

Charity Registration No. 511726

Company Registration No. 01550778 (England and Wales)

**OPERA NORTH LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2022**

# OPERA NORTH LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees / Directors</b>	Ed Anderson Howard Gatiss Renee Hunt (Joint Vice Chair) Henrietta Jowitt Paul Lee OBE (Chairman) Peter Maniura Richard Mantle OBE Rosie Millard OBE (Joint Vice Chair) Cllr Jonathan Pryor Irving Warnett Minhazul Abedin (appointed 24 March 2022) Rachel Elwell (appointed 16 December 2021) Sarah Hall (appointed 16 December 2021) Dominic Wallis (appointed 16 December 2021)		
<b>Company Secretary</b>	Kirsten Bullen		
<b>General Director and Chief Executive</b>	Richard Mantle OBE		
<b>Committee Chairs</b>			
Finance and General Purposes	Irving Warnett		
Development	Clive Lloyd		
Nominations	Paul Lee OBE		
Health and Safety	Richard Mantle OBE (Sarah Hall from June 2022)		
Equality Diversity and Inclusion	Renee Hunt		
<b>Charity number</b>	511726		
<b>Company number</b>	01550778		
<b>Registered office</b>	Howard Opera Centre 8 Harrison Street Leeds LS1 6PA		
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants Central Square 5th Floor 29 Wellington Street Leeds LS1 4DL		
<b>Bankers</b>	HSBC 33 Park Row Leeds LS1 1LD	Coutts & Co 440 Strand London WC2R 0QS	
<b>Solicitors</b>	Wrigleys LLP 19 Cookridge Street Leeds LS2 3AG	Womble Bond Dickinson 1 Whitehall Rd Leeds LS1 4BN	Blacks Solicitors LLP City Point 29 King Street Leeds LS1 2HL

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# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees, who act as Directors for the purposes of company law, are pleased to present their annual report which comprises the Strategic Report and Directors' Report for Companies Act 2006 purposes and the audited consolidated financial statements for the year ended 31 March 2022.

#### Reference and Administrative details

Opera North Limited is a company limited by guarantee, company registered number 01550778 and is registered as a charity under the Charities Act 2011, charity registered number 511726.

Its registered and principal office is Howard Opera Centre, 8 Harrison Street, Leeds, LS1 6PA.

#### Trustees

The Directors of Opera North Limited are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end were as follows:

Minhazul Abedin (Appointed 24 March 2022)

Ed Anderson

Mark Armour (Retired 16 December 2021)

Rachel Elwell (Appointed 16 December 2021)

Howard Gatiss

Sarah Hall (Appointed 16 December 2021)

Renee Hunt Joint Vice Chair

Henrietta Jowitt

Paul Lee OBE Chairman

Peter Maniura

Richard Mantle OBE

Rosie Millard OBE Joint Vice Chair

Cllr Jonathan Pryor

Dominic Wallis (Appointed 16 December 2021)

Irving Warnett

Company Secretary Kirsten Bullen

#### Purpose, activities, achievements, and performance

Opera North is England's national opera company in the North, based in Leeds and committed to the North, serving the communities and people of the region. We believe we are uniquely successful in providing an eclectic range of experiences for many diverse audiences, all under the banner of opera. We aim to curate an adventurous cultural offer which continues to exploit the operatic canon, developing fresh approaches to the way in which opera can be realised, harnessing theatrical and design innovation together with high quality musical performance.

#### Our purpose

Creating extraordinary experiences every day, using music and opera to entertain, engage, challenge and inspire.

#### Our aims:

##### Create extraordinary experiences

We aim to create a body of artistic work that has diversity and sustainability at its heart, from mainstage touring opera to concerts, gigs and pop-up performances, we strive to create great art, available to all.

##### For people everywhere

We serve our diverse communities in the north of England by touring to venues large and small, expected and unexpected, and reach international audiences through an enhanced digital offer. Our sector-leading Community Partnerships programme reaches people who face significant barriers to engaging with the arts and our livestreams/digital capture of performances extend access across the UK and beyond.

##### Build resilience

We work to secure Opera North's future in the heart of Leeds in the new Howard Opera Centre and reinvigorated Howard Assembly Room, ensuring that we are here to serve an ever more diverse public for years to come. We

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plan for the future, ensuring the Company will emerge from the challenges of the pandemic; develop new income streams, including a new hospitality offer; optimise the energy efficiency of the Opera North estate; and continue to strengthen and diversify our staff and Board of Trustees.

### **Develop staff and artists**

We create an environment that nurtures the well-being of our permanent staff and visiting artists, and fosters new, more flexible, ways of working. We invest in a Company-wide Equality, Diversity and Inclusion strategy, clarify the Company's identity and values, create new staff training and artist development programmes, and roll out Carbon Literacy training beyond our permanent staff to visiting artists and creatives.

### **Deepen educational engagement**

We create opportunities for young people, adults and families to participate and make music with us in the new purpose-built Education Studio in the Howard Opera Centre, as well as in schools and other community settings. We inspire young people of all backgrounds to experience, create and participate in arts and culture; we actively encourage and support young performers from under-represented groups; we deliver creative activity that enhances the health and well-being of families and communities; and we continue to develop a programme of community cultural engagement linked to In Harmony Opera North.

### **Work in partnership**

Opera North works in partnership, deepening our relationships with major cultural partners in Leeds and beyond, and with leading HE institutions in Leeds, York and Newcastle. We are a champion of environmental sustainability in the arts and culture sector; and we will build on the success of the Music Works redevelopment campaign to strengthen our partnerships in the public and private sectors and position the Company as a leading advocate for our region.

In a normal year our work is delivered under four main strands of activity:

A mainstage operatic programme in Leeds and on tour

A year-round symphonic programme by the Orchestra of Opera North

Opera North Projects – creating and programming an innovative range of events and performances in diverse artforms, many performed in the Howard Assembly Room, the Company's second stage.

An internationally recognised and extensive Education Programme

The year was characterised by a return to live performance whilst negotiating the gradual relaxation of Covid-19 restrictions through the summer and autumn, at the same time completing the major Music Works capital transformation to deliver the Howard Opera Centre and reopen the Howard Assembly Room.

### **Chairman's Introduction**

This has been a momentous year for Opera North. The early months were still dominated by the Covid-19 pandemic, which the Company weathered with characteristic creativity, resilience and adaptability, with a number of innovations initially developed in response to Covid continuing post-pandemic. In the autumn, the Company returned to a full programme of live performance, with Garry Walker making his long-awaited debut as Music Director, and officially opened the Howard Opera Centre (HOC), its new home in the heart of Leeds.

The HOC immediately had a transformative effect on the day-to-day life and work of the Company and the communities it serves. Opera North Education began to populate the HOC last summer, with the Opera North Youth Chorus among the first to use the building early in August. The Howard Assembly Room (HAR) re-opened in October following a two-and-a-half year hiatus for the Music Works redevelopment project. More than ten years after it first opened, the HAR has come of age, with its own entrance and public spaces housed in a beautiful atrium. The relocation of orchestral rehearsals to the new state of the art Mantle Music Studio in the HOC enabled the HAR to be relaunched with an expanded programme of richly diverse artistic and community activity.

The Music Works redevelopment project will be completed in the summer of 2022 with the opening of a new bar and restaurant, Kino. The completion of this visionary scheme is all the more remarkable given the impact of the pandemic both on the physical works and on fundraising. We are immensely grateful to all of our partners and supporters – individuals, trusts and foundations, the corporate sector, and Leeds City Council and Arts Council England – who have kept faith with us during this challenging period. The Company will remain indebted to the late

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Dr Keith Howard OBE, without whose extraordinary generosity and faith in Opera North, the Music Works transformation would not have been possible.

Whilst our home is in Leeds, we are a company for the whole of the North. As well as resuming main stage touring to our regular venues in Newcastle, Nottingham and Salford, we returned to Hull in the winter season. We also reached audiences well beyond the major cultural centres with **Whistle Stop Opera: The Magic Flute**, which visited venues both indoors and outdoors last summer.

Although the emergence of the Omicron variant of Covid in December had a serious impact on rehearsals at the beginning of 2022, all our main stage opera productions opened on schedule, and whilst Covid-related absences severely stretched the Company, especially on the tour in March, not a single performance was lost – a tribute to the Company's robust Covid protocols and the tireless efforts of the management's Covid taskforce.

Opera North's in-house digital capability was enhanced during the period, with notable digital work including a livestream of Handel's **Alcina** on the OperaVision platform in February, a further instalment of the online singing workshop *From Couch to Chorus*, and a new collaboration with Sky Studios, *Resonance Connect*.

Our partnerships with organisations in the cultural, higher education and business sectors continue to be strengthened year on year, with artistic highlights in 2021/22 including highly praised collaborations with Leeds Playhouse on Sondheim's **A Little Night Music** and with Phoenix Dance Theatre on **West Side Story Symphonic Dances**.

Our strategic priorities of diversity and sustainability were advanced across all strands of the Company's work, including on the main stage in a new production of *Rigoletto* directed by British-Nigerian theatre-maker Femi Elufowoju Jnr who was making his Opera-directing debut, and in **Alcina**, our first sustainable main stage production, in which all the scenic elements were vintage, second-hand or repurposed.

Although ticket sales have been gratifyingly resilient in the emergence from lockdown, the picture across the theatre industry as a whole has been much more variable. Going forward, the rising cost of living is certain to be a major issue for the immediate future, posing a significant challenge both to box office income and to fundraising, as disposable income comes under severe pressure from the highest rate of inflation the country has experienced for decades. Nevertheless, we remain as determined as ever to fulfil our mission to create extraordinary experiences with and for all of our communities in the North.

#### Main stage opera

A gradual return to live performance began in the summer of 2021 with concert performances of **Fidelio** in Leeds, Salford and Nottingham conducted by former Music Director Paul Daniel; a revival of the **Whistle Stop Opera Magic Flute** first seen in 2018, which played indoors and outdoors throughout the summer in venues from Appleby to Winchester; and the co-production of Stephen Sondheim's **A Little Night Music** with Leeds Playhouse postponed from the spring of 2020. All of these performances were subject to social distancing measures and capacity indoors capped at a maximum of 50%.

A return to opera performance at full capacity began in October 2021 with the Company's first **Carmen** for ten years conducted by Garry Walker in his Covid-delayed debut as Music Director. Directed by Edward Dick, American mezzo Chrystal E. Williams gave a fearless performance in the title role. The role of Don José was originally assigned to Rafael Rojas, a much-loved member of Opera North's extended family of guest artists, and a great favourite with audiences; but the effects of long Covid forced him to withdraw late in rehearsals. It was with profound sadness that we learned of his death at home in Mexico in January 2022.

*Carmen* was joined by a **Bernstein double bill** that paired his one-act opera **Trouble in Tahiti** – directed by Matthew Eberhardt and first seen in the Little Greats season in 2017 – with an entirely new dance work based on the **Symphonic Dances from West Side Story**. The latter was Opera North's second major collaboration with Leeds-based Phoenix Dance Theatre, and choreographed by Phoenix's recently-appointed Artistic Director Dane Hurst, who also choreographed **Halfway and Beyond**, an entirely new spoken-word piece by Leeds-based poet Khadijah Ibrahiim which served as prelude to the Symphonic Dances. Antony Hermus was the conductor.

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The autumn season toured to Leeds, Newcastle, Salford and Nottingham and generated more than £600,000 in ticket sales, exceeding the financial target by 8% overall.

In January Garry Walker conducted a new production of **Rigoletto** directed by the highly distinguished British-Nigerian theatre-maker Femi Elufowoju jr, making his debut as an opera director with Opera North. American baritone Eric Greene sang the title role, and the cast also included American soprano Jasmine Habersham as Rigoletto's daughter Gilda, Russian tenor Roman Arndt as the licentious Duke of Mantua, and Sir Willard White as Monterone, delivering the famous curse with peerless authority.

Together with further performances of Carmen, the winter season was completed by Handel's 'magic' opera **Alcina** in a new production conducted by Baroque specialist Laurence Cummings, directed by Tim Albery and designed by Hannah Clark. Alcina was Opera North's first environmentally sustainable main stage production, in which all the scenic elements, furniture, fabrics and costumes were vintage, second-hand or repurposed, as part of the Company's wider commitment to sustainability. The performance on 17 February was streamed live from Leeds Grand Theatre on the OperaVision platform (see 'Digital programme' section below).

The winter season toured to Leeds, Salford, Nottingham, Newcastle and Hull and generated more than £900,000 in ticket sales, exceeding the financial target by 39% overall (and also exceeding the pre-Covid target by 3%).

#### Orchestra and Chorus of Opera North

With Covid restrictions still in place at the beginning of the period, the Orchestra launched **The Whitehall Road Sessions**, a series of concerts streamed live from our temporary rehearsal space at Whitehall Road in Leeds beginning in April. The five concerts in the series featured chamber ensembles from within the Orchestra in music ranging from Debussy to Herzogenberg, with several of the concerts featuring composers and performers from diverse backgrounds. Alice Zawadski brought her multi-instrumental and compositional skills to a remarkable programme featuring all female composers and performers building on and inspired by Walking Home: Sound Journeys from Lockdown, recorded by musicians during lockdown for BBC Arts and Arts Council England's Culture in Quarantine programme. This concert was later adapted for inclusion in the 2021/22 Kirklees Concert Chamber Concert Season.

Following a slightly truncated, behind closed doors version of the annual **National Opera Studio residency**, also in Whitehall Road, the gradual return to live performance began in June when the Orchestra and Chorus resurrected **Fidelio** at Leeds Town Hall, The Lowry and Nottingham Royal Concert Hall. After all the effort that had gone into the livestream version the previous December it was hugely gratifying to perform Beethoven's great hymn to liberty to live audiences again. In addition, at The Lowry, the Orchestra performed an **Opera Gala** under Paul Daniel with Nico Darmanin and Elin Pritchard to bring some larger pieces to the public realm again that had previously been restricted by space limitations in orchestra pits.

Throughout this period, and throughout the rest of the year, members of the Orchestra and Chorus were busy with side-by-sides, coaching and performances, both with Opera North Education and with our Higher Education partners including Leeds Conservatoire, the University of Hull and Royal Northern College of Music.

Our co-production of **A Little Night Music** with Leeds Playhouse provided a vehicle with which to showcase the talent and versatility of the Company's core ensembles, with many of the leading roles in the production cast from within the Chorus and Jonathan Tunick's original orchestration of Sondheim's score glowing afresh played by members of the Orchestra under the expert baton of Jim Holmes.

Although the easing of Covid restrictions meant that the Millennium Square concerts at the end of July were technically permitted, the risks involved in mounting them were too great in the circumstances, so the Chorus and Orchestra moved back behind closed doors for rehearsals and rep sessions in the Mantle Music Studio, thus utilising the new space for the first time prior to the summer holiday period. With the relaxation of Covid rules and the requirement for distancing gone, the full orchestra was able to occupy the space for two days of playing through repertoire to try different layouts and configurations in the room without the pressure of preparing repertoire. In a nod to the formation of the Orchestra, the first piece played in the space was Wagner's Overture Die Meistersinger, the first music ever played by the Orchestra back in 1978. The space has been deliberately designed with quite a dry acoustic, making it better for rehearsal, but after years of playing in Leeds Town Hall and Whitehall Road the contrast has taken the players some getting used to.

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September saw a rescheduled performance of **80s Classical** in Millennium Square take place to a very lively and excited audience happy to be back after more than two years without this popular event. It was the final concert for the current "line-up" of artists as the programme will be refreshed for the next performance in July 2022.

The **2021/22 Kirklees Concert Season** also opened in September with audiences returning to Huddersfield Town Hall for the first time since the Orchestra's last concert there in February 2020. Although audience figures overall for the season were close to target, bookings were worryingly low at the start of the week of each concert, but by the day itself figures were as expected. This pattern continued throughout the season, as audiences waited to see if the event would actually go ahead, and if they themselves were healthy and/or required to isolate before committing to buying tickets. Only the Viennese concerts at New Year suffered due to high levels of uncertainty about impending lockdowns post-Christmas with the rise of the Omicron variant. Attendances in both Huddersfield and Hull were significantly lower than expected due to the uncertainty; indeed, it wasn't certain they would take place until a couple of days beforehand.

#### Howard Assembly Room (HAR)

The Howard Assembly Room re-opened in October 2021 with a full programme of concerts, gigs, film and performance. Highlights of the opening season included appearances by British jazz legend **Courtney Pine**, poet laureate **Simon Armitage**, and the **Brodsky Quartet**. There was an increased number of chamber concerts featuring musicians and singers from Opera North's core ensembles, and important city partnerships were resumed, including with **South Asian Arts UK (SAA-uk)** and **Leeds International Film Festival**. Only one concert was cancelled due to Covid, and audiences responded well to the increased precautions taken. The winter season had fewer concerts due to artists postponing touring appearances; nevertheless, the season included sell-out performances by Tuvan throat singers **Huun Huur Tu** and Danish band **Efterklang**. The HAR was also host to the **Leeds Lieder Festival** for the first time. Audiences for both seasons exceeded targets. Artists across both seasons were 40% minority ethnic and 50% female.

#### Projects

Over this difficult year it was challenging to create and tour new projects. However, we were able to revive our animated film **La Petite Bohème**, designed for outdoor screenings in public spaces, which was shown four times outside Leeds Playhouse. Projects also commissioned and produced a new live score by the Scottish composer Erland Cooper for the 1928 silent film **The Wind**, which was performed in Leeds, Manchester and Newcastle by Erland and the Ladies' Chorus of Opera North. For the UK-wide New Music Biennial sitarist Roopa Panesar and pianist Al MacSween were commissioned to make **The Crossing**, an immersive 15-minute performance for the Southbank Centre and Coventry City of Culture.

It was pleasing to receive our fifth year of funding from the PRS Foundation toward **Resonance**, our year-round artist residency programme for black and minority ethnic music creators. This year's cohort included Manchester-based Persian percussionist Arian Sadr and composer, bass trombonist, percussionist and mbira player Hannabiell Sanders from Newcastle.

Following a lengthy pause due to Covid, we are reviving plans with York Heritage Trust to create a sound walk for the city's walls, working with Welsh harpist Catrin Finch and the Orchestra of Opera North.

#### Higher Education

Opera North has three strategic Higher Education partnerships, with the Universities of Leeds and Newcastle and with Leeds Conservatoire. Each partnership delivers student engagement and training, collaborative research, and public engagement. As universities returned to in-person contact we were able to resume side-by-side sessions and masterclasses for students, public-facing talks and symposia, and co-produced events including musical performances and visual art. We continue to co-supervise two PhD candidates from the University of Leeds, one on Opera North Education and the other on our engagement work with refugees and people seeking asylum. We are also partners with York University's XR Stories, a digital story-telling research project funded by Innovate UK.

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### Community Partnerships

As well as engaging with nearly 100 **Encore** community partners in and around Leeds, Community Partnerships also has a special scheme called **Encore Plus**, through which we build closer relationships with five or six selected partner groups each year. For 2021-22, these close partnership groups were:

Feel Good Factor (Health and Wellbeing charity)  
St Augustine's (Halifax based charity working with refugees and people seeking asylum)  
Helping Hands (charity supporting older people in Armley, Leeds)  
Inkwell Arts (Leeds charity supporting people with learning disabilities)  
Mafwa Theatre (arts charity for refugees and people seeking asylum)  
Changing Lives (nationwide charity particularly focused on homelessness)

All Encore partners are invited to Opera North performances at Leeds Grand Theatre and the Howard Assembly Room. As well as free or heavily subsidised tickets, the groups and individuals are personally welcomed and helped to find their way into the theatre. Training for front of house staff ensures the right degree of care and attention for all participants whatever their difficulty or disadvantage.

Over the autumn and winter seasons we welcomed around 640 Encore guests, mostly to Carmen as anticipated, but with a good spread across other events including talks and films in the HAR.

'You are brilliant because you try to make things bespoke to people's needs and THAT is what works. We love the care, thought and attention you have given to us through your work.'

### St Augustine's Centre, Halifax

'Just to say, we are very grateful for the Encore tickets that we receive from Opera North, which have allowed some of our asylum-seeker guests to access events they couldn't otherwise have attended.'

### Dot Read, Chair of the Conversation Club

'As a Chinese community group, many of us have never been to Opera North in our lifetime; we felt so privileged to be chosen as a partner this year. When we were invited to the introduction to Alcina we thought it could be challenging to understand the performance because of the language barriers. But we had a great time; in the end, we all enjoyed the performance and had a lot of laughter and interactions with the actor. We are looking forward to the next trip again.'

### Huazhu Liu, Community Project Worker at Health For All, Leeds

### Opera North Education

'I could enthuse ALL day about how brilliant it is having the education suite. It has changed my life.'  
**Education Project Manager, December 2021**

The highlight of this year for the Education team was moving into the Howard Opera Centre with its dedicated space for Education activity. The Bramall Education Studio, Holbeck Teaching Room and Mantle Music Studio were all put to good use during the first week of August when the **Opera North Youth Chorus** became the first people to use the building. Two weeks later the Howard Opera Centre was full of live music again with the **Summer Strings Academy**; followed by the much-anticipated return of the **Summer Orchestra Academy** the following week.

The **Opera North Youth Company** made good use of the Howard Opera Centre on Wednesday and Thursday evenings, as well as at weekends when rehearsing their production of **Brundibar**. After Covid delays, the **Opera North Youth Orchestra** was finally launched in October. Directed by Opera North Chorus Master Oliver Rundell, 17 to 21-year-olds come from all over the UK, including from Derbyshire, Durham, Manchester, Hull and Cardiff, as well as from Leeds.

A new monthly **Dementia Café** was launched in the Bramall Studio, whilst at the other end of the age spectrum the space is proving to be the perfect setting for a new series of multi-sensory early years sessions designed especially for babies, toddlers and pre-schoolers: **Little ONes**.



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Beyond the Howard Opera Centre the Education team continued to tour work for families and schools across the North. **Whistle Stop Opera: The Magic Flute** performed to socially-distanced audiences at both indoor and outdoor venues throughout the summer and autumn, taking in York, Winchester, Arnside, Hexham, Appleby, Barnard Castle, Otley, Helmsley, Halifax, Hull, Beverley, Goole, Bridlington and Hornsea, as well as a variety of venues in Leeds, including our partner in Harmony schools.

In September, the brass section of the Orchestra, joined by our vocal amateur, rehearsed and performed a family concert, centred around **Carnival of the Animals**, in Whitby, Skipton, Malton and Northallerton in partnership with Orchestras Live and NYMAZ.

Our second venture in partnership with Orchestras Live this year resulted in the creation of **Song of the Skerne**. This special film screening and live performance event featured a new piece of music that took inspiration from the River Skerne in Darlington. Written by pupils from Haughton Academy, working with composer Sarah Freestone, folk artist Katie Doherty and Opera North orchestral musicians Christopher Bradley and Christian Jones, the new piece was created by the young people and the creative team over a series of Zoom workshops during 2021. The piece was then orchestrated for members of the Orchestra of Opera North and recorded at Leeds Town Hall. The young people from Haughton Academy and two feeder primary schools recorded their vocal and instrumental tracks and performed it as part of an Opera North concert at Darlington Hippodrome in November.

The Education team also completed a songwriting project at the Rosehill Theatre in Cumbria, whilst closer to home **ON Tour** was launched, with 15 players from the Orchestra visiting six Yorkshire schools. In January, the 2022 **Big Sing** was launched – Rachel Portman's **The Water Diviner's Tale** – with a series of CPD sessions for teachers across the north of England, followed by the first set of in-school workshops led by ON Education specialist staff.

As for many arts organisations up and down the country, the resumption of normal delivery after Covid, combined with a general sense that the pandemic was ending, encouraged a sudden flurry of staff resignations as people, having enjoyed a break from routine and the opportunity to reflect on what they wanted out of life, embarked on major life changes. Much of July was therefore taken up with interviews, many of them on Zoom. Whilst we lost young staff keen to work in London, we attracted experienced project managers keen to leave the capital; one staff member left to train as a secondary English and drama teacher whilst another is retraining as an accountant. In return we attracted staff keen to move into the arts from other professions, each bringing with them their own unique skill set and personality from which we will all benefit. One fundamental change to Opera North Education was the appointment of Adam McKenzie to the role of Head of Instrumental Learning; he continues in his position as principal bassoon with the Orchestra and so, both to support him as we develop the instrumental learning strand, and to cement the importance of Education to the Orchestra, we appointed five Artistic Advisors from within the Orchestra: Byron Parish, David Aspin, Andrew Mason, Blair Sinclair and Mark Wagstaff.

#### Digital programme

Following the rapid expansion of digital activity through the pandemic, in Autumn 2021 Opera North's in house video department was increased from two to three permanent members of staff, enabling us to increase capacity and also to take on more complex projects in house.

As well as creating promotional content for marketing and communications campaigns, a new focus was the development of livestreaming and capture infrastructure in the transformed Howard Assembly Room. Fibre cabling was installed in the HAR, enabling a combination of rigged remote control (PTZ) cameras and operated cameras to connect to a production gallery space within the backstage area. Opera North now has the facilities and staff resources to regularly stream or capture events from the HAR, and demount equipment to stream from Leeds Grand Theatre or other spaces as needed.

On 17 February, **Alcina** was livestreamed from Leeds Grand Theatre to the OperaVision platform, achieving 33,945 views. **The Seven Deadly Sins**, originally streamed live in November 2020, was also made available for free via OperaVision from April 2022 for a six-month period. Looking to the future, the Company will build its streamed content to reach national and international audiences.

In addition to streaming content, the Company continued to innovate in participatory online activity to enable more people of all backgrounds to make music. The award-winning **From Couch to Chorus** continued with 879 people learning to sing online with the Chorus of Opera North. We continued to collaborate with Sky Studios on the new

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project, **Resonance Connect**, which brings together music creators from black and ethnically diverse backgrounds with innovators in digital and film capture. Three collaborations between musicians and film-makers have been commissioned, and the projects will be presented on Sky Arts over the coming 12 months.

Opera North is a member of the advisory group for The Space, the national digital hub funded by the BBC and Arts Council England. This group is particularly interested in a shared rights concordat and researching the impact of digital distribution on audiences for live performance. We remain members of OperaVision (the EU-funded Opera Europa channel for sharing filmed opera productions). XR Stories at the University of York, with whom we are a strategic industry partner, is funded by Innovate UK. Further initiatives through this programme are planned for 2022-23.

### Music Works

The completion of Music Works and the opening of our new facilities in the Howard Opera Centre, together with the re-opening of the Howard Assembly Room, presents a pivotal moment for Opera North. With the combined expertise and resources of the Company under one roof, it gives Opera North the platform to test and develop models of best practice in music tuition and arts participation that will level up opportunity, develop skills and create critical diversity in the arts. This will enable the sector to thrive and ensure that our work is truly for everyone, with everyone.

The vision for the Howard Opera Centre was to create a welcome space for everyone to be part of Opera North upon arrival. Everyone who comes to Opera North, whether artist, student, business support staff or programme participant, will all enter through the shared entrance on Harrison Street that leads to an open and accessible Reception area. The accessible entrance and new Education facilities at ground level with accessible amenities means that we can broaden our education and community programme offering to individuals and community groups we have not been able to partner with before. With all facilities under one roof at the Howard Opera Centre, we can better share our work as a professional opera company with the communities we engage with. We can bring members from our Community Partner organisations and children from local schools to see a rehearsal in the music studios and we can share the intricate craft and creative skill that goes into the making of every costume they will see on stage. Never before have we had this opportunity to draw people closer to our work and strengthen our ability to continue developing a much closer relationship with our communities.

Music Works has created world-class rehearsal facilities, including a new music rehearsal studio, and provides a purpose-built facility for our resident and guest artists to develop their craft. The Mantle Music Studio is equipped with acoustic panelling and energy efficient climate control to support instrument condition and maintenance. It hosts large scale orchestral rehearsals, chorus repertoire calls and sitzprobe, as well as more intimate rehearsals. The space has a 40-capacity chorus gallery on the mezzanine level for rehearsals that also allows singers covering roles and others to observe rehearsals.

A new lift has created ease of access for all. The music rehearsal studio also hosts our Young Performers Programme where young musicians will take part in the annual Summer Orchestra Camp, and the space will also double as a performance venue for smaller sections and ensemble performances. Three new acoustically engineered music coaching rooms provide the ultimate setting for small group tuition, one-to-one vocal coaching/instrumental sessions or small-scale rehearsals. These rooms enhance our ability to provide the highest level of support to all Opera North artists as well as visiting artists. On any given day, we may find a guest artist rehearsing in one room, whilst In Harmony pupils are receiving instrumental tuition in the coaching room next door.

In August 2021, due to a change in social distancing guidelines, members of the Opera North Youth Chorus were very excited to be the first to make music and art in the Howard Opera Centre ahead of the official opening. The group worked with director Gemma Woffinden and composer James Batty exploring the myth of Theseus and the Minotaur. The team created *Ariadne: A Digital Story*.

'I really loved having this week to look forward to in the summer, working with people I wouldn't normally work with and trying out new things.'

**Samuel, member of the Opera North Youth Chorus**

Music Works has delivered a dedicated home for our Education work, where engagement and participation in the arts is at the core of the mission. The Howard Opera Centre provides the Company with a valuable permanent

# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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base, creating a cohesive hub for the Education department to collaborate and test new ideas that will develop sustainable methods of delivery, particularly around the development of group tuition models.

With our new facilities we can extend our reach across the Family and Adult Programme by adding to activities that have proven successful with participants, such as Sing ON and Little ONes, to introducing new programmes like the monthly dementia cafés and the return of Little Listeners in the spring.

In October 2021, we welcomed the community to join us behind the scenes of the Howard Opera Centre and Howard Assembly Room, underpinning our commitment to create a home where everyone is welcome to make music. We invited people to come and find out more about the Company and enjoy a programme of performances, talks and workshops. We held an Open Day: Backstage Pass and Family Festival to coincide with most schools' autumn half term holiday. Over the two days we welcomed more than 1,000 people to our new home and shared with them up close what the Music Works transformation has achieved for the Company. This included a taster of programmes in which they could take part, such as the Family Big Sing involving music and story-telling, and a special session of Little ONes with an emphasis on music and magic.

In the same week, the dementia-friendly performance of Carmen took place to an audience of more than 150 people living with dementia and their carers, and we launched the first Open Mic Night in the HAR, showcasing the musical talent of refugees and people seeking asylum as part of our remit as a Theatre of Sanctuary. It was an exceptional week of engagement and participation, and we were delighted with the positive response from the community to Music Works and the Howard Opera Centre.

Music Works has also delivered a transformation of the Howard Assembly Room, giving the venue its own dedicated front door and public spaces for the first time. An inspiring new atrium space was created linking the entrance, new restaurant and bar with the venue. Freed from the constraint of being used as a rehearsal space for the Orchestra of Opera North, the Howard Assembly Room is now able to operate as a year-round home for an eclectic programme of live music, talks, films and participatory activity. The final stage of Music Works is almost complete, with the restaurant and bar due opening in July 2022.

The related fundraising campaign has obtained donations, grants and pledges towards the desired £18m target, however a proportion of the funding previously pledged is yet to be received. Despite the challenge of the pandemic, the Company was able to move fundraising online during the year, conducting virtual events and tours, securing support from a wide range of individuals and Trusts and Foundations. We are grateful to all our donors. The project would not be possible without their support, and in particular, the extraordinary generosity of the late Dr Keith Howard, who gave £11.25m to the project.

#### **Fundraising – general**

Opera North continues to pursue a wide base of funding to support its work, drawn from private philanthropy, the corporate sector and charitable trusts and foundations. The Company benefits from significant support from individuals and trusts and foundations across the breadth of work from education to community partnerships, artist development and main stage repertoire. The pandemic presented a significant challenge for fundraising, as restricted activity in turn limited the delivery of projects around which it was possible to generate support.

As the Company returned to live performances on tour in the autumn we were able to reconnect with many of the people who had continued their support throughout the pandemic and launch a new initiative, Amplify, focused on generating support for the core ensembles of Orchestra and Chorus. With the completion of Music Works we have also been able to host individual, trusts and corporate partners in our transformed home, allowing them to experience at first hand the Company's extensive education and community activity. Opera North is enormously grateful to the many individuals, trusts and foundations and corporate partners who continue to support us as we emerge from the impact of the pandemic.

Aside from our key supporters, Arts Council England and Leeds City Council, major supporters during the year included:

- The Emerald Foundation for continued support of the Music Works capital project
- The Liz and Terry Bramall Foundation (£600,000 over three years) towards the education programme in Yorkshire

# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

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- Leverhulme Trust (£239,305 over three years) towards residencies for student opera singers and répétiteurs at the National Opera Studio and the Royal Northern College of Music
- Esmée Fairbairn Foundation (£40,000) towards a cross-city partnership of cultural organisations designed to engage disadvantaged communities with the arts
- The Patrons of Opera North who maintained their support throughout the pandemic

Where donors have placed restrictions on their gifts, the amounts have been included within restricted funds.

We also continue to receive support from the Higher Education sector, most notably the University of Leeds and the University of Hull, as well as from the corporate sector. Significant corporate donors included Hammerson for access activity, Pinsent Masons in Leeds for the In Harmony project and Brewin Dolphin in support of Whistle Stop Opera. We record enormous thanks to an increasing number of individuals, led by the late Dr Keith Howard, Dr & Mrs Terry Bramall and Mrs Maureen Pettman & the late Dr Barrie Pettman who are enabling us to build significant philanthropic support for the work of the Company, as well as The Future Fund, currently enhanced by a Catalyst Award from Arts Council England.

### Plans for Future Periods

#### Main stage opera

Originally scheduled for the summer of 2021 before the pandemic intervened, Wagner's **Parsifal** finally opened at Leeds Grand Theatre at the beginning of June 2022 before touring to concert halls in Manchester, Nottingham, Gateshead and London (Royal Festival Hall). Conducted by former Music Director Richard Farnes, the performances in Leeds were conceived by director Sam Brown specifically for a theatrical environment, before reverting to straightforward concert performances on the road. Fortunately, most of the stellar cast announced for 2021 were able to make themselves available for the rescheduled performances, including Toby Spence in the title role, Brindley Sherratt (Gurnemanz), Katerina Karnéus (Kundry) and Robert Hayward (Amfortas), joined by Derek Welton as Klingsor.

Most of the original cast of Stephen Sondheim's **A Little Night Music** also returned for a second run of James Brining's production at Leeds Playhouse in July, this time mercifully free of social distancing and other Covid restrictions. Dame Josephine Barstow reprised her unforgettable portrayal of the ex-courtesan Madame Armfeldt, with Sandra Piques Eddy now joining as her actress daughter Desiree.

Opening in October is an innovative reimagining of the earliest opera to have secured a permanent place in the repertoire, Monteverdi's **Orpheus** of 1607, which is presented in collaboration with SAA-UK. Honouring Monteverdi's pioneering spirit, this new version unites singers and musicians from both the Indian and European classical traditions under the joint musical direction of sitarist/composer and Opera North Artist in Residence Jasdeep Singh Degun and baroque specialist Laurence Cummings, with Jasdeep Singh Degun also contributing additional music. Director Anna Himali Howard makes her Opera North debut, and sets and costumes are by Leslie Travers.

Complementing Orpheus in a wider season inspired by the myth of the legendary singer and musician are concert performances of Gluck's revisionist 1762 opera **Orfeo ed Euridice** conducted by Principal Guest Conductor Antony Hermus, with leading British mezzo-soprano Alice Coote returning to the Company for the first time since 2009 in the role of Orfeo; and a re-staging of **Orpheus in the Record Shop** by writer, performer and beatboxer Testament, which was originally commissioned and performed in Autumn 2020 as part of the Opera North/Leeds Playhouse Connecting Voices festival, and later filmed and broadcast in the BBC's Lights Up strand of arts programming.

Completing the autumn season is a revival of Alessandro Talevi's 2014 production of Verdi's **La traviata**, designed by Madeleine Boyd. Conducting duties are shared between Jonathan Webb and Manoj Kamps, with two principal casts: Anna Denisova and Máire Flavin share the role of Violetta; Nico Darmanin and Oliver Johnston sing Alfredo; with Stephen Gadd and Damiano Salerno as Alfredo's father Giorgio Germont.

In the winter season the Company presents its first ever production of Richard Strauss's mingling of backstage comedy and mythological opera, **Ariadne auf Naxos**, in a co-production with Gothenburg Opera. Antony Hermus conducts Rodula Gaitanou's production, with sets and costumes by George Souglides. There are Company

## OPERA NORTH LIMITED

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

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operatic debuts for Elizabeth Llewellyn (Prima Donna/Ariadne) and Hannah Hipp (Composer), with Erin Caves (Tenor/Bacchus) and Jennifer France (Zerbinetta) returning.

The theme of the natural cycle of renewal that underpins **The Cunning Little Vixen** has never been more relevant than it is now. Our revival of David Pountney's classic production is part of a developing strand of work that has the issue of environmental sustainability at its core, and we offer schools' performances of Janáček's most accessible opera at all of our venues.

Completing the season is a revival of Edward Dick's viscerally exciting production of Puccini's **Tosca**, first presented to great popular acclaim in 2018. Giselle Allen (Tosca) and Robert Hayward (Scarpia) reprise their roles, with Magdalena Molendowska singing Tosca at some performances. Garry Walker conducts.

All the productions in the autumn and winter theatre seasons will open in Leeds (except Orfeo ed Euridice, which opens at Huddersfield Town Hall in the Kirklees Concert Season) and tour to Newcastle, Nottingham and Salford; in addition, there will be a return visit to Hull in the winter season with **The Cunning Little Vixen** and **Tosca**.

#### Howard Assembly Room

Highlights of a characteristically diverse programme include:

The Crossing, an Opera North commission from sitarist **Roopa Panesar** for the PRS New Music Biennial, inspired by traditional Hindustani baithak concerts

The continued development of our partnership with **Brudenell Social Club**.

Events in Jamaica Society Leeds' **Out of Many Festival**, including a literature strand featuring poets Simon Armitage and Linton Kwesi Johnson

**Leeds International Festival of Ideas**, a festival of new ideas and innovative thinking

Jazz and Folk programmes, including appearances by the **Espen Eriksen Trio**, **Courtney Pine**, **Eliza Carthy** and **Kathryn Tickell**

International chamber music programme including visits by pianist **Andreas Haefliger**, the **Doric** and **Škampa String Quartets**, **Manchester Collective**, and sarod maestro **Amjad Ali Khan**.

#### Kirklees Concert Season

Music Director **Garry Walker** opens the 2022/23 Kirklees Concert Season with a transatlantic programme of symphonic jazz including Gershwin's *An American in Paris*, Duke Ellington's *Harlem* and Copland's *Clarinet Concerto*, the latter featuring soloist **Julian Bliss**.

Further highlights of the orchestral season include:

Young British pianist **Isata Kanneh-Mason** and Italian conductor **Valentina Peleggi** in a programme including Dohnányi's *Variations on a Nursery Tune* and Tchaikovsky's *Fourth Symphony*

Principal Guest Conductor **Antony Hermus** with Shostakovich's *Tenth Symphony* in a concert that also includes Tchaikovsky's *First Piano Concerto* featuring Israeli pianist **Boris Giltburg**

**Elena Urioste** as soloist in Elgar's *Violin Concerto* conducted by Garry Walker

Canadian conductor **Jordan de Souza** in a programme featuring works by Richard Strauss (*Don Juan*) and Brahms (*First Symphony*), with **Tine Thing Helseth** as soloist in Hummel's *Trumpet Concerto*

More **Minute Masterpieces** world premieres

The Dewsbury Chamber Concert Series continues to play a vital role in the cultural and community life of the area, with small ensembles from within the Orchestra and special guests sharing the spotlight. Highlights include Acting Orchestra Co-Leader Andrew Long and pianist Ian Buckle in Beethoven's *Kreutzer Sonata*; Eeshar Singh, a virtuoso santoor player, accompanied in traditional North Indian music by tabla and tanpura; Fflur Wyn with a set of

# **OPERA NORTH LIMITED**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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folk-inspired songs; and Concertmaster of Auckland Philharmonia Andrew Beer with string players from the Orchestra of Opera North in Dvořák's Piano Quintet No. 2.

### **Friends of Opera North**

The Friends of Opera North is a separately registered charity, charity registered number 507574. Trustees of the Friends of Opera North all serve on the board of Opera North Ltd. For the purposes of these accounts the two charities are being treated as entirely separate but are deemed to be related parties due to the trustees of Friends of Opera North serving on the board of Opera North Limited.

### **Structure, Governance and Management**

#### **Governing Document**

The Company is limited by guarantee and registered as a charity under the Charities Act 2011. It is governed by its Memorandum and Articles of Association dated 13 March 1981 and amended 2 July 1981, 14 July 2000 and 19 August 2005 to allow for current governance arrangements. The Company enjoys charitable status for taxation purposes.

Any person can apply to become a member of Opera North Limited and must be approved by the Board who shall have absolute discretion as to the admission to membership. Each member agrees to contribute £1 in the event of the charity winding up. Opera North's fully-owned subsidiary company, Opera North Trading Limited (formerly Opera North Productions Limited), is governed by its Articles of Association as amended on 13 July 2021.

#### **Appointment of Trustees**

In accordance with the Articles of Association, the number of Trustees shall be at least five but not more than seventeen. In every year, one third of the Trustees shall retire from office and if eligible can offer themselves for re-election. In 2019, in line with the latest recommendations in the Charity Governance Code, it was resolved that the maximum term should be reduced to nine years, except in exceptional circumstances.

The Nominations Committee recommends appointments to the Board of Trustees. All Trustees are members of Opera North Limited. A Trustee skills audit is undertaken regularly to assess both individual and collective current specialisms, and knowledge areas to aid the ongoing review of the board make-up.

#### **Trustee Induction and Training**

New Trustees undergo a programme of induction, which is planned to allow a thorough insight into the activities of the Company. The Trustee spends time with key employees throughout the Company both in the administrative offices and stage and performing areas. At the time of appointment each Trustee receives an Induction Pack which includes a copy of the Memorandum and Articles of Association, the dates and structure of the Board and terms of reference for all the working sub-committees of the Board together with a copy of the Business Plan, most recent financial statements and other appropriate literature detailing events and forthcoming activities. Throughout the year Trustees are sent other relevant updates to keep them abreast of their responsibilities.

#### **Organisation**

The Company has, in the opinion of the Trustees, strong corporate governance appropriate for its size and operations. The main Board meets a minimum of five times a year and the sub-committees of the Board, namely the Finance and General Purposes Committee, Nominations Committee, EDI Committee, Development Committee and Health and Safety Committee meet in accordance with their terms of reference and report in full to the main Board.

The Board has a General Director to manage the day-to-day operations of the Company and the General Director has delegated authority for operational matters including finance, employment and artistic performance related activity. The roles and responsibilities of the Chairman and the General Director are included in the Company's Corporate Governance Manual.

#### **Key Management Personnel**

In addition to the General Director, the Company's senior executive team comprises the Executive Director (David Collins), Music Director (Garry Walker), the Technical Director (Kieron Docherty), the Planning Director (Christine Chibnall), the Director of Orchestra and Chorus (Phil Boughton), the Projects Director (Dominic Gray), the Director

# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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of Education and In Harmony Leeds (Jacqui Cameron), the Director of Audiences (Emily Simpson), the Operations Director (Richard Ashton), the Finance Director (Kirsten Bullen) and the Development Director (Liz Draper – from May 2022). Fortnightly meetings are held together.

The pay of senior staff is reviewed annually and normally adjusted in line with a company-wide inflationary increase. At the time of appointment salaries are benchmarked across the sector in similar industries. Where there are particular skills required or few comparator roles against which to benchmark, the remuneration is set in the context of the charitable sector as a whole as opposed to the commercial sector.

#### **Related Parties**

The Company has received substantial grants from two main public bodies. These main stakeholders, Arts Council England and Leeds City Council, are allowed to nominate representatives to attend and observe Board meetings as part of their conditions of grant. The nominee representatives come to occasional Board meetings and whilst encouraged to contribute to the proceedings are not Trustees and are not entitled to vote. These stakeholders are not related parties as defined in the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)).

Both the Friends of Opera North and Opera North Future Fund are considered to be related parties due to the presence of mutual board members and the close alignment and interrelation of their charitable objects. Opera North Future Fund is an independent trust, charity registered number 1122499, the objects of which are to promote and further the objects of Opera North Limited.

#### **Health and Safety**

There is a strong health and safety culture within the Company and a firm commitment to ensure a safe environment for staff, guest performers and visitors. During the year, the committee was chaired by Richard Mantle, General Director. The committee comprises elected representatives from all areas within the organisation together with the General Director and three senior managers ex-officio. The committee oversees strategy and policy, training needs, compliance with legislation and ensures regular workplace inspections are carried out in all its venues.

During the year, a separate Covid-19 taskforce met regularly to discuss any issues relating to health and safety and risks relating to Covid-19.

We have continued to work with a specialist firm who have assisted with developing suitable policies, procedures and risk assessments.

#### **Public Benefit**

The Trustees are aware of the Charity Commission's advice and guidance to Charities on Public Benefit and ensure these principles are embedded in the work Opera North does. The Trustees consider they meet the criteria of a public benefit entity. The present report gives a strong flavour of our activities in this regard. We seek all outlets to publicise our broad offering and the range and extent of engagement opportunities with the Company can be found on our website.

Opera North aims to present its work to as broad a range of audiences as possible, both through live performance, broadcast recordings, livestreaming, and work within schools and communities. Earlier sections of this Trustees' Report detail the activities undertaken by the various departments to achieve audience participation and engagement. It is worth repeating in the paragraphs below some of this activity.

We understand the need to articulate the impact of our work artistically, financially and in terms of the wellbeing impact on those who participate in workshops and ensembles or experience our work in performance. In the coming year we will improve the measurement of our activity across all of these metrics, allowing us to make a stronger case for the Company, our artform and the creative industries more generally.

Our work with young people is central to the Company's activity and we will continue to expand the In Harmony programme in schools alongside our other education work. Our work in schools has been recognised by teachers to improve the concentration and confidence of pupils with a positive impact on educational attainment across the curriculum. The growth of our vocal and instrumental ensembles for young people are a vital part of our work to create pathways for those of all backgrounds to continue active participation in music.

# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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As a leading national and regional cultural organisation we endeavour to play a leadership role with our peers, sharing expertise and resources where appropriate to support smaller arts organisations and artists. Being the largest arts organisation in the region brings with it a degree of influence, and at the same time a responsibility to support our arts partners and to participate in wider civic agendas.

#### **Equality, Diversity and Inclusion**

Ensuring our work represents and is accessible to all in the communities we serve is a priority for Opera North. As well as the work on our stages and artists we employ, we know we must make greater strides in diversifying our workforce and leadership, through creating a truly inclusive workplace to ensure we are able to attract, retain and develop people from all backgrounds and protected characteristics.

In January 2021 we appointed Tonic Theatre to conduct a Diversity Review of the Company to inform future planning in driving greater Equality, Diversity and Inclusivity. Progress is monitored by a Board-led Inclusivity and Relevance Committee, with support from staff Diversity Action and Anti-racism groups.

On our stages we continue to embrace the creative case for diversity, the production of *Rigoletto* in January 2022 directed by Femi Elufowoju jr mapped identity and inequality onto a contemporary canvas to powerful effect.

'a bold, innovative and purposeful re-imagining'  
Daily Telegraph on *Rigoletto*

Our continuing collaboration with SAA-uk will result in a new musical collaboration between western classical and Indian classical musicians in the creation of a unique reimagining of Monteverdi's *Orfeo* in Autumn 2022.

#### **Environmental sustainability**

As an opera company with a global outlook, Opera North believes it has a responsibility to put environmental thinking and action at the heart of all it does. By engaging employees, musicians, audiences, communities, and supporters in the environmental process, the Company can help to reduce its environmental impact and carbon footprint and inspire wider change towards a more sustainable future.

Action during the period included:

Achieving 100% carbon literacy in all full time employees by June 2021 using a tailored training course delivered by Opera North's qualified trainers

A new mainstage production of Handel's *Alcina* with recycled, re-used and second-hand sourcing of sets and costumes at its core. *Alcina* premiered at Leeds Grand Theatre on 5 February 2022, toured to Newcastle, Salford Quays and Nottingham, and was livestreamed on the OperaVision platform, achieving positive response and good press pickup about its sustainability goals

A live installation for Leeds Light Night 2021 on its themes of nature and the environment ahead of the 2021 UN Climate Change Conference in Glasgow. Wave, an immersive environment created by artist Akeelah Bertram, attracted 3,192 visitors over two evenings of Light Night. The installation reacted to four musicians in real time, with pools of water refracting sound responsive visual displays around the Howard Assembly Room

An assessment of our photovoltaic capacity on the new and existing roofs of the Howard Opera Centre and the installation of 51 photovoltaic solar panels in March 2022 which will generate an estimated 15,700 kilowatt-hours per annum

Collection, scrutiny and validation of the first six months' utility usage data from the new and refurbished estates of the Howard Opera Centre and Howard Assembly Room, negotiating the best 100% renewable contracts possible in a challenging energy market

Commencement of seasonal commissioning of the mechanical and electrical assets of Music Works post-completion of the estates using the Soft Landings framework. These were tested and challenged through the autumn and winter structured seasonal commissioning process, working with M&E consultants CSD and contractor G&H Building Services



# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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Expansion of the Company's sector leadership reach on sustainability, sharing best practice and expertise with others. Opera North's carbon literacy delivery pack was used to train more than 300 people throughout the creative industries within Leeds and continues to be a leader within the community-interest company SAIL.

Offering placement projects to students on the University of Leeds MSc Sustainability & Consultancy course. A final placement project was delivered in July 2021: Guiding Opera North toward a shift in employee commuter travel techniques to aid in achieving their Net Zero 2030 goal

#### Partnerships

More than ever in the past year Opera North has looked to work in partnership, to overcome the challenges of the pandemic, and deliver against artistic and social objectives. The Company has worked closely with Leeds City Council and Leeds Playhouse in particular to stage socially distant performances navigating the restrictions presented by varied lockdowns as we collectively welcomed audiences back to live events.

Opera North leads Arts Together, a collaboration with multiple organisations aimed at engaging hard to reach audiences across the Leeds city region.

In the HE sector, Opera North renewed strategic partnerships with the Universities of Leeds and Hull based on opportunities for students, research programmes and public engagement. A new partnership with Leeds College of Music continued through digital delivery, alongside partnerships with RNCM and National Opera Studio.

#### Extending Reach

In a year when live performance and touring was restricted, Opera North maintained a commitment to the communities we serve, delivering performance and participatory activity online, and increasingly live in person as the year progressed.

In the summer, the Whistle Stop Opera: The Magic Flute toured to community settings, giving many people their first experience of opera. The wealth of free digital content, both performance and participatory, ensured that the Company continued to reach new audiences in the North and around the world, all founded on using music to create extraordinary experiences for everyone.

#### Accessible Performances

Opera North strives to make its work open to all, with specific accessible performances of main stage repertoire, including Captioned, Audio Described and BSL interpreted. In addition, there was a dementia-friendly performance of Carmen included in the autumn season.

#### Reserves policy

The unrestricted funds of the charity entity are £16,266,460 (2021 £16,432,948) and for the group £16,286,351 (2021: 16,456,552). Free reserves exclude restricted funds, funds held as fixed assets used by the charity, loans used to acquire fixed assets and particular designated funds which have been set aside for specific purposes.

The free reserves position at 31 March 2022 shows positive free reserves of £2,928,789 (2021: £3,624,683) for the group and £2,908,898 (2021: £3,648,288) for the Company.

Our current reserves policy is to hold a level of free reserves that reflects the assessed level of risk and to meet short-term planned deficits. The level of risk remains high but is reduced from our 2021 position. As such the appropriate level of reserves now is assessed at c£2.6m, representing c8 weeks' costs with the actual free reserves broadly in line with this. The policy will be kept under annual review during the next few years, taking into account changing risk levels and forecasts.

#### Strategic Report

##### Financial Review

The Company started the year with strong financial reserves, but a level of uncertainty in forecasts due to the impact of the pandemic. A deficit was forecast in the expectation that it would take time to regain all income streams to levels previously seen in 2019/20.

# OPERA NORTH LIMITED

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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It was pleasing to see that opera box office income, although dampened (as expected) in Autumn 2021, exceeded our cautious targets in Winter 2022. Fundraising income has been harder to regain and whilst income levels were higher than 2020/21, they were behind those seen before Covid-19. We remain extremely grateful for the constant support from key stakeholders, most notably from Arts Council England and Leeds City Council.

Expenditure across all areas of the company has been kept under regular review and some overspends were incurred in part due to one-off Covid-related costs and additional costs relating to our temporary building costs due to the extended timetable of our capital project.

Overall, our operating deficit in the year was in line with that budgeted.

#### **Risk Management, Principal Risks and Uncertainties**

During the course of the year the Company has continued to identify and assess the major risks facing the business. Areas of risk are discussed at executive, Board sub-committee and Board level to assess potential impacts and allow strategies to be implemented to manage the risks. The Board sub-committee structure works well and allows smaller groups to challenge the financial and funding environment (Finance and General Purpose Committee), the physical environment and safe working practices, policy decision making and development (Health and Safety Committee) and overall strategy and direction of travel at the full Board away day. The Trustees consider the effect of changes in legislation and regulations and their interpretation that might affect the operations of the company particularly with regard to employment practices and health and safety.

The impact of Covid-19 undoubtedly created new, significant and unexpected challenges to our environment, affecting our ability to put on productions in the normal manner, but the direct impact of this in 2021-22 was thankfully much reduced.

The recent undertaking of our capital development was a significant undertaking for the organisation and as such an area where we recognised the potential risks. Now the project is completed, that area of risk has reduced.

The general arts funding environment continues to present challenge and opportunity. We are pleased to be supported by way of our multi-year funding agreements in place with our two main funders, Arts Council England (until 2023) and Leeds City Council (until 2022).

Longer-term public sector funding still remains a principal risk and we currently await the outcome of our 2023-26 funding application. A significant funding stream for us has been the introduction of the Theatre and Orchestral Tax Relief programmes. These schemes are playing a key role in our ability to invest in repertoire and we are grateful that the rates have been temporarily enhanced from October 2022.

Inflationary pressures have come to the fore in 2021-22 and continue to be an area of risk in the coming year, impacting a wide range of costs and potentially audience spend.

The Trustees are very grateful for a strong senior management team which has been stable throughout the year.

#### **Statement of disclosure to auditor**

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

RSM UK Audit LLP were appointed as auditor to the Company and a resolution proposing that they be reappointed will be put at a General Meeting.

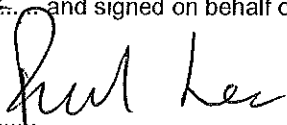
## OPERA NORTH LIMITED

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees' Report (comprising the Directors' Report and Strategic Report) which has been prepared under the Charities Act 2011 and contains all information required in a Directors' Report by the Companies Act 2006 and the incorporated Strategic Report prepared under the Companies Act 2006, was approved by the Board of Trustees on 23/9/22 and signed on behalf of the Trustees by:



Paul Lee OBE  
Chairman

# **OPERA NORTH LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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The charity trustees (who are also the directors of Opera North Limited for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year.

In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

# **OPERA NORTH LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPERA NORTH LIMITED (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022**

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### **Opinion**

We have audited the financial statements of Opera North Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet the Consolidated Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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**

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

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

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

### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## **OPERA NORTH LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPERA NORTH LIMITED (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022**

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We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept 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 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 Statement of Trustees' responsibilities set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and 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.

## OPERA NORTH LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPERA NORTH LIMITED (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, making enquiries regarding correspondence with tax authorities and considering any specific relevant advice obtained from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

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

## OPERA NORTH LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPERA NORTH LIMITED (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### 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.

*Lucy Robson*

LUCY ROBSON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Central Square

5<sup>th</sup> Floor

29 Wellington Street

Leeds

LS1 4DL

Date: 27/09/22



# OPERA NORTH LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Notes				
<b>Income from:</b>					
Donations and legacies	2	11,802,948	1,136,887	12,939,835	14,390,717
Capital Project Donations	2	-	354,026	354,026	935,577
<i>Other trading activities:</i>					
Sponsorship	3	177,540	-	177,540	119,314
Rental income	3	9,070	-	9,070	-
Investments	4	2,076	-	2,076	13,359
<i>Charitable activities:</i>					
Productions and performances	5	1,998,623	-	1,998,623	356,443
Other income	6	750,000	-	750,000	2,064,073
<b>Total income</b>		<b>14,740,257</b>	<b>1,490,913</b>	<b>16,231,170</b>	<b>17,879,483</b>
<b>Expenditure on:</b>					
Costs of raising funds	7	406,321	12,135	418,456	349,146
<i>Charitable activities:</i>					
Costs of production and performances	8	15,240,293	587,011	15,827,304	10,727,384
Capital project related	8	-	234,405	234,405	361,370
<b>Total expenditure</b>		<b>15,646,614</b>	<b>833,551</b>	<b>16,480,165</b>	<b>11,437,900</b>
<b>Net movement in funds for the year before tax</b>		<b>(906,357)</b>	<b>657,362</b>	<b>(248,995)</b>	<b>6,441,583</b>
Theatre and Orchestral tax credit	14	736,156	-	736,156	-
<b>Net movement in funds for the year after tax</b>	<b>22 &amp; 23</b>	<b>(170,201)</b>	<b>657,362</b>	<b>487,161</b>	<b>6,441,583</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	<b>22 &amp; 23</b>	<b>16,456,552</b>	<b>14,433,027</b>	<b>30,889,579</b>	<b>24,447,996</b>
<b>Total funds carried forward</b>	<b>22 &amp; 23</b>	<b>16,286,351</b>	<b>15,090,389</b>	<b>31,376,740</b>	<b>30,889,579</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**OPERA NORTH LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15	27,254,149		23,806,317	
		27,254,149		23,806,317	
<b>Current assets</b>					
Investments	16	-	50,000		
Debtors due within one year	17	3,244,152	2,138,109		
Debtors due after more than one year	17	36,212	16,582		
Cash at bank and in hand		4,258,118	8,298,319		
		7,538,482	10,503,010		
<b>Creditors: amounts falling due within one year</b>	18	(2,297,314)	(3,360,846)		
<b>Net current assets</b>		5,241,168		7,142,164	
<b>Total assets less current liabilities</b>		32,495,317		30,948,481	
<b>Creditors: amounts falling due after more than one year</b>	20	(1,118,577)		(58,902)	
<b>Net assets</b>		31,376,740		30,889,579	
<b>Income funds</b>					
Unrestricted funds	23	16,286,351		16,456,552	
Restricted funds	22	15,090,389		14,433,027	
		31,376,740		30,889,579	

The financial statements on pages 23 to 51 were approved and authorised for issue by the trustees on 23/9/22.....

.....  
P Lee  
Chairman

.....  
J Warnett  
Trustee

**OPERA NORTH LIMITED****CHARITY BALANCE SHEET****AS AT 31 MARCH 2022**

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	15		27,254,149		23,806,317
Investments	16		1		1
			<u>27,254,150</u>		<u>23,806,318</u>
<b>Current assets</b>					
Investments	16	-		50,000	
Debtors due within one year	17	3,244,152		2,138,109	
Debtors due after more than one year	17	36,212		16,582	
Cash at bank and in hand		4,235,921		8,297,479	
			<u>7,516,285</u>	<u>10,502,170</u>	
<b>Creditors: amounts falling due within one year</b>	18	(2,295,009)		(3,383,611)	
<b>Net current assets</b>			<u>5,221,276</u>		<u>7,118,559</u>
<b>Total assets less current liabilities</b>			<u>32,475,426</u>		<u>30,924,877</u>
<b>Creditors: amounts falling due after more than one year</b>	20		(1,118,577)		(58,902)
<b>Net assets</b>			<u>31,356,849</u>		<u>30,865,975</u>
<b>Income funds</b>					
Unrestricted funds	23		16,266,460		16,432,948
Restricted funds	22		15,090,389		14,433,027
			<u>31,356,849</u>		<u>30,865,975</u>

The parent company has a total gross income of £16,231,170 (2021 - £17,879,483) in addition to commission fees of £Nil (2021 - £Nil) from its subsidiary and a net surplus in the year of £375,203 (2021 - surplus of £6,445,397) including a deficit of £282,159 (2021 - £5,617,903) unrestricted and £657,362 (2021 - £827,494) restricted funds.

The financial statements on pages 23 to 51 were approved and authorised for issue by the trustees on 23/9/22.

P Lee  
Chairman

I Warnett  
Trustee

**OPERA NORTH LIMITED**

**CONSOLIDATED STATEMENT OF CASHFLOWS**

**FOR THE YEAR ENDED 31 MARCH 2022**

		2022	2021
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	25	(59,412)	8,857,689
Movement in tax relief debtor		-	1,206,979
<b>Net cash inflow from operating activities</b>		(59,412)	10,064,668
<b>Investing activities</b>			
Purchase of tangible fixed assets	(3,912,545)	(6,252,681)	
Disposal of other investments	50,000	-	
Returns on investments	-	-	
<b>Net cash used in investing activities</b>		(3,862,545)	(6,252,681)
<b>Cash flows from financing activities</b>			
Repayment of borrowings	(97,667)	(109,198)	
Obligations under finance lease	(20,577)	(8,589)	
<b>Net cash used in financing activities</b>		(118,244)	(117,787)
<b>Net (decrease)/increase in cash and cash</b>		(4,040,201)	3,694,200
Cash and cash equivalents at beginning of year		8,298,319	4,604,119
<b>Cash and cash equivalents at end of year</b>		4,258,118	8,298,319

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### Charity information

Opera North Limited is a private company limited by guarantee incorporated in England and Wales and registered as a charity under the Charities Act 2011 (registered charity number 511726). The registered office is Howard Opera Centre, 8 Harrison Street, Leeds, LS1 6PA.

Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up during the time that they are a member, or within one year after they cease to be a member, for payment of the debts and liabilities of the company contracted before the time they ceased to be a member, and of the costs, charges and expense of winding up the same, and for the adjustment of the rights of the contributors themselves, such amount as may be required not exceeding one pound.

##### Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, including the adoption of the amendments issued in December 2017 (FRS 102)", the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Opera North Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

##### Basis of consolidation

The consolidated financial statements incorporate those of the Company, Opera North Limited, and its wholly owned trading subsidiary, Opera North Trading Limited (i.e. an entity that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Opera North Trading Limited began trading on 23 September 2014.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements the subsidiary to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### Parent Statement of Financial Activities

As permitted by s408 Companies Act 2006, the charitable company has not presented its own Statement of Financial Activities as it prepares group accounts and the notes accompanying the charity balance sheet show its gross income and deficit for the financial year.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### Going concern

The Trustees have reviewed the financial position of the charity and group alongside the forecast income and expenditure and cashflow to 31 March 2024. They have considered preliminary projections up to 2026. They have considered the uncertainties arising from Covid-19 and inflation and the potential impact on forecasts. Forecasts are considered reasonable with regard to the information available.

Forecasts assume there will be continued funding support from key donors, including Arts Council England. Opera North had a 4-year NPO funding agreement in place with Arts Council England for the period from April 2018 to March 2022. In March 2020, this agreement was extended for a further year to March 2023. Like other arts organisations, Opera North have applied for continued NPO funding from 2023 to 2026. The outcome of this application will not be known until October 2022. It is considered a reasonable assumption that funding will continue beyond 2023.

When reviewing forecasts, the Trustees have taken into account the level of restricted income Opera North has and the level of unrestricted income and forecast reserves.

The Trustees have also considered the position of the charity's mortgage on its long leasehold storage property. A new 10 year agreement was agreed and put in place in October 2021.

The completion of the building project in 2022 has reduced the financial risk of the organisation and the Trustees were pleased that sufficient funds were secured to complete the works.

A designated fund of £1m remains in place, set aside for new business plan investment. Free reserves, whilst reduced in the year, remain healthy and in line with our target. On the strength of the reserves levels and the other considerations above, the trustees have concluded they have reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Charitable funds

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. Unrestricted funds earmarked for particular purposes by the trustees are designated as separate funds. The designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund.

Restricted funds are funds subject to specific trusts, which have been declared by the donor(s) but still within the objects of the charity.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### 1 Accounting policies (Continued)

##### **Incoming resources**

Income from grants, including the Coronavirus Job Retention Scheme grant, or donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

In the case of a grant, evidence of entitlement usually exists when a formal offer of funding is communicated in writing. In the case of unrestricted donations from individuals, entitlement usually arises on receipt. In the case of legacy income, entitlement arises on notification by executors.

Recognition of income is deferred only when the company has to fulfil terms or conditions before becoming entitled to it, such as a restriction, by the donor, that the income can only be expended in a future period.

Donations in the form of assets are included in the balance sheet at their estimated value on receipt.

Box office income is recognised on staging of the related performance. Income from co-productions and income from production hires are recognised on fulfilment of contractual terms.

Rental income is recognised on a receivable basis. Investment income comprises interest received on cash balances.

##### **Resources expended**

Expenditure is accounted for on an accruals basis and is recognised when a liability is incurred. Irrecoverable VAT is included in the relevant cost category to which it relates. Production costs are written off at the first performance and no residual values are carried forward. Expenditure on future productions is included in prepayments.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the staging of concerts, operas, education events and projects and include both direct and indirect costs relating to these activities on a proportional basis.

Interest payable is recognised on an accruals basis.

Governance costs include those costs incurred in defining the strategic direction of the charity and meeting constitutional and statutory requirements.

General support costs associated with the central functions of finance, IT and human resources have been allocated across the departments on a basis consistent with the use of those resources.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Capital expenditure below £500 is not capitalised.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land	No depreciation
Freehold buildings & improvements	5 years to 50 years
Long Leasehold & improvements	3 years to 50 years
Commercial vehicles – leased and owned	3 to 5 years
Equipment and musical instruments	3, 4 or 10 years

Assets under construction have not been depreciated. They were transferred to the relevant asset category at 31 March 2022 and will be depreciated from April 2022.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### **Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### **Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held with banks.

##### **Financial instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies (Continued)

##### **Taxation**

Opera North Limited is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the year. The company and trading subsidiary operate the Theatre Tax Relief scheme and claim a tax credit through the corporation tax system. Following the introduction of Orchestral Tax Relief in April 2016, the Company claim a tax credit through the corporation tax system for this too.

##### **Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **Retirement benefits**

The company contributes a percentage of salary to employees and pays this into the nominated Group Pension Plan, in compliance with regulations and the auto-enrolment framework. Costs are charged to the income and expenditure account as incurred.

##### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the statement of financial activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

##### **Judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities not readily apparent from other sources. The estimates and association assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Apart from the deferral of income, as per the income recognition accounting policy, there are no other areas of estimation uncertainty.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 2 Income from donations and legacies

	2022 £	2021 £
Arts Council England grant	10,577,102	10,577,101
Arts Council England and Department of Education grant	151,000	150,000
DCMS Culture Recovery Fund Grant	-	2,000,000
Local Authorities' grants	416,715	465,000
Trusts and individuals' donations	1,795,018	1,198,616
	<u>12,939,835</u>	<u>14,390,717</u>

Included within the total trust and individuals' donations of £1,795,018 and Arts Council England and Department of Education grant are amounts in respect of donations and grants where the donor has specified a particular activity, project or performance to support as follows:

	2022 £	2021 £
Restricted funds	1,136,887	351,098
	<u>1,136,887</u>	<u>351,098</u>

Arts Council England together with the Leeds City Council are key stakeholders to the company but are not related parties within the definition of the Charities SORP FRS 102.

#### Capital project donations

	2022 £	2021 £
Music Works campaign	354,026	935,577
	<u>354,026</u>	<u>935,577</u>

Included within capital project donations are donations relating to the Music Works campaign of which £354,026 (2021 - £935,577) are amounts which relate to restricted funds.

#### 3 Income from other trading activities

	2022 £	2021 £
<b>Sponsorship and Partnerships</b>		
Corporate & HE partnerships and sponsorships	177,540	119,314
	<u>177,540</u>	<u>119,314</u>

All sponsorship and partnership income is classed as unrestricted income in both years.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 3 Income from other trading activities (Continued)

	2022 £	2021 £
Rental income		
Production hire & co-production income	9,070	-
	<u>9,070</u>	<u>-</u>

All rental income is classed as unrestricted income in the current year.

#### 4 Income from investments

	2022 £	2021 £
Bank interest	2,076	13,359
	<u>2,076</u>	<u>13,359</u>

Included within income from investments is an amount of £nil (2021 - £6,510) in relation to restricted funds.

#### 5 Income from charitable activities

	2022 £	2021 £
Income from productions and performances:		
Opera box office receipts	1,320,745	26,917
Concerts receipts	140,187	35,746
Programme sales	34,300	-
Education and other project activity	423,831	277,848
Sundry Income	79,560	15,932
	<u>1,998,623</u>	<u>356,443</u>

All income from charitable activities is classed as unrestricted income in both years.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 6 Other income

	2022 £	2021 £
Job Retention Scheme grant	-	2,064,073
Reverse premium from Leeds City Council	750,000	-
	<u>750,000</u>	<u>2,064,073</u>

Income recognised in the current year relates to income received from Leeds City Council to take on dilapidated buildings. Income in the prior year relates to furlough income specifically in the period up to October 2020 when staff were furloughed before the award of the Culture Recovery Fund grant.

#### 7 Expenditure on raising funds

	2022 £	2021 £
Fundraising costs of grants and donations can be analysed as:		
Staff costs	257,195	275,724
Direct departmental costs for fundraising materials and events	138,018	40,164
Capital project fundraising	12,135	9,838
General support costs (10% allocation) and depreciation (see note 9)	11,108	23,420
	<u>418,456</u>	<u>349,146</u>

Expenditure of £12,135 (2021 - £nil) included within Capital project fundraising has been classed as restricted.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 8 Expenditure on charitable activities

	Staff costs	Other costs	Depreciation	Total 2022	Total 2021
	£	£	£	£	£
Costs of performing company and related costs	8,139,090	7,097,673	464,711	15,701,474	10,608,438
Governance costs	44,053	81,777	-	125,830	118,946
	<u>8,183,143</u>	<u>7,179,450</u>	<u>464,711</u>	<u>15,827,304</u>	<u>10,727,384</u>
Other costs can be further analysed as:				<b>2022</b>	<b>2021</b>
				£	£
Concert and education programme costs				717,610	437,903
Production and stage management costs				949,866	335,689
Artists, performers and creative teams				2,524,573	593,205
Rehearsal, storage and premises rental				212,830	79,309
Marketing costs				605,154	187,509
Transport				153,919	10,079
Theatre rental and cost share				893,020	33,204
Subsistence and tour travel costs				355,037	(19,705)
General support cost allocation (90%) (see note 9)				650,937	603,409
Interest payable				34,727	32,188
				<u>7,097,673</u>	<u>2,292,790</u>
Governance costs:					
Legal and professional fees				36,549	24,309
Audit fees				29,228	23,200
General office				16,000	16,000
				<u>81,777</u>	<u>63,509</u>
				<u>7,179,450</u>	<u>2,356,299</u>

Within the total cost of productions and performances is an amount of £587,011 (2021 - £365,691) in respect of expenditure on particular activities, projects or performances which have been funded by grants or donations specified for that purpose.

All governance costs are classed as unrestricted expenditure. Of the above governance costs, £3,000 (2021 - £3,700) relates to the subsidiary trading company, Opera North Trading Limited.

During the course of the year, £234,405 (2021 - £361,370) has been expensed in relation to a large-scale capital project. This sum comprises the costs of relocation, project management, architectural and other professional fees.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 9 Support costs

	2022 £	2021 £
IT equipment, licences and maintenance	98,031	138,824
Premises costs	194,832	85,068
Insurance	134,357	145,193
General office costs	234,825	257,744
	<u>662,045</u>	<u>626,829</u>

In both years, support costs have been allocated 90% to expenditure on charitable activities and 10% to costs of raising funds.

### 10 Surplus for the financial year before tax

The surplus for the financial year as shown in the consolidated statement of financial activities is stated:

	2022 £	2021 £
After charging:		
Auditor's remuneration – audit fees	29,227	23,200
Depreciation	464,712	475,860
Operating lease rentals – other	25,562	25,562
Interest payable	<u>34,727</u>	<u>32,188</u>
And after crediting:		
Bank deposit interest	<u>2,076</u>	<u>13,359</u>

### 11 Remuneration of trustees

None of the trustees holding office during the year received any payment for their services as trustees.

The General Director was appointed a trustee on 18 April 2012 and his salary for his services as General Director is included within the upper salary banding in note 13 to these accounts.

In his capacity as General Director and Chief Executive, Richard Mantle OBE received remuneration including benefits amounting to £130,050 (2021 - £130,050). Company pension contributions amounted to £12,118 (2021 - £12,118)

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 12 Related party transactions

One of the trustees, Peter Maniura, was engaged by the charitable company for digital production consultancy services and recording producer in the year. The fees paid in relation to this work during the year was £nil (2021 - £5,144). This arrangement was under an 'arm's length' contract.

Trustee expenses in respect of travel and subsistence relating to board meetings and other related matters totalling £282 (2021 - £nil) were paid in the year for two trustees.

There were donations (including membership payments) to Opera North Limited from the Trustees in the year totalling £67,469 (2021 - £40,006).

During the year the charitable company paid fees totalling £3,000 (2021 - £3,700) on behalf of its subsidiary, Opera North Trading Limited (formerly Opera North Productions Limited).

During the year the charitable company made payments for membership and subscriptions to the National Opera Studio, a charity in which Richard Mantle OBE and Peter Maniura are trustees, totalling £18,419 (2021 - £16,000).

#### *Opera North Future Fund*

The Opera North Future Fund is an independent trust, charity registered number 1122499, the objects of which are to promote and further the objects of Opera North Limited. During the course of the year the Opera North Future Fund has supported the charity in a number of projects and initiatives including the specific programming within Howard Assembly Room, the Opera North Children's Chorus and Youth Company and other education activity, marketing and digital website support, artistic development and chorus mentoring. The total contribution from the Future Fund in the financial year was £306,000 (2021 - £nil). During the course of the year, Opera North Limited paid costs on behalf of Opera North Future Fund amounting to £21,911 (2021 - £53,854) and received income on behalf of Opera North Future Fund amounting to £nil (2021 - £5,500). At the year-end, Opera North Limited was owed £249,364 (2021 - £197,453) by Opera North Future Fund which is shown in other debtors.

#### *Friends of Opera North*

As stated in the Trustees Report, The Friends of Opera North is a separately registered charity, charity registered number 507574. Following a review of the Friends' constitution a decision was taken in December 2014 to more fully integrate with Opera North Limited. The Executive Committee, with approval of the members of the Friends of Opera North, voted to elect the Trustees of Opera North as the new Trustees of The Friends of Opera North. For the purposes of these accounts the two charities are being treated as entirely separate. During the course of the year, £140,000 (2021 - £nil) has been contributed by Friends of Opera North to the Charity for production support and costs of £4,578 (2021 - £9,924) were paid on behalf of Friends of Opera North. At the year-end, Opera North Limited was owed £143,242 (2021 - £795) by Friends of Opera North which is shown in other debtors.

#### 13 Staff numbers and costs

##### **Number of employees**

The average number (head count) of permanent staff employed by the company during the year, analysed by category, was as follows:

	2022 Number	2021 Number
Orchestra, chorus and music	94	97
Technical	45	45
Administration, Education and Projects	91	89
	<u>230</u>	<u>231</u>



# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 13 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£	£
Wages and salaries	7,451,813	7,098,125
Social security costs	657,611	660,548
Pension costs	371,914	384,940
	<u>8,481,338</u>	<u>8,143,613</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2022	2021
	Number	Number
£60,000-£69,999	4	4
£130,000-£139,999	1	1

Company pension contributions in respect of the above employees totalled £43,689 (2021 - £42,035) in the year.

The number of directors to whom retirement benefits under defined contribution schemes are accruing during the year was 1 (2021 – 1).

The aggregate remuneration of key management personnel during the year was £771,832 (2021 - £768,001). Key management personnel is made up of the senior management team employees.

The company also employed casual staff at various times during the year.

#### 14 Taxation

The theatre tax credit and orchestral tax credit for £736,156 (2021 - £nil), relates to relief claimed in respect of expenditure directly attributable to productions and concerts in the year. This is following HMRC legislation which came into effect on 1 September 2014 for theatres and allows production companies which carry on a separate trade relating to theatrical production to claim relief of up to 25% on expenditure which is directly attributable to a production, and orchestral tax credit which came into effect on 1 April 2016 and similarly allows relief of 25% for eligible concert expenditure. For the year ended 31 March 2021, the level of tax claimable was considered minimal due to the lack of performance opportunities. The claim for 2021 was undertaken alongside the March 2022 claim.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 15 Tangible fixed assets

	Freehold property and improvements	Long leasehold and improvements	Commercial vehicles	Assets under construction	Equipment and musical instruments	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2021	6,273,074	9,049,405	259,240	12,440,850	1,986,886	30,009,455
Additions	-	16,991	-	3,622,321	273,233	3,912,545
Disposals	(192,701)	-	-	-	-	(192,701)
Transfers	8,634,250	7,222,989	-	(16,063,171)	205,932	-
At 31 March 2022	14,714,623	16,289,385	259,240	-	2,466,051	33,729,299
<b>Depreciation</b>						
At 1 April 2021	2,267,588	1,976,494	177,102	-	1,781,955	6,203,139
Charge for year	113,180	204,237	31,338	-	115,957	464,712
Disposal	(192,701)	-	-	-	-	(192,701)
At 31 March 2022	2,188,067	2,180,731	208,440	-	1,897,912	6,475,150
<b>Carrying amount</b>						
At 31 March 2022	12,526,556	14,108,654	50,800	-	568,139	27,254,149
At 31 March 2021	4,005,486	7,072,911	82,139	12,440,850	204,931	23,806,317

During the year, the major capital project Music Work was completed, subject to final snagging and completion works. As such the capital costs incurred were transferred from assets under construction to appropriate fixed asset categories. Depreciation on these costs is to commence from 1 April 2022 over the relevant useful lives as outlined within the accounting policies.

Within Freehold Land and Buildings is a land value of £550,000 (2021 - £550,000) upon which no depreciation has been charged.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 15 Tangible fixed assets (continued)

Included within Commercial Vehicles are some assets held under finance leases. There has been depreciation charged on these assets totalling £23,838 during the year and the net book value at the year end was £46,676.

Historically, Arts Council England made a substantial donation to various parties, including Opera North, with regard to the capital project to refurbish the Leeds Grand Theatre and build production rehearsal and performance premises for Opera North. On 10 June 2009, legal documentation in the form of a 'Guarantee and Legal Charge' Deed was finalised giving Arts Council England a fixed registered charge on the freehold building asset. This charge can only be exercised if certain conditions are not met, the main condition being that the site is used for office and rehearsal facilities for a period of 20 years from September 2006. The charge has been registered at Companies House by the Arts Council England solicitors.

Included within Long Leasehold Buildings is a warehouse storage facility at Kirkstall, Leeds. This has been purchased using loan finance from HSBC bank. In addition to the warehouse facility, HSBC bank has taken a charge on the company's freehold offices, known as Howard Opera Centre, by way of additional security, limited to £1,150,000 to reflect the existing charge to Arts Council England.

#### 16 Investment in subsidiary and other current asset investments

The fixed asset investment comprises a 100% holding in the share capital of Opera North Trading Limited which was incorporated on 23 September 2014 and provides production related services to Opera North Limited. The registered office of Opera North Trading Limited is Howard Opera Centre, 8 Harrison Street, Leeds, West Yorkshire, LS1 6PA. The aggregate amount of share capital and reserves of Opera North Trading Limited as at 31 March 2022 was £19,892 (2021 - £23,605) and the loss for the year was £3,713 (2021 – loss of £3,813).

#### 17 Debtors

	2022	Group	2022	Charity
	2021	2021	2021	2021
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	305,536	41,533	305,536	41,533
Stock	1,740	-	1,740	-
Other debtors	697,011	572,575	697,011	572,575
Theatre & Orchestra tax credit	736,156	-	736,156	-
Prepayments and accrued income	1,503,709	1,524,001	1,503,709	1,524,001
	<u>3,244,152</u>	<u>2,138,109</u>	<u>3,244,152</u>	<u>2,138,109</u>
	2022	Group	2022	Charity
	2021	2021	2021	2021
	£	£	£	£
<b>Amounts due after more than one year:</b>				
Prepayments and accrued income	36,212	16,582	36,212	16,582
	<u>36,212</u>	<u>16,582</u>	<u>36,212</u>	<u>16,582</u>

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 18 Creditors

##### Amounts falling due within one year

	2022	Group	2022	Charity
	£	2021	£	2021
		£		£
Bank loans and overdrafts	108,036	1,285,995	108,036	1,285,995
Obligations under finance leases	20,577	20,577	20,577	20,577
Trade creditors	909,023	765,973	908,975	765,973
Social security and other taxes	189,494	151,080	189,494	151,080
Accruals and deferred income	973,222	1,038,022	970,222	1,034,325
Other creditors	96,962	99,199	96,962	99,199
Amounts owed to group undertakings	-	-	743	26,465
	<u>2,297,314</u>	<u>3,360,848</u>	<u>2,295,009</u>	<u>3,383,611</u>

Included within other creditors is an amount totalling £56,079 (2021 - £55,620) in relation to a pension creditor.

#### 19 Deferred income

Deferred income comprises income whereby the charity must fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

	Group	Charity
	£	£
At 1 April 2021	177,505	177,505
Amount released to the Statement of Financial Activities	(177,505)	(177,505)
Amount deferred in the year	378,183	378,183
At 31 March 2022	<u>378,183</u>	<u>378,183</u>

Deferred income has arisen in relation to advance box office and sales income that relates to events scheduled after the year end.

#### 20 Creditors

##### Amounts falling due after one year

	Group	Charity
	2022	2021
	£	£
Bank loans and overdrafts	1,080,252	-
Obligations under finance leases	38,325	58,902
	<u>1,118,577</u>	<u>58,902</u>
	<u>1,118,577</u>	<u>58,902</u>

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 21 Analysis of debt

Analysis of bank loan repayments:	2022 £	2021 £
Due within one year	108,036	1,285,995
Due between one year and two years	1,080,252	-
At 31 March 2022	<u>1,188,288</u>	<u>1,285,995</u>

The bank loan was initially taken out in September 2011 to purchase a new storage facility at Kirkstall, Leeds. An additional loan of £250,000 was drawn down in September 2012 for refurbishment costs and fit out for the warehouse. For the first 12 months the loans were on an interest only basis. In October 2016, the two loans were consolidated and renewed to a more favourable interest rate. In October 2021 the loan was reorganised with HSBC into a 10 year loan of £1,232,419. Interest is charged at 3.15% fixed for a period of 5 years. Interest of £31,329 (2021 - £28,789) has been charged in the period for this loan.

Bank loans and overdrafts of £1,188,288 (2021 - £1,285,995) and obligations under finance leases of £58,902 (2021 - £79,479) are all secured by the charity. Bank loans and overdrafts are secured by a legal mortgage against the freehold property and leasehold property held by the charity. Obligations under finance leases are secured by fixed charges on the assets to which they relate.

#### 22 Restricted funds

The income funds of the group include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021 £	Movement in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £	
Music Works	13,924,983	354,026	(246,539)	-	14,032,470
Community Partnership projects	58,300	2,000	(19,050)	-	41,250
Leverhulme Trust supported activity	189,621	-	(55,194)	-	134,427
In Harmony education programme	192,958	182,000	(182,000)	-	192,958
Other education projects	-	614,800	(214,800)	-	400,000
Parsifal Circle	65,840	227,394	(4,196)	-	289,038
Dementia friendly	-	5,000	(5,000)	-	-
Howard Assembly Room / Projects	-	58,000	(58,000)	-	-
Kirklees activities	209	228	(437)	-	-
Talent development	870	26,000	(26,870)	-	-
Other restricted funds	246	21,465	(21,465)	-	-
Total restricted funds	<u>14,433,027</u>	<u>1,490,913</u>	<u>(833,551)</u>	<u>-</u>	<u>15,090,389</u>

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 22 Restricted funds (continued)

	Balance at 1 April 2020	Incoming resources	Movement in funds Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Music Works	13,026,965	898,018	-	-	13,924,983
Community Partnership projects	76,296	1,000	(18,996)	-	58,300
Leverhulme Trust supported activity	192,964	-	(3,343)	-	189,621
In Harmony education programme	161,167	176,616	(144,825)	-	192,958
Other education projects	100,000	60,550	(160,550)	-	-
Parsifal Circle	47,025	18,815	-	-	65,840
Howard Assembly Room / Projects	-	37,460	(37,460)	-	-
Kirklees activities	-	209	-	-	209
Talent development	870	-	-	-	870
Other restricted funds	246	517	(517)	-	246
	<u>13,605,533</u>	<u>1,193,185</u>	<u>(365,691)</u>	<u>-</u>	<u>14,433,027</u>

Restricted funds of £15,090,389 (2021 - £14,433,027) comprises the following funds:

Music Works of £14,032,470 (2021 - £13,924,983), was the fundraising campaign to enable a significant capital redevelopment project to transform the Leeds premises and allow for planned increased activity in the new space. The Company's transformed buildings are a welcoming home for everyone; a place for artists to make thrilling music; developing talent and inspiring audiences; and cements Opera North as a creative powerhouse in the heart of Leeds. The Music Works project and buildings is significantly completed at year end and the trustees are reviewing the fund allocation between restricted and designated moving forward, which will be slowly reduced by depreciation each year.

Community Partnerships Projects of £41,250 (2021 - £58,300). These are projects to work with disadvantaged communities in Leeds and help to transform the lives of people through music and opera.

Leverhulme Trust supported activity of £134,427 (2021 - £189,621) which contributes to programmes supporting the development of young artists, usually at the outset of their careers through a range of activities, including residencies.

In Harmony education project of £192,958 (2021 - £192,958) which takes place in several schools in South Leeds. It seeks to deliver an inclusive programme of high-quality music education and performance opportunities in order to encourage young people from all backgrounds to engage with the arts and, through doing so, benefit from a range of wider outcomes.

Other education projects of £400,000 (2021 - £Nil). These are funds that are given to Opera North to support either specific education projects or general education work.

Parsifal Circle funds of £289,038 (2021 - £65,840) are generated to support the 2022 production of Parsifal.

Howard Assembly Room funds are those given to support the work of both the concert series in the Howard Assembly Room and also the related off-site Project department work undertaken in other venues.

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 23 Unrestricted funds Group

	Balance at 1 April 2021	Incoming resources	Movement in funds			Balance at 31 March 2022
	£	£	Resources expended	Transfers	Theatre and Orchestral tax credit	£
Designated funds	2,728,792	750,000	-	-	-	3,478,792
General unrestricted funds	13,727,760	13,990,257	(15,646,614)	-	736,156	12,807,559
Total unrestricted funds	16,456,552	14,740,257	(15,646,614)	-	736,156	16,286,351

	Balance at 1 April 2020	Incoming resources	Movement in funds			Balance at 31 March 2021
	£	£	Resources expended	Transfers	Theatre and Orchestral tax credit	£
Designated funds	516,600	-	(371,208)	2,583,400	-	2,728,792
General unrestricted funds	10,325,863	16,686,298	(10,701,001)	(2,583,400)	-	13,727,760
Total unrestricted funds	10,842,463	16,686,298	(11,072,209)	-	-	16,456,552

### Charity

	Balance at 1 April 2021	Incoming resources	Movement in funds			Balance at 31 March 2022
	£	£	Resources expended	Transfers	Theatre and Orchestral tax credit	£
Designated funds	2,728,792	750,000	-	-	-	3,478,792
General unrestricted funds	13,704,156	13,990,257	(15,642,901)	-	736,156	12,787,668
Total unrestricted funds	16,432,948	14,740,257	(15,642,901)	-	736,156	16,266,460

	Balance at 1 April 2020	Incoming resources	Movement in funds			Balance at 31 March 2021
	£	£	Resources expended	Transfers	Theatre and Orchestral tax credit	£
Designated funds	516,000	-	(371,208)	2,583,400	-	2,728,792
General unrestricted funds	10,298,445	16,686,298	(10,697,187)	(2,583,400)	-	13,704,156
Total unrestricted funds	11,143,110	16,686,298	(11,068,395)	-	-	16,432,948

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 23 Unrestricted funds (Continued)

##### Further analysis of designated funds

##### Group and Charity

	Balance at 1 April 2021	Incoming resources	Movement in funds Resources expended	Transfers	Theatre and Orchestral tax credit	Balance at 31 March 2022
New business plan investment	1,000,000	-	-	-	-	1,000,000
Music works property reserve	1,728,792	750,000	-	-	-	2,478,792
Total designated	<u>2,728,792</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,478,792</u>

	Balance at 1 April 2020	Incoming resources	Movement in funds Resources expended	Transfers	Theatre and Orchestral tax credit	Balance at 31 March 2021
Future sustainability	516,600	-	-	(516,000)	-	-
New business plan Investment	-	-	-	1,000,000	-	1,000,000
Music works property reserve	-	-	(371,208)	2,100,000	-	1,728,792
Total designated funds	<u>516,600</u>	<u>-</u>	<u>(371,208)</u>	<u>2,583,400</u>	<u>-</u>	<u>2,728,792</u>

Designated funds of £516,600 arose during the year ended 31 March 2019 and were earmarked by the trustees to support future sustainability. This designation was transferred back to unrestricted funds during the year ended 31 March 2021.

Two further designated funds were earmarked by the trustees during the year ended 31 March 2022 to support the charity's new business plan and the Music Works capital project. A further £750,000 of income was received from Leeds City Council by way of a reverse premium lease payment designated for the Music Works project during the year ended 31 March 2022.

The fund of £1,000,000 is to be used in future years as per internal plans in place. The balances held in both designated funds and restricted funds in relation to Music Works will be reduced by annual depreciation with effect from 1<sup>st</sup> April 2022 in line with depreciation on the assets. The presentation of these funds going forward within the fixed asset depreciation reserve will be determined by trustees during the 2022/23 financial year.

Unrestricted funds comprise an operating reserve for general purposes and a fixed asset depreciation reserve for the office premises, rehearsal studios and Howard Assembly Room building and related equipment. The fixed asset depreciation reserve is reduced each year by the annual depreciation charge on the relevant assets. Other depreciation on technical and office equipment and musical instruments is written off through the operating reserve. See the table below.



# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 23 Unrestricted funds (continued)

		Movement	
	2021	in year	2022
	£	£	£
Operating reserve	4,575,071	(681,998)	3,893,073
Designated funds	2,728,792	750,000	3,478,792
Fixed asset depreciation reserve	9,152,689	(238,203)	8,914,486
Total	<u>16,456,552</u>	<u>(170,201)</u>	<u>16,286,351</u>

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 24 Analysis of net assets between funds Group

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	13,271,986	13,982,163	27,254,149
Cash at bank and Other net current assets	4,132,942	1,108,226	5,241,168
Long term liabilities	(1,118,577)	-	(1,118,577)
	<u>16,286,351</u>	<u>15,090,389</u>	<u>31,376,740</u>

Of Fixed assets held within unrestricted funds of £13,271,986, balance of £2,204,934 has been purchased from designated funds (Music Works property reserve) as at 31 March 2022.

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	11,365,467	12,440,850	23,806,317
Cash at bank and Other net current assets	5,149,987	1,992,177	7,142,164
Long term liabilities	(58,902)	-	(58,902)
	<u>16,456,552</u>	<u>14,433,027</u>	<u>30,889,579</u>

#### Analysis of net assets between funds Charity

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	13,271,986	13,982,163	27,254,149
Cash at bank and Other net current assets	4,113,051	1,108,226	5,221,277
Long term liabilities	(1,118,577)	-	(1,118,577)
	<u>16,266,460</u>	<u>15,090,389</u>	<u>31,356,849</u>

Of Fixed assets held within unrestricted funds of £13,271,986, balance of £2,204,934 has been purchased from designated funds (Music Works property reserve) as at 31 March 2022.

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	11,365,468	12,440,850	23,806,318
Cash at bank and Other net current assets	5,126,382	1,992,177	7,118,559
Long term liabilities	(58,902)	-	(58,902)
	<u>16,432,948</u>	<u>14,433,027</u>	<u>30,865,975</u>

# OPERA NORTH LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

25 Cash generated from operations	2022 £	2021 £
Surplus for the year	487,161	6,441,583
Adjustments for:		
Net investment income	-	-
Depreciation of tangible fixed assets	464,712	475,860
Impairment of current asset investments	-	25,000
Movements in working capital:		
Decrease/(increase) in debtors	(1,125,673)	1,632,981
Increase in creditors	114,388	282,265
<b>Cash generated from operations</b>	<b>(59,412)</b>	<b>8,857,689</b>

### 26 Analysis of changes in net debt

	Balance at 1 April 2021 £	Cash flows £	Other non-cash changes £	Balance at 31 March 2022 £
<b>Cash and cash equivalents</b>				
Cash	8,298,319	(4,040,201)	-	4,258,118
	8,298,319	(4,040,201)	-	4,258,118
<b>Borrowings</b>				
Debt due within one year	(1,285,995)	171,791	1,006,168	(108,036)
Debt due after one year	-	-	(1,080,252)	(1,080,252)
	(1,285,995)	171,791	(74,084)	(1,188,288)
<b>Total</b>	<b>7,012,324</b>	<b>(3,868,410)</b>	<b>(74,084)</b>	<b>3,069,830</b>

### 27 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	20,478	75,957
Between one and five years	4,848	12,546
	<b>25,326</b>	<b>88,503</b>

### 28 Capital commitments

There are capital commitments at 31 March 2022 totalling £nil therefore no provision has been made (2021 - £1,739,555).

# **OPERA NORTH LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **29 Charity Statement of Financial Activities**

The charitable company has taken advantage of the exemptions afforded by Section 408 of the Companies Act and has not included its own income and expenditure account in these financial statements.