	2	2
£160,000	-	£169,999	-	2	2	-	1	1
£170,000	-	£179,999	1	1	2	-	-	-
£180,000	-	£189,999	-	1	1	-	1	1
£220,000	-	£229,999	-	1	1	-	1	1
£550,000	-	£559,999	-	1	1	-	-	-
			268	710	978	279	543	822

Emoluments comprise wages and salaries together with benefits in kind.

For staff in bandings from £60,000 and above, contributions of £685,612 (*for 52 week period ended 29 August 2021: £428,644*) were made during the period to defined contribution pension schemes.

Retirement benefits were accruing to 77 (*29 August 2021: 81*) of the above staff under defined contribution pension schemes, and to nil (*29 August 2021: nil*) under a defined benefit pension scheme.



## 18. Staff numbers and costs (continued)

Emoluments for the key management personnel are as follows:

						52 week period ended 28-Aug-22
	Salary (£)	Fees (£)	Total Emoluments (£)	Pension (£)	National Insurance (£)	Total (£)
Sir Antonio Pappano, Music Director	118,997	446,250	565,247	10,833	81,093	657,173
Alexander Beard, CBE, Chief Executive	238,645	-	238,645	-	32,995	271,640
Kevin O'Hare, Director, The Royal Ballet	184,265	-	184,265	18,427	25,614	228,306
Oliver Mears, Director of Opera	172,602	-	172,602	6,554	23,414	202,570
	<b>714,509</b>	<b>446,250</b>	<b>1,160,759</b>	<b>35,814</b>	<b>163,116</b>	<b>1,359,689</b>

						52 week period ended 29-Aug-21
	Salary (£)	Fees (£)	Total Emoluments (£)	Pension (£)	National Insurance (£)	Total (£)
Sir Antonio Pappano, Music Director	9,823	12,000	21,823	-	2,809	24,632
Alexander Beard, CBE, Chief Executive	224,396	-	224,396	-	29,762	254,158
Kevin O'Hare, Director, The Royal Ballet	184,163	-	184,163	18,026	24,199	226,388
Oliver Mears, Director of Opera	169,882	-	169,882	6,385	22,228	198,495
	<b>588,264</b>	<b>12,000</b>	<b>600,264</b>	<b>24,411</b>	<b>78,998</b>	<b>703,673</b>

As noted on page 71, there were reductions in salaries in line with the terms of our Cultural Recovery Fund loan with senior staff earning in excess of £150,000 taking at least a reduction of 10% from December 2020. Voluntarily, Alex Beard increased his reduction to 25% and Sir Antonio Pappano waived his salary from April 2020 to July 2021, returning to his normal salary from August 2021.

From June 2022, those staff having had a reduction from December 2020 were partially restored to their pre-Covid-19 salary. Key senior salaries are still below pre-Covid-19 levels, and Alex Beard's salary is still 6% less than in 2019/20.

Emoluments for Sir Antonio Pappano comprise a salary and separately contracted fees for conducting and directing, respectively. The total level of fees varies season to season depending on the number of Royal Opera House engagements undertaken.

Key management personnel are reflected in the table above. Their compensation for the 52 week period ended 28 August 2022 included emoluments of £1.2m (52 week period ended 29 August 2021: £0.6m) which together with pension costs of £35,814 (52 week period ended 29 August 2021: £24,411) and employer contributions to national insurance of £163,116 (52 week period ended 29 August 2021: £78,998) came to £1.4m (52 week period ended 29 August 2021: £0.7m). Key management personnel also include Trustees who receive no compensation as detailed in note 29. Key management personnel do not include all of the Executive Team as listed in the Trustees' report.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 19. Net Gains on investments and on revaluation of heritage assets

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
<b>Endowment Funds</b>		
Realised gains on disposal of investments	35	5,969
Unrealised loss on revaluation of investments	(683)	(1,507)
<b>(Loss) / gain on investment assets</b>	<b>(648)</b>	<b>4,462</b>

	52 week period ended 28-Aug-22 £'000	52 week period ended 29-Aug-21 £'000
<b>Unrestricted Funds</b>		
Unrealised gains / (loss) on revaluation of heritage assets	-	156
<b>Gains / (Loss) on heritage assets</b>	<b>-</b>	<b>156</b>

## 20. Intangible fixed assets

	Investment in Programming	Computer Software	Total
<b>Group</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>			
At beginning of period	13,673	6,990	20,663
Additions	595	145	740
At end of period	14,268	7,135	21,403
<b>Amortisation</b>			
At beginning of period	13,658	5,678	19,336
Amortisation for period	567	8	575
At end of period	14,225	5,686	19,911
<b>Net book value</b>			
<b>At 28 August 2022</b>	<b>43</b>	<b>1,449</b>	<b>1,492</b>
At 29 August 2021	15	1,312	1,327

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 20. Intangible fixed assets (continued)

	Investment in Programming	Computer Software	Total
Charity Cost	£'000	£'000	£'000
At beginning of period	16,525	6,990	23,515
Additions	595	145	740
At end of period	17,120	7,135	24,255
<b>Amortisation</b>			
At beginning of period	16,510	5,678	22,188
Amortisation for period	567	8	575
At end of period	17,077	5,686	22,763
<b>Net book value</b>			
At 28 August 2022	43	1,449	1,492
At 29 August 2021	15	1,312	1,327

## 21. Tangible fixed assets

	Freehold premises	Assets in the course of construction	Equipment & vehicles	Total
Group Cost	£'000	£'000	£'000	£'000
At beginning of period	211,545	9,067	89,551	310,163
Additions	4	1,010	2,518	3,532
Transfers	-	(8,216)	8,216	-
Disposals	(1,515)	-	(7,311)	(8,826)
At end of period	210,034	1,861	92,974	304,869
<b>Depreciation and diminution in value</b>				
At beginning of period	59,967	-	60,046	120,013
Charge for period	4,464	-	4,123	8,587
Disposals	(1,033)	-	(3,446)	(4,479)
At end of period	63,398	-	60,723	124,121
<b>Net book value</b>				
At 28 August 2022	146,636	1,861	32,251	180,748
At 29 August 2021	151,578	9,067	29,505	190,150

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

	Freehold premises	Assets in the course of construction	Equipment & vehicles	Total
	£'000	£'000	£'000	£'000
<b>Charity Cost</b>				
At beginning of period	211,545	9,067	89,529	310,141
Additions	4	1,010	2,518	3,532
Transfers	-	(8,216)	8,216	-
Disposals	(1,515)	-	(7,311)	(8,826)
At end of period	210,034	1,861	92,952	304,847
<b>Depreciation and diminution in value</b>				
At beginning of period	59,967	-	60,024	119,991
Charge for period	4,464	-	4,123	8,587
Disposals	(1,033)	-	(3,446)	(4,479)
At end of period	63,398	-	60,701	124,099
<b>Net book value At 28 August 2022</b>	<b>146,636</b>	<b>1,861</b>	<b>32,251</b>	<b>180,748</b>
At 29 August 2021	151,579	9,067	29,505	190,150

Assets in the course of construction represents projects in progress and equipment received but not placed in service before the period end (1.9m).

In 2013, a fixed and floating charge lasting 30 years was provided as security for the potential repayment obligations under a grant of £10m from Arts Council England for capital projects.

In October 2014, a first deed of mortgage over the Bob and Tamar Manoukian Costume Centre and by way of first fixed charge, all its present and future plant and machinery on or serving the Property (apart from the mortgage charge) and the rents (*if any*) was provided as security for a loan of £1.5m from the Thurrock Borough Council. The current balance of the loan is £1.28m. The net book value of the Bob and Tamar Manoukian Costume Centre at 28 August 2022 was £4.1m (*29 August 2021: £4.2m*).

As part of the actuarial valuation of the pension scheme (see note 31), the Trustee secured a charge on the Royal Opera House's main self-occupied property to help cover the cost of transferring the Scheme's liabilities to an insurance company (*up to the amount of £65.3m*) if the Royal Opera House became insolvent.

## 22. Investments

**(a) Group:** The following investments were held through the Royal Opera House Endowment Fund 2000 at period end:

	<b>Group</b>	<b>Group</b>
	<b>28 August</b>	<b>29 August</b>
	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Held with investment managers:		
- Venture funds	<b>217</b>	301
- Quoted equities	<b>18,026</b>	18,378
- Hedge funds	<b>5</b>	220
- Bonds	<b>9,027</b>	9,119
- Cash funds	<b>7,516</b>	7,405
- Gold	<b>3,635</b>	3,652
Total investment with Investment Managers	<b>38,426</b>	39,075

Movements in investments held with investment managers:

	<b>Listed investments</b>	<b>Other investments</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>28 August 2022 £'000</b>
<b>Endowment Funds</b>			
Fair value at beginning of period	38,466	609	<b>39,075</b>
Additions (at cost)	-	-	-
Disposals	-	-	-
Net realised and unrealised losses	(509)	(140)	<b>(649)</b>
Fair value at end of the period	37,957	469	<b>38,426</b>
Historical cost at end of the period	34,676	761	35,437
	<b>Listed investments</b>	<b>Other investments</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>29 August 2021 £'000 Total</b>
<b>Endowment Funds</b>			
Fair value at beginning of period	37,817	767	<b>38,584</b>
Additions (at cost)	-	-	-
Disposals	(3,774)	(195)	<b>(3,969)</b>
Net realised and unrealised gains	4,423	37	<b>4,460</b>
Fair value at end of the period	38,466	609	<b>39,075</b>
Historical cost at end of the period	34,676	761	35,437

As at 31 August 2022 investments held with investment managers are measured at fair value, £37.9m (2021: £38.5m) categorised as Level 1 and £0.5m (2021: £0.5m) as Level 3.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

**(b) Charity:** The following were the subsidiary undertakings of Royal Opera House Covent Garden Foundation as at 28 August 2022:

<b>Subsidiary undertaking</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Percentage of shares held</b>
ROH Holdings Limited	UK	Holding company	100%
ROH Developments Limited	UK	Property development	100%
ROH Pension Trustee Limited	UK	Trustee company	100%
ROH Productions Limited	UK	Theatre productions	100%
Royal Opera House Enterprises Limited	UK	Catering / Sponsorship / Multimedia production and distribution/ Retail / Venue Hire / Licensing of brand	100%

The issued share capital in ROH Holdings Limited (which is the holding company for ROH Developments Limited) is 2 £1 shares.

ROH Pension Trustee Limited is a non-trading subsidiary. The issued share capital is 100 £1 shares.

ROH Productions Limited has been dormant since incorporation.

The issued share capital in Royal Opera House Enterprises Limited is 125,987 £1 shares (*125,987 £1 shares at 29 August 2021*). The remaining balance is related to the original acquisition of Royal Opera House Enterprises Limited.

The Royal Opera House Endowment Fund 2000 is a connected charity of the Royal Opera House Covent Garden Foundation. See Note 2 for further details.

Investment in Royal Opera House Enterprises Limited:

<b>Unrestricted Funds</b>	<b>Charity 28 August 2022 £'000</b>	<b>Charity 29 August 2021 £'000</b>
<b>Cost</b>		
At beginning and end of period	<b>6,676</b>	<b>6,676</b>
<b>Net book value</b>		
At beginning of period	<b>6,676</b>	<b>6,676</b>
At end of period	6,676	6,676

## 23. Heritage assets

### (a) Tangible fixed assets – heritage assets

	Fine art	Costumes & accessories	Other collections	Total 28 August 2022
Unrestricted Funds Group and Charity Cost or valuation	£'000	£'000	£'000	£'000
At beginning of period	3,030	1,477	1,253	5,760
Additions	-	-	262	262
Disposals	-	-	-	-
Revaluation	-	-	-	-
<b>At end of period</b>	<b>3,030</b>	<b>1,477</b>	<b>1,515</b>	<b>6,022</b>
At beginning of period	3,030	1,477	1,253	5,760

The external valuers for the Royal Opera House, Mark Peters, Senior General Valuer and David Vyvyan-Robinson, Picture Valuer of Gurr Johns, valued the entirety of the fine art collection in August 2021, on the basis of retail replacement values (RRV). RRV represents the value used for insurance, based on replacement in the retail market, or where appropriate in the second-hand retail market with items of a similar nature, age, condition and quality.

Costumes and accessories and other collections have internal valuations. Where the valuation is internal, it has been provided by Julia Creed, Head of Collections. Julia Creed has a Master's degree in Archives and Records Management and has worked as an archivist at the Royal Opera House since 2004; since April 2015 she has been Head of Collections. Costumes and accessories and other collections were last valued between August 2015 and August 2017. These collections are not valued more regularly due to the time and cost involved in the valuation process.

## 23. Heritage assets (continued)

### (b) Five year financial summary of heritage asset transactions:

Unrestricted Funds	28 August 2022 £'000	29 August 2021 £'000	30 August 2020 £'000	25 August 2019 £'000	26 August 2018 £'000
<b>Purchases/Commissions</b>					
Fine art	-	-	-	-	-
Costumes & accessories	-	-	-	-	-
Other collections	-	-	-	12	-
<b>Donations</b>					
Fine art	-	-	-	-	-
Costumes & accessories	-	-	-	-	-
Other collections	262	88	-	-	-
<b>Disposals</b>					
Fine art	-	(11,275)	-	-	-
Costumes & accessories	-	-	-	-	-
Other collections	-	-	-	-	-
<b>Proceeds from disposals</b>					
Fine art	-	11,275	-	-	-
Costumes & accessories	-	-	-	-	-
Other collections	-	-	-	-	-
<b>Total additions</b>	<b>262</b>	<b>88</b>	<b>-</b>	<b>12</b>	<b>-</b>

### (c) Further information on Heritage Assets:

The Royal Opera House maintains three collections as follows:

The fine art collection consists of paintings, other pictures and drawings, furniture, furnishings, sculpture and pottery that have been donated and are on public display throughout the Royal Opera House.

The costumes and accessories collection consists of over 4,000 individual items worn by artists at the Royal Opera House. The collection contains some items from the late 19th and early 20th centuries, but most date from 1946 to the present. The majority of the collection is costumes, with a sizeable number of hats, headdresses and jewellery, and a growing number of shoes, boots and wigs.

Other collections include photographic collections, design collections, a portrait of Pavarotti and an autographed Donizetti score for *Elisabetta*, none of which are on permanent public display.

All assets are maintained and managed through the heritage asset register which is overseen by the Head of Collections.

Most new acquisitions are made through donation. A limited number of acquisitions are purchased where assets enhance the overall collections maintained by the charity. The Royal Opera House would not normally dispose of any heritage assets in their normal course of business.

The preservation of assets is the responsibility of the Head of Collections who holds an annual budget to maintain the quality of the assets.

The Charity exhibits assets throughout the Opera House and through exhibitions. In addition, many assets may be viewed electronically through the catalogue website at [www.rohcollections.org.uk](http://www.rohcollections.org.uk).



Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 24. Stocks

	Group 28 August 2022 £'000	Group 29 August 2021 £'000	Charity 28 August 2022 £'000	Charity 29 August 2021 £'000
Goods for resale	254	439	-	-
	<b>254</b>	439	-	-

During the 52-week period ended 28 August 2022 £539,309 (52 week period ended 29 August 2021: £290,150) of stock was expensed through the Statement of Financial Activities.

## 25. Debtors

	Group 28 August 2022 £'000	Group 29 August 2021 £'000	Charity 28 August 2022 £'000	Charity 29 August 2021 £'000
<b>Amounts due after more than one year</b>				
Finance lease debtor	5,430	5,430	-	-
Amounts due from subsidiary and associated undertakings	-	-	200	400
Prepayments	1,105	1,230	-	-
	<b>6,535</b>	6,660	<b>200</b>	400
	Group 28 August 2022 £'000	Group 29 August 2021 £'000	Charity 28 August 2022 £'000	Charity 29 August 2021 £'000
<b>Amounts due within one year</b>				
Trade debtors	8,103	5,925	7,164	5,468
Amounts due from subsidiary and associated undertakings	-	-	906	1,012
Accrued income	9,195	7,920	8,989	7,835
Other debtors	345	353	345	353
Prepayments	2,424	951	2,148	827
Finance lease debtor	270	270	84	84
	<b>20,337</b>	15,419	<b>19,636</b>	15,579

Amounts due from subsidiary and associated undertakings after more than one year in the Charity represent a loan from Royal Opera House Covent Garden Foundation to Royal Opera House Enterprises Limited, with interest charged at a rate of 2% above the Bank of England base rate.

The expected repayments on the loan are as follows:

	Capital	Interest	Total 52 Week Period Ended 28-Aug-22 £'000
	£'000	£'000	£'000
Due within one year	200	11	211
Due between one year and two years	200	6	206
Due between two years and five years	0	-	-
	<b>400</b>	<b>17</b>	<b>417</b>

## 25. Debtors (continued)

The finance lease debtor represents a 5% income interest in the leases for the retail units on the site of the Royal Opera House.

Reconciliation between gross investment in a lease and the present value of minimum lease payments receivable is as follows:

	<b>Group 28 August 2022 £'000</b>	<b>Group 29 August 2021 £'000</b>
Gross investment in a finance lease at the end of the period	59,243	59,513
Unearned finance income for the period	(53,543)	(53,813)
	<hr/>	<hr/>
Present value of minimum lease payments at the end of the period	5,700	5,700
	<hr/> <hr/>	<hr/> <hr/>

The expected maturity of the gross investment in a lease and present value of the minimum lease payments receivable is as follows:

	<b>Gross investment in a finance lease £'000</b>	<b>Present value of minimum lease payments £'000</b>
Not later than one year	270	258
later than one year and not later than five years	1,081	922
later than five years	57,892	4,520
	<hr/>	<hr/>
	59,243	5,700
	<hr/> <hr/>	<hr/> <hr/>

There are no unguaranteed residual values accruing to the lessor and no accumulated allowance for uncollectible minimum lease payments. There were no contingent rents for the period (*52 week period ended 29 August 2021: nil*).

The 5% interest in the leases of the retail units have been approved for sale by the Trustees of the Charity on 13<sup>th</sup> December 2022, to Capco for £12m, following a report by Gerald Eve, required by the Charities Act. The sale completed on 28 February 2023. More details can be found in Note 36 Post Balance Sheet Events.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 26. Creditors

### Amounts falling due within one year

	<b>Group 28 August 2022</b>	<b>Group 29 August 2021</b>	<b>Charity 28 August 2022</b>	<b>Charity 29 August 2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	<b>4,850</b>	5,238	<b>4,597</b>	5,182
Taxation and social security	<b>6,143</b>	137	<b>6,143</b>	137
Accruals	<b>12,791</b>	12,101	<b>11,957</b>	11,353
Deferred income	<b>21,906</b>	17,290	<b>21,056</b>	17,073
	<b>45,690</b>	34,766	<b>43,753</b>	33,745
	<b>Group 28 August 2022</b>	<b>Group 29 August 2021</b>	<b>Charity 28 August 2022</b>	<b>Charity 29 August 2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Deferred income at start of period	<b>17,290</b>	9,502	<b>17,073</b>	9,170
Box office receipts, subscription and donations received	<b>53,396</b>	17,589	<b>50,071</b>	15,085
Released to statement of financial activities	<b>(48,780)</b>	(9,801)	<b>(46,088)</b>	(7,182)
	<b>21,906</b>	17,290	<b>21,056</b>	17,073
Comprising:				
Advanced bookings	<b>10,791</b>	8,608	<b>10,791</b>	8,608
Subscriptions and donations	<b>5,783</b>	5,813	<b>5,783</b>	5,813
Other deferred income	<b>5,332</b>	2,869	<b>4,482</b>	2,652

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 26. Creditors (continued) Amounts falling due after one year

### Thurrock Borough Council Loan

	<b>52 Week Period Ended 28-Aug-22 £'000</b>	<b>52 Week Period Ended 29-Aug-21 £'000</b>
Balance at the beginning of the year	<b>1,323</b>	1,365
Amounts repaid	<b>(102)</b>	(102)
Interest payable	<b>59</b>	60
	<hr/>	<hr/>
Balance at the end of the year	<b>1,280</b>	1,323
Less amounts disclosed in creditors: amounts falling due within one year	<b>-</b>	-
	<hr/>	<hr/>
Balance at the end of the year falling due after one year	<b>1,280</b>	1,323
	<hr/>	<hr/>

The table below shows the amounts and timings of repayments due under the terms of the loan.

	Capital	Interest	<b>Total</b>	Capital	Interest	<b>Total</b>
			<b>52 Week Period Ended 28-Aug-22 £'000</b>			<b>52 Week Period Ended 29-Aug-21 £'000</b>
Due within one year	47	55	<b>102</b>	45	58	<b>103</b>
Due between one year and two years	48	54	<b>102</b>	46	55	<b>101</b>
Due between two years and five years	161	146	<b>307</b>	155	154	<b>309</b>
Due after five years	1,024	313	<b>1,337</b>	1,077	359	<b>1,436</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,280	568	<b>1,848</b>	1,323	626	<b>1,949</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In October 2014, a first deed of mortgage over the Bob and Tamar Manoukian Costume Centre and by way of first fixed charge, all its present and future plant and machinery on or serving the Property (apart from the mortgage charge) and the rents (*if any*) was provided as security for a loan of £1.5m from the Thurrock Borough Council. The current balance of the loan is £1.28m. The net book value of the Bob and Tamar Manoukian Costume Centre at 28 August 2022 was £4.1m (29 August 2021: £4.2m).

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 26. Creditors (continued) Amounts falling due after one year

### Cultural Recovery Fund Loan

	<b>52 Week Period Ended 28-Aug-22 £'000</b>	<b>52 Week Period Ended 29-Aug-21 £'000</b>
Balance at the beginning of the year	<b>21,700</b>	-
Amounts drawn down	-	21,700
Amounts repaid	-	-
Interest payable	-	-
	<hr/>	<hr/>
Balance at the end of the year	<b>21,700</b>	21,700
Less amounts disclosed in creditors: amounts falling due within one year	-	-
	<hr/>	<hr/>
Balance at the end of the year falling due after one year	<b>21,700</b>	21,700
	<hr/>	<hr/>

	Capital	Interest	<b>Total</b>	Capital	Interest	<b>Total</b>
			<b>52 Week Period Ended 28-Aug-22 £'000</b>			<b>52 Week Period Ended 29-Aug-21 £'000</b>
Due within one year	-	1,085	<b>1,085</b>	-	-	-
Due between one year and two years	-	870	<b>870</b>	-	276	<b>276</b>
Due between two years and five years	3,450	1,224	<b>4,674</b>	2,390	2,581	<b>4,971</b>
Due after five years	18,250	2,466	<b>20,716</b>	19,310	2,786	<b>22,096</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	21,700	5,645	<b>27,345</b>	21,700	5,643	<b>27,343</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In support of arts organisations affected by the Covid-19 pandemic, the government established a Cultural Recovery Fund (CRF) offering grants to smaller organisations and loans to larger organisations. In March 2021, the ROH received a loan from the CRF of £21.7m. The loan is interest bearing, at a rate of 2%, over a 20 year period and has a four year repayment holiday.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 26. Creditors (continued) Amounts falling due after one year

### Finance Lease – Hako Scrubber

	52 Week Period Ended 28-Aug-22 £'000	52 Week Period Ended 29-Aug-21 £'000
Balance at the beginning of the year	-	-
Amounts drawn down	18	-
Amounts repaid	(6)	-
Interest payable	-	-
	<hr/>	<hr/>
Balance at the end of the year	12	-
Less amounts disclosed in creditors: amounts falling due within one year	-	-
	<hr/>	<hr/>
Balance at the end of the year falling due after one year	12	-
	<hr/>	<hr/>

	Capital	Interest	Total	Capital	Interest	Total
			52 Week Period Ended 28-Aug-22			52 Week Period Ended 29-Aug-21
	£'000	£'000	£'000	£'000	£'000	£'000
Due within one year	3	-	3	-	-	-
Due between one year and two years	3	-	3	-	-	-
Due between two years and five years	6	1	7	-	-	-
Due after five years	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	12	1	13	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## 27. Statement of Funds – Group

	At 29 August 2021	Incoming Resources	Outgoing Resources	Other gains/ (losses)	Transfers	At 28 August 2022
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted General fund</b>	4,156	124,632	(127,152)	-	2,521	4,157
<b>Unrestricted Revaluation fund</b>	389	-	-	-	-	389
<b>Unrestricted Designated funds:</b>						
Unrestricted Fixed Asset Fund	179,891	-	-	-	(7,339)	172,552
Unrestricted Heritage Asset Fund	5,372	261	-	-	-	5,633
Unrestricted Future Projects Fund	23,717	-	-	-	6,448	30,165
<b>Unrestricted Funds before pension reserve</b>	<b>213,525</b>	124,893	(127,152)	-	1,630	<b>212,896</b>
<b>Unrestricted: pension scheme liability</b>	<b>(30,118)</b>	-	<b>744</b>	<b>15,196</b>	-	<b>(14,178)</b>
<b>Total unrestricted funds</b>	<b>183,407</b>	<b>124,893</b>	<b>(126,408)</b>	<b>15,196</b>	<b>1,630</b>	<b>198,718</b>
<b>Restricted funds:</b>						
Thurrock Capital Fund	8,958	-	-	-	(251)	8,707
Production Fund	-	5,822	(5,822)	-	-	-
Coronavirus Job Retention Scheme	-	18	(18)	-	-	-
Open Up Project Fund	-	500	-	-	(500)	-
Arts Council England Bridge programme fund	398	741	(752)	-	-	387
Arts Council England China skills exchange	164	-	-	-	-	164
ROH Holdings Limited	105	-	-	-	-	105
Endowment Restricted Income Fund	2,629	88	(54)	(8)	(879)	1,776
Special Projects	83	-	-	-	-	83
<b>Total restricted funds</b>	<b>12,337</b>	<b>7,169</b>	<b>(6,646)</b>	<b>(8)</b>	<b>(1,630)</b>	<b>11,222</b>
<b>Endowment funds</b>	<b>48,681</b>	<b>625</b>	<b>(3,861)</b>	<b>(640)</b>	-	<b>44,805</b>
<b>Total funds</b>	<b>244,425</b>	<b>132,687</b>	<b>(136,915)</b>	<b>14,548</b>	-	<b>254,745</b>

**Unrestricted Funds:** Unrestricted funds are segregated between general funds (representing free reserves and unrestricted general funds held in trading subsidiaries) and designated funds. The three designated funds at period end were the Fixed Asset Fund which is set at a level equivalent to the charity's fixed assets and intangible fixed assets (plus approved capital expenditure in the 21/22 season carried over to the 22/23 season), the Heritage Asset Fund which is equivalent to the charity's heritage assets and the Designated Future Projects Fund. The Designated Future Projects Fund represents funds earmarked for specific future projects. The pension scheme liability is disclosed in accordance with FRS 102.

**Restricted Funds:** The Thurrock Capital Fund has been established to hold funding received in the development of both the Bob and Tamar Manoukian Production Workshop and the Bob and Tamar Manoukian Costume Centre in Thurrock. The Production Fund represents donations received which are restricted for the purpose of specific productions. The Open Up Project Fund has been established to hold funding received towards the Open Up Project, a capital project intended to enhance audiences' experience of our work and inspire wider interest and engagement. The Bridge Programme Fund represents funding received from Arts Council England for improving the delivery of arts opportunities for children and young people, acting as a bridge between the arts and education sectors in Thurrock, Essex, Southend, Hertfordshire, Bedfordshire, Luton and North Kent. The Endowment Restricted Income Fund represents funds expendable on specific purposes as required by donors.

**Endowment Funds:** The balance above represents restricted capital reserves held by ROH Endowment Fund 2000.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 27. Statement of Funds - Charity

	At 29 August 2021	Incoming Resources	Outgoing Resources	Other gains/ (losses)	Transfers	At 28 August 2022
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted General fund</b>	4,672	113,772	(115,413)	-	1,640	4,671
<b>Unrestricted Revaluation fund</b>	389	-	-	-	-	389
<b>Unrestricted Designated funds:</b>						
Unrestricted Fixed Asset Fund	185,670	-	-	-	(7,338)	178,332
Unrestricted Heritage Asset Fund	5,372	261	-	-	-	5,633
Unrestricted Future Projects Fund	23,717	-	-	-	6,448	30,165
<b>Unrestricted Funds before pension reserve</b>	<b>219,820</b>	<b>114,033</b>	<b>(115,413)</b>	<b>-</b>	<b>750</b>	<b>219,190</b>
<b>Unrestricted: pension scheme liability</b>	<b>(30,118)</b>	<b>-</b>	<b>744</b>	<b>15,196</b>	<b>-</b>	<b>(14,178)</b>
<b>Total unrestricted funds</b>	<b>189,702</b>	<b>114,033</b>	<b>(114,669)</b>	<b>15,196</b>	<b>750</b>	<b>205,012</b>
<b>Restricted funds:</b>						
Thurrock Capital Fund	8,950	-	-	-	(250)	8,700
Production Fund	-	6,701	(6,701)	-	-	-
Coronavirus Job Retention Scheme	-	18	(18)	-	-	-
Open Up Project Fund	-	500	-	-	(500)	-
Arts Council England Bridge programme fund	398	741	(752)	-	-	387
Arts Council England China skills exchange	164	-	-	-	-	164
Special Projects	84	-	-	-	-	84
<b>Total restricted funds</b>	<b>9,596</b>	<b>7,960</b>	<b>(7,471)</b>	<b>-</b>	<b>(750)</b>	<b>9,335</b>
<b>Total funds</b>	<b>199,298</b>	<b>121,993</b>	<b>(122,140)</b>	<b>15,196</b>	<b>-</b>	<b>214,347</b>

## 28. Share capital

The charity is limited by guarantee and therefore has no share capital. The liability of the members of the charity is limited to £1 each. At 28 August 2022 there were 16 members (29 August 2021: 18).



## 29. Connected charities and other related party transactions

### *Connected charities*

#### **Royal Opera House Endowment Fund 2000 - registered charity No 1089928**

During the period the charity received grants of £6.1m (*52 week period ended 29 August 2021: £2.4m*) from Royal Opera House Endowment Fund 2000 in furtherance of its charitable objectives. At 28 August 2022, the charity owed £0.02m to the Royal Opera House Endowment Fund 2000 (*29 August 2021: £0.2m*).

The above charity is based at the Royal Opera House, Covent Garden, London WC2E 9DD.

### *Trading subsidiaries*

#### **Royal Opera House Enterprises Limited**

During the period the charity received a loan repayment of £0.2m (*52 week period ended 29 August 2021: £0.2m*), a royalty payment of £0.5m (*52 week period ended 29 August 2021: £0.5m*) and a gift aid payment of £2.8m (*52 week period ended 29 August 2021: £1.2m*) from Royal Opera House Enterprises Limited. At 28 August 2022, Royal Opera House Enterprises Limited owed £1.1m to the charity (*29 August 2021: £1.3m*).

The above trading subsidiary is based at the Royal Opera House, Covent Garden, London WC2E 9DD.

#### **Royal Opera House Holdings Limited**

During the period the charity received £5,000 (*52 week period ended 29 August 2021: £5,000*) from Royal Opera House Development Limited in respect of audit fees. At 28 August 2022, Royal Opera House Holdings Limited owed £10,000 to the charity (*29 August 2021: £5,000*).

The above trading subsidiary is based at the Royal Opera House, Covent Garden, London WC2E 9DD.

#### **Royal Opera House Developments Limited**

During the period the charity received gift aid payments of £147 (*52 week period ended 29 August 2021: nil*) from Royal Opera House Development Limited in furtherance of its charitable objectives. At 28 August 2022, Royal Opera House Developments Limited owed £0.1m to the charity (*29 August 2021: £0.1m*).

The above trading subsidiary is based at the Royal Opera House, Covent Garden, London WC2E 9DD.

### *Other related party transactions*

No trustee had an interest in any contract or transaction with the charity or its subsidiaries in the period ended 28 August 2022. During the period no trustees received any remuneration from the charity or its subsidiaries and no trustees were reimbursed for personally-incurred expenses which were necessary to carry out trustee duties (2021: nil). The aggregate amount of unrestricted donations received from trustees was £3.311m (*52 week period ended 29 August 2021: £3.040m*). Of this amount, £2.963m (*52 week period ended 29 August 2021: £2.043m*) was received from trustees of the ROH Endowment Fund 2000. The charity undertakes transactions in its normal course of business with its subsidiaries. These transactions are carried out on an arms-length basis.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

### 30. Commitments

(a) The Group has future minimum commitments under non-cancellable operating leases as follows:

	<b>28-Aug-22</b> <b>Land and Buildings</b> <b>£'000</b>	29-Aug-21 Land and Buildings £'000
<b>Operating leases payable:</b>		
Not later than one year	<b>1</b>	1
Later than one year and not later than five years	<b>5</b>	5
Later than five years	<b>142</b>	145
	<b>149</b>	151

(b) The group has entered into contracts with guest artists and suppliers in respect of future productions to be staged at the Royal Opera House. Commitments in respect of these contracts which are not reflected in the balance sheet are:

	<b>28-Aug-22</b> <b>£'000</b>	29-Aug-21 £'000
Less than one year	<b>5,005</b>	5,421
In the second to fifth years inclusive	<b>835</b>	870
	<b>5,840</b>	6,291

(c) The group has capital commitments for the Fly System project which are not reflected in the balance sheet:

	<b>28-Aug-22</b> <b>£'000</b>	29-Aug-21 £'000
Less than one year	<b>266</b>	925
In the second to fifth years inclusive	<b>-</b>	-
	<b>266</b>	925

### 31. Pension scheme

The Royal Opera House operates a defined benefit pension scheme, the Royal Opera House Pension Scheme. The Scheme's funds are administered by the Trustee and are independent of the ROH's finances. Contributions are paid to the Scheme in accordance with the Schedule of Contributions agreed between the Trustee and the ROH.

The group also contributes to five defined contribution schemes. Two are sponsored by Arts Council England and Equity (for dancers and singers) and one by the Musicians' Union (for musicians). Two further defined contribution scheme arrangements exist for other staff groups. Contributions to these and other schemes amounted to £2.521m (52 week period ended 29 August 2021: £2.434m).

The funding plan is for the Scheme to hold assets equal to the value of the benefits earned by staff, based on a set of assumptions used for funding the Scheme. The funding assumptions differ from the assumptions used to calculate the figures for these accounts, and therefore produce different results. If there is a shortfall against this funding plan, then the Royal Opera House and Trustee agree on deficit contributions to meet this deficit over a period. As a part of the actuarial valuation with an effective date of 5 April 2021 the Trustee and the Royal Opera House have agreed that the Royal Opera House will make contributions to the scheme of £1.343m per annum from 31 July 2022 until 31 January 2037, increasing by 3.5% per annum. The Royal Opera House also makes contributions of £0.3m per annum to cover the expenses of running the Scheme.

The results of the formal actuarial valuation as at 5 April 2021 were updated to the accounting date by an independent qualified actuary in accordance with FRS 102, allowing for contributions, benefit payments made, and changes in market conditions. The results, based on assumptions used for FRS102, are as follows:

The amount included in the balance is as follows:

	<b>28-Aug-22</b>	29-Aug-21
	£'000	£'000
Fair value of plan assets	61,710	79,728
Present value of defined benefit obligation	(75,888)	(109,846)
	<hr/>	<hr/>
Net liability recognised in the balance sheet	(14,178)	(30,118)
	<hr/>	<hr/>

The movement in net defined benefit liability is as follows:

	<b>52 week period ended 28-Aug-22</b>	52 week period ended 29-Aug-21
	£'000	£'000
Opening net defined benefit liability	<b>30,118</b>	36,304
Cost in income and expenditure	<b>990</b>	970
Employer contributions	<b>(1,734)</b>	(1,840)
Amount recognised outside income and expenditure	<b>(15,196)</b>	(5,316)
	<hr/>	<hr/>
Closing net defined benefit liability	<b>14,178</b>	30,118
	<hr/>	<hr/>

### 31. Pension scheme (continued)

The amounts recognised in income or expenditure, in the Statement of Financial Activities are as follows:

	52 week period ended 28-Aug-22	52 week period ended 29-Aug-21
	£'000	£'000
Past service cost	-	60
Administration expenses	481	336
Interest expense	509	574
Total expense recognised in income or expenditure	990	970

Movement in present value of defined benefit obligation is as follows:

	52 week period ended 28-Aug-22	52 week period ended 29-Aug-21
	£'000	£'000
Opening defined benefit obligation	(109,846)	(107,848)
Past service cost	-	(60)
Interest on obligation	(1,840)	(1,702)
Actuarial gains / (losses)	32,508	(3,153)
Benefits paid	3,290	2,917
Closing defined benefit obligation	(75,888)	(109,846)

Movement in the fair value of the plan assets is as follows:

	52 week period ended 28-Aug-22	52 week period ended 29-Aug-21
	£'000	£'000
Opening fair value of plan assets	79,728	71,544
Interest on plan assets	1,331	1,128
Actual return less interest on plan assets	(17,312)	8,469
Administration expenses	(481)	(336)
Contributions by the employer	1,734	1,840
Benefits paid	(3,290)	(2,917)
Closing fair value of plan assets	61,710	79,728

### 31. Pension scheme (continued)

The current allocation of the Scheme's assets is as follows:

	28-Aug-22 Fair value	29-Aug-21 Fair value	30-Aug-20 Fair value
Asset distribution and expected return	£'000	£'000	£'000
Equities	24,664	25,700	20,270
Bonds	12,661	14,852	14,281
Property	5,506	1,745	1,626
Diversified Growth Fund	7,063	15,601	14,413
Liability Driven Investment Fund	11,141	21,294	19,990
Cash and net current assets	675	536	964
Total	61,710	79,728	71,544

The Scheme does not invest directly in property occupied by the charity or in financial securities issued by the charity.

The following table sets out the significant assumptions used for the plan:

Assumptions	28-Aug-22	29-Aug-21	30-Aug-20
Retail Prices Index Inflation	3.60%	3.30%	2.90%
Consumer Prices Index Inflation	2.70%	2.50%	2.10%
Discount rate	4.00%	1.70%	1.60%
Pension increases (according to increases under the scheme rules)	2.5/3.7/3.4/2.2% pa	2.5/3.5/3.1/2.1% pa	2.5/3.3/2.8/2.0% pa
Salary growth	n/a	n/a	n/a
Life expectancy of female / male aged 65 at the accounting date	24.4/21.8 years	24.4/21.8 years	24.4/21.8 years
Life expectancy of female / male aged 65 at 20 years from the accounting date	25.7/23.0 years	25.9/23.1 years	25.9/23.2 years

Future agreed contributions from the employer to be made to fund the deficit of the defined benefit scheme are as follows:

	£'000
Due within one year	935
Due between one year and two years	967
Due between two years and five years	3,110
Due after five years	12,896

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

## 32. Cash flows

### a) Reconciliation of net outgoing resources to net cash inflow from operating activities

	<b>52 Week Period Ended 28-Aug-22</b>	52 Week Period Ended 29-Aug-21
	<b>£'000</b>	£'000
Net (expenditure) / income for the reporting period	<b>(4,876)</b>	6,899
Net cash (income) on Defined benefit pension scheme	<b>(744)</b>	(870)
Investment and finance interest income	<b>(743)</b>	(754)
Interest paid	<b>568</b>	60
Losses / (Gains) on investments	<b>648</b>	(4,462)
Donation of heritage asset	<b>(262)</b>	-
Loss on disposal of fixed assets	<b>4,347</b>	341
Depreciation charge	<b>8,587</b>	8,467
Amortisation of intangible fixed assets	<b>575</b>	887
(Increase) in productions in preparation	<b>(1,140)</b>	(1,470)
Decrease / (Increase) in stock	<b>185</b>	(17)
(Increase) / Decrease in debtors	<b>(4,793)</b>	3,135
Increase in creditors	<b>10,427</b>	593
Net cash provided by operating activities	<b>12,779</b>	12,809

### b) Cash outflow from investing activities

	<b>52 Week Period Ended 28-Aug-22</b>	52 Week Period Ended 29-Aug-21
	<b>£'000</b>	£'000
Capital expenditure on tangible fixed assets	<b>(4,098)</b>	(2,293)
Capital expenditure on intangible fixed assets	<b>(173)</b>	(837)
Proceeds from sale of heritage assets	-	11,275
Disposals of investments	-	3,969
Finance lease interest and contingent rents received	<b>270</b>	270
Interest income received	<b>473</b>	484
Net cash (used in) / provided by investing activities	<b>(3,528)</b>	12,868

### c) Cash inflow from financing activities

	<b>52 Week Period Ended 28-Aug-22</b>	52 Week Period Ended 29-Aug-21
	<b>£'000</b>	£'000
Cash inflow on receipt of borrowings	-	21,700
Cash outflow on repayment of borrowings	(102)	(102)
Net cash (used in) / provided by financing activities	<b>(102)</b>	21,598

## 32. Cash flows (continued)

d) Reconciliation of cash at bank and on hand per Charity's balance sheet and cash and cash equivalents per Group's cash flow statement

	Unrestricted	Restricted	Total
	£'000	£'000	28 August 2022 £'000
Cash at bank and in hand per Charity's balance sheet	76,929	-	76,929
Cash at bank and in hand in group undertakings			
ROH Endowment Fund 2000	2,455	330	2,785
Royal Opera House Enterprises Limited	139	-	139
Royal Opera House Holdings Limited	-	-	-
Royal Opera House Developments Limited	-	371	371
Cash and cash equivalents per Group's cash flow statement	79,523	701	80,224
	Unrestricted	Restricted	Total
	£'000	£'000	29 August 2021 £'000
Cash at bank and in hand per Charity's balance sheet	63,865	-	63,865
Cash at bank and in hand in group undertakings			
ROH Endowment Fund 2000	4,617	1,945	6,562
Royal Opera House Enterprises Limited	277	-	277
Royal Opera House Holdings Limited	-	-	-
Royal Opera House Developments Limited	-	371	371
Cash and cash equivalents per Group's cash flow statement	68,759	2,316	71,075

e) Reconciliation of net debt

	At 29 August 2021	Cash flows	At 28 August 2022
	£'000	£'000	£'000
Cash	33,800	9,149	42,949
Cash equivalents	37,275	-	37,275
Loans falling due within one year	71,075	9,149	80,224
Loans falling due after more than one year	(102)	102	-
Finance lease obligations	(23,647)	(5,545)	(29,192)
	-	(15)	(15)
Total net debt	47,326	3,691	51,017

### 33. Financial Instruments

Carrying amount, income, expense, gains and losses of the Group's Financial Instruments

Group	Carrying Amount	Income earned			Carrying Amount	Income earned		
	Group 28 August 2022	Interest income/	Dividend income/	Net gains/ (losses) including changes in fair value	Group 29 August 2021	Interest income/	Dividend income/	Net gains/ (losses) including changes in fair value
	2022	(expense)	(expense)	£'000	2021	(expense)	(expense)	£'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Measured at fair value through Statement of Financial Activities								
Financial Assets	<b>38,426</b>	<b>11</b>	<b>219</b>	<b>(649)</b>	<b>39,075</b>	-	<b>442</b>	<b>4,460</b>
Investments	38,426	11	219	(649)	39,075	-	442	4,460
Measured at undiscounted cash receivable/(payable)								
Financial Assets	<b>89,307</b>	<b>254</b>	-	-	<b>79,783</b>	<b>42</b>	-	-
Trade debtors	8,103	-	-	-	5,926	-	-	-
Accrued income & Other Debtors	980	-	-	-	2,782	-	-	-
Cash and cash equivalents	50,163	-	-	-	61,075	-	-	-
Short term investments: Deposits	30,061	254	-	-	10,000	42	-	-
Financial Liabilities	<b>(4,850)</b>	-	-	-	<b>(5,238)</b>	-	-	-
Trade creditors	(4,850)	-	-	-	(5,238)	-	-	-
Measured at amortised cost								
Financial Liabilities	<b>(22,980)</b>	<b>(567)</b>	-	-	<b>(23,023)</b>	<b>(60)</b>	-	-
Government loan	(21,700)	(509)	-	-	(21,700)	-	-	-
Mortgage loan	(1,280)	(58)	-	-	(1,323)	(60)	-	-

Financial assets carried at fair value (Investments) are measured at the quoted market price in an actively traded market. All investments are managed by reputable investment managers. Of the carrying amount at 28 August 2022 of £38.4m (29 August 2021: £39.1m), £18.1m (29 August 2021: £18.4m) is invested in markets outside of the UK. The changes to the fair value of those investments are all as a result of market risk (including foreign exchange risk). Immaterial amounts are due to credit risk. An immaterial liquidity risk exists due to the remote risk of not being able to repatriate funds.



### 33. Financial Instruments (continued)

Carrying amount, income, expense, gains and losses of the Charity's Financial Instruments

Charity	Carrying Amount	Income earned			Carrying Amount	Income earned		
	Charity 28 August 2022 £'000	Interest income/ (expense) £'000	Dividend income/ (expense) £'000	Net gains/ (losses) including changes in fair value £'000	Charity 29 August 2021 £'000	Interest income/ (expense) £'000	Dividend income/ (expense) £'000	Net gains/ (losses) including changes in fair value £'000
Measured at undiscounted cash receivable/(payable)								
Financial Assets	<b>85,773</b>	<b>281</b>	-	-	<b>73,043</b>	<b>59</b>	-	-
Trade debtors	7,164	-	-	-	5,469	-	-	-
Amounts due from subsidiary and associated undertakings	906	14	-	-	1,012	9	-	-
Accrued income & Other Debtors	774	-	-	-	2,697	-	-	-
Cash and cash equivalents	46,868	-	-	-	53,865	-	-	-
Short term investments: Deposits	30,061	267	-	-	10,000	50	-	-
Financial Liabilities	<b>(4,597)</b>	-	-	-	<b>(5,182)</b>	-	-	-
Trade creditors	(4,597)	-	-	-	(5,182)	-	-	-
Measured at amortised cost								
Financial Assets	<b>200</b>	<b>28</b>	-	-	<b>400</b>	<b>28</b>	-	-
Amounts due from subsidiary undertaking	200	28	-	-	400	28	-	-
Financial Liabilities	<b>(22,980)</b>	<b>(567)</b>	-	-	<b>(23,023)</b>	<b>(60)</b>	-	-
Government loan	(21,700)	(509)	-	-	(21,700)	-	-	-
Mortgage loan	(1,280)	(58)	-	-	(1,323)	(60)	-	-

The financial asset measured at amortised cost above represents an inter-company loan between Royal Opera House Enterprises Limited (as borrower) and its holding company, Royal Opera House Covent Garden Foundation (Limited by Guarantee), entered into in January 2010. The unsecured loan bears interest at 2% above the Bank of England base rate, which management assess to be a commercial rate of interest. Due to the commercial rate of interest, the present value of the future cash flows approximates the carrying amount and thus the loan presents no current pricing risk. As the interest rate is a variable rate, the lender and borrower are exposed to interest rate risk.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

### 34. Consolidated statement of financial activities for the 52 week period ended 29 August 2021

	Note	Total Unrestricted Funds	Restricted Funds	Endowment Funds	52 week period ended 29-Aug-21 Total Funds
		£'000	£'000	£'000	£'000
<b>Income</b>					
Charitable activities					
Operation of Royal Opera House (including box office)	3	6,619	-	-	6,619
Government Grant	5	-	10,636	-	10,636
Donations and legacies					
Donations, legacies and similar incoming resources	6	32,274	3,394	1,078	36,746
Grants from Arts Council England	4	24,472	740	-	25,212
Other trading activities					
Commercial trading income	7	4,324	-	-	4,324
Investments	8	532	222	-	754
<b>Total Income</b>		<b>68,221</b>	<b>14,992</b>	<b>1,078</b>	<b>84,291</b>
<b>Expenditure on:</b>					
Charitable activities					
Productions, sales and operations	9	(61,365)	(13,949)	-	(75,314)
Raising Funds					
Generating voluntary income	11	(3,115)	(294)	-	(3,409)
Commercial activities	12	(2,147)	(91)	-	(2,238)
Restructuring	15	(691)	-	-	(691)
Interest payable	16,25	(202)	-	-	(202)
<b>Total Expenditure</b>	14	<b>(67,520)</b>	<b>(14,334)</b>	<b>-</b>	<b>(81,854)</b>
Net gain on investments	19	-	286	4,176	4,462
<b>Net Income</b>		<b>701</b>	<b>944</b>	<b>5,254</b>	<b>6,899</b>
<b>Transfers between funds</b>	17	<b>1,697</b>	<b>(1,697)</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains</b>					
Gain on revaluation of heritage assets	19,23	156	-	-	156
Actuarial gain on the defined benefit pension scheme	31	5,316	-	-	5,316
<b>Net movement in funds</b>		<b>7,870</b>	<b>(753)</b>	<b>5,254</b>	<b>12,371</b>
Fund balances brought forward at 30 August 2020	27	175,537	13,090	43,427	232,054
<b>Fund balances carried forward at 29 August 2021</b>	27	<b>183,407</b>	<b>12,337</b>	<b>48,681</b>	<b>244,425</b>

### 35. Taxation

UK corporation tax charge and relief of £539,538 has arisen in Royal Opera House Enterprises Limited in the period in respect of current year profits (52 week period ended 29 August 2021: tax charge and relief of £226,770). No deferred tax has arisen in the period (52 week period ended 29 August 2021: nil).

### 36. Post Balance Sheet Event

In support of the Royal Opera House Covent Garden Foundation's Covid-19 recovery efforts the Trustees of the Royal Opera House Endowment Fund approved the sale of the 5% income interest in the leases of 17 retail units on the site of the Royal Opera House, which are held at a historic value of £5.7m. The proposed sale of the leases, to Capco, would be for £12m, resulting in a net gain of £6.3m.

At year-end legal terms were being discussed by all parties and the final sale value and approval were dependent on a report by Gerald Eve, as required by the Charities Act. The report was subsequently received

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

in November 2022. The final approval of the sale was approved by the Trustees of the Royal Opera House Endowment Fund on 13 December 2022. The sale of the retail units finally went ahead on 28 February 2023. This sale is being treated as a non-adjusting post balance sheet event.

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

THANK YOU

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

The Royal Opera House gratefully acknowledges the generosity of all those who have provided support this period, including:

## **INDIVIDUALS**

Spindrift Al Swaidi  
Lady Ashcroft  
Mrs Alfiya Askar Abulkhair and Timur Kuanyshev  
Mr and Mrs Edward Atkin CBE  
Ben Babcock and Debbie De Girolamo  
Mikhail Bakhtiarov  
Mercedes T. Bass  
Geoff and Judith Batchelar  
The John Beckwith Charitable Trust  
The Regatta Foundation  
Mr & Mrs Bolloré  
Ingemo and Karl Otto Bonnier  
Tim Ashley and John Booth  
Katie Bradford  
Alexandra Perricone  
The John Browne Charitable Trust  
Jennifer Bryant-Pearson and Leslie Perrin  
Lady Rosemary Buchanan  
The Bunting Family  
Mr Paul Burbidge  
John and Susan Burns OBE  
Mrs Carolyn Calcutt  
Ricki Gail and Robert Conway  
Kirsty Cooper  
Liz Cratchley OBE  
Peggy Czyzak Dannenbaum  
Christian and Béatrice Schlumberger  
Sir Mick and Lady Barbara Davis  
Baron and Baroness de Gunzburg  
Geoffrey and Caroline de Jager  
Sir Lloyd and Lady Dorfman OBE  
Peter and Fiona Espenhahn  
Graham S Fletcher  
Louise Fluker  
Mrs Aline Foriel-Destezet  
Hamish and Sophie Forsyth  
David and Sarah Fransen  
Philipp Freise  
Francesca Fremantle  
Gini and Richard Gabbertas  
Alex and Elena Gerko  
Beth and Gary Glynn  
Joan Granlund  
Kenneth and Susan Green  
Sandra and Anthony Gutman  
Gareth Hadley  
Charles and Kaaren Hale  
Pauline and Peter Halliday  
Angela Hamilton  
Sarah and Nigel Hammond  
Guy and Julia Hands  
Richard Hayden  
Rick and Janeen Haythornthwaite  
Roger and Alison Heath  
Marlies Hensel

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Malcolm Herring  
Mr Rod Hill  
Marina Hobson OBE and The Hobson Charity  
Charles Holloway  
Martin and Jane Houston  
Alan and Caroline Howard  
Lady Joan Jarvis CBE  
Aud Jebesen  
Mr and Mrs Christopher W.T. Johnston  
Mrs Philip Kan  
Ralph and Yolande Kanza  
David and Clare Kershaw  
Dame Zarine Kharas, DBE  
Doug and Ceri King  
Tessa and Charles King-Farlow  
George Kingston  
The Kirsh Foundation  
Mr and Mrs Aboudi Kosta  
Lord and Lady Laidlaw  
Rena and Sandro Lavery  
Alan G. Levin  
Ida Levine  
Dr Gwen Lewis and Dr Jonathan Holliday  
Dr and Mrs Peter James Linden - Faith Golding Foundation  
The Estate of Mrs Gertrude Mary Looi  
Beth Madison  
Peter and Elisabetta Mallinson  
Bob and Tamar Manoukian  
The Margulies Family  
Crevan O'Grady & Jane McClenahan  
John McGinn and Cary Davis  
Alan McLean  
Isabelle and Adrian Mee  
Bertrand and Elisabeth Meunier  
David and Amanda Milne  
The Mohn Westlake Foundation  
Dr Patrick Mueller  
Trifon and Despina Natsis  
The Mark Nickerson Charitable Settlement  
The Rachel Charitable Trust  
Chris and Kathleen O'Kane  
Mrs Susan A. Olde OBE  
Mr Stefan Sten Olsson and Mr John Tierney  
Astrid and Ulf Pagenkopf  
Marian and Gordon Pell  
Guy and Nathalie Perricone  
Nicholas and Suzanne Peters  
Basil and Maria Postan  
Mr and Mrs Pozzi  
Melinda and Donald Quintin  
Julia and Hans Rausing  
Dr Barbara Reed  
Yvonne and Bjarne Rieber  
Sir Simon and Lady Robertson  
Sir Simon and Lady Robey  
Mrs Bonnie Robinson  
Kristina Rogge  
The Gerald and Gail Ronson Family Foundation  
Georgia Rosengarten

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

The Sargent Charitable Trust  
Benoît and Catherine Savoret  
John and Tita Shakeshaft  
Louise Sheaves  
Sue Sheridan OBE  
Susan and John Singer  
John and Mariavittoria Slamecka  
Lady Slynn of Hadley  
Michael Smith  
Christopher and Sarah Smith  
Mary Stassinopoulos  
Rachael Stearns  
Stuart and Jill Steele  
Sharon and Van Stults  
Dr. Barbara Sturm  
Mrs Trevor Swete  
Jennifer Taylor  
Tina Taylor and The Taylor Family Foundation  
Malcolm and Alison Thwaites  
Lindsay and Sarah Tomlinson  
Eric Tomsett  
Professor Michael Trimble  
John G. Turner & Jerry G. Fischer  
Stephanie Tyrer  
Jane Van Ammel  
Patrick Waller  
Adrienne Waterfield  
Derek and Sheila Watson  
Simon and Glenda Weil  
The Late Tony Welsh  
Anna and Paul White MBE  
Nick and Juliet Wilkinson  
Peter Harrison and Fiona Willis  
Charles Wilson and Rowena Olegario  
Danny and Lillan Wyler

Anonymous (16)

## **TRUSTS AND FOUNDATIONS**

The Amar-Franses & Foster-Jenkins Trust  
The Archie Sherman Charitable Trust  
Banham Charitable Foundation  
The Deborah Loeb Brice Foundation  
The Derek Butler Trust  
The Candide Trust  
The Clore Duffield Foundation  
Dunard Fund  
The Gatsby Charitable Foundation  
The Gordon Foundation  
The Headley Trust  
The Helen Hamlyn Trust  
The Idlewild Trust  
The JP Jacobs Charitable Trust  
The Marina Kleinwort Trust  
The Linbury Trust  
The Mouth and Foot Painting Artists Trust  
Oak Foundation  
Orinoco Foundation

Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

The Paul Hamlyn Education Fund  
PRS for Music Foundation  
Rothschild Foundation  
The Jean Sainsbury Royal Opera House Fund  
Garfield Weston Foundation  
The Woodward Charitable Trust  
The Worshipful Company of Spectacle Makers Charity

## **CORPORATE**

American Express Services Europe Ltd  
Boodles  
BP  
Dior  
Coutts & Co  
Goldman Sachs  
Rosh Mahtani, Alighieri Jewellery  
Quintessentially  
Ruinart  
Rolex  
Van Cleef & Arpels  
Zürcher Kantonalbank

## **SEASON PATRONS**

Lady Gavron  
Mrs Alfiya Askar Abulkhair  
Mrs Susan A. Olde OBE  
Rolex  
Rothschild & Co  
Mrs Lily Safra (deceased July 2022)  
Sir Brian Williamson CBE and Mrs Caroline Hoare

## **FIRST NIGHT PATRONS**

Lord Brownlow  
DMGT PLC  
The Dow Clewer Foundation  
Dr Genevieve and Mr Peter Davies  
Sir Mick and Lady Barbara Davis  
Josh Harris and Layla Nemazee Harris  
Charles Holloway  
Torquil McAlpine and Hyon Mi Rho

## **SUPPORTING ORGANISATIONS**

### **AMERICAN FRIENDS OF COVENT GARDEN BOARD**

Mercedes T. Bass, *Chairman*  
Alex Beard CBE  
Sir Simon Robey  
G. Scott Clemons, *Treasurer*  
Susan S. Braddock  
Peggy Czyzak Dannenbaum  
Misook Doolittle  
Lord Eatwell  
HRH Princess Firyal of Jordan  
Beth W. Glynn  
Joan Granlund  
Frederick Iseman



Royal Opera House Covent Garden Foundation (Limited by guarantee): Company Number 00480523.  
Trustees' report and consolidated financial statements. 52 week period ended 28 August 2022.

Bruce Kovner  
Alan G. Levin  
Beth Madison  
John P. McGinn  
Mrs Susan A. Olde OBE  
John G. Turner  
David A Shelvin, *Legal Counsel*  
Milena Sales, *Secretary and Executive Director*