

GRANGE PARK OPERA
FINANCIAL STATEMENTS
31 AUGUST 2017

Registered number

3490791

THURSDAY



LD5 *L774PMLK* #134
31/05/2018
COMPANIES HOUSE

GRANGE PARK OPERA

LEGAL AND ADMINISTRATIVE INFORMATION

Status

The organisation is a charitable company limited by guarantee, incorporated on 6 January 1998 and registered as a charity on 11 February 1998.

The company was established under a memorandum of association which specifies the objects and powers of the charitable company and it is governed under its articles of association.

The company registered number is 3490791 and charity number is 1068046.

Board of directors

The board of directors are also trustees and are as follows:

Simon Freakley (chairman)	Sir David Davies
Joanna Barlow	Dame Vivien Duffield
Anthony Bugg	Jeremy Farr
Prof Iain Burnside	David Kershaw
Susan Butcher	Keith Weed
Mary Creswell	

Company secretary

Eleanor Cranmer

Chief executive

Wasfi Kani

Registered office

1st Floor Long Barn
Sutton Manor Farm
Bishop's Sutton
Alresford
Hampshire
SO24 0AA

Auditors

WSM Advisors Limited
Chartered Accountants and Registered Auditors
Connect House
133-137 Alexandra Road
London
SW19 7JY

Bankers

Barclays Bank plc
Kingsland
PO Box 3628
London
E8 2JK

GRANGE PARK OPERA

TRUSTEES' ANNUAL REPORT

31 AUGUST 2017

Grange Park Opera was founded in 1998. Each year it has conceived and delivered new internationally recognized productions and created significant seasonal employment. The seven week festival in June and July 2017 was GPO's inaugural festival at West Horsley Place in Surrey, in a newly-built opera house.

Structure, governance and management

The trustees present their report and the audited financial statements of the charitable company and its wholly owed subsidiary GPO Productions Limited for the year ended 31 August 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the charity's Memorandum and Articles of Association, 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 (FRS 102) as amended for accounting periods commencing from 1 January 2016.

Reference and administrative information set out on page 1 forms part of this report.

Details of GPO Productions Limited are set out in note 18.

The board of directors are also trustees and are as follows:

Simon Freakley (chairman)	
Joanna Barlow	
Anthony Bugg	
Prof Iain Burnside	
Susan Butcher	Appointed 1 November 2017
Mary Creswell	Appointed 14 September 2016
Sir David Davies	
Dame Vivien Duffield	
Jeremy Farr	
David Kershaw	Appointed 1 November 2017
Keith Weed	Appointed 19 February 2018

Hamish Forsyth and Emma Kane resigned as directors on 1 November 2017.

New trustees are appointed by the existing trustees on the basis that they will provide the board with skills and experience appropriate to the needs of the charity. They are usually already familiar with Grange Park Opera, but are also given additional background information by the board and management of the charity by way of induction. Board members retire by rotation every three years, but continue to be eligible for re-election. Macfarlanes Solicitors undertook an independent review of governance at Grange Park Opera in 2014, reporting their findings and recommendations to the Board, which implemented in full.

The board meets at least three times a year and is responsible for the strategic direction and policy of the charity. Day to day responsibility is delegated to the chief executive who reports to the Chairman on a regular basis.

Objectives

The objects of the charity

The objects of the charity are to advance education through the promotion, support and encouragement of the art of music and drama and in particular the promotion, encouragement and appreciation of opera.

GRANGE PARK OPERA

TRUSTEES' ANNUAL REPORT cont.

31 AUGUST 2017

Objectives - cont.

Mission statement

Grange Park Opera exists to create high quality productions that inspire, challenge, and entertain, to reach out to a wide audience including those who have never experienced opera, to encourage learning and appreciation of opera, and to make a meaningful contribution to the wide artistic community.

At the heart of the company is a commitment to presenting both international and rising talent and to abolish the myth of elitism that surrounds opera.

Grange Park Opera works closely with sister charity Pimlico Opera on remarkable outreach programmes in prisons and primary schools.

Strategies for achieving objectives

- 1 Produce productions of the highest possible standard each year, with a mix of the traditional and unexpected, within the resources available.
- 2 Appoint prestigious and internationally renowned stage directors, conductors, designers, and singers, striving for ever higher artistic standards. Engage highly regarded orchestras of international quality.
- 3 Provide opportunities and support for young singers by appointing them to smaller principal roles when appropriate, and appointing chorus members to other small roles.
- 4 Create many job opportunities for other artists, creative and technical professionals.
- 5 Nurture younger artists with scholarships and performance development.
- 6 To widen the audience demographic and pioneer new initiatives for the younger audience.
- 7 To increase awareness of the festival; reaching out to new relationships and maximizing the existing ones:
- 8 Collaborate with and support Pimlico Opera's work in prisons and primary schools.
- 9 Broaden income streams.
- 10 Balance the charity's supply of opera and other events against demand.
- 11 Carry out appropriate Risk Assessments for all areas and activities so that the risks may be minimised and the activities carried out as safely as possible.
- 12 Operate, wherever possible, in a sustainable way with a view to reducing our environmental impact.

Review of activities

The Productions

Three successful and acclaimed productions were staged in 2017, a remarkable feat given that the Theatre in the Woods did not exist 11 months before the opening night; the contractors were leaving as the audience arrived for the emotional opening night of Puccini's *Tosca* with an outstanding Joseph Calleja singing Cavaradossi. Janacek's *Jenufa* received universal critical acclaim with stand out performances from Natalya Romaniw and Susan Bullock and the theatre's acoustics helped to deliver an incredible production of Wagner's *Die Walkure*. Other notable performances included the tenors Nicky Spence and Peter Hoare in *Jenufa*; Roland Wood as Scarpia in *Tosca*; Thomas Hall and Jane Dutton, making their GPO debuts in *Die Walkure* alongside the returning Bryan Register, Sarah Fulgoni and Claire Rutter, in less familiar roles, together with immense contributions from Stephen Barlow and Stephen Medcalf and Jamie Varten's ingenious design. The season concluded with an incredible evening with Bryn Terfel and Prima Ballerina Zenaida Yanowsky. Every single person involved in the productions made an outstanding contribution to the success of our first season at The Theatre in the Woods, coping without complaint with some difficult rehearsal conditions as work on the theatre continued in parallel.

GRANGE PARK OPERA

TRUSTEES' ANNUAL REPORT cont.

31 AUGUST 2017

Review of activities - cont.

Overall the trustees believe that Grange Park Opera will be greatly strengthened by the move, although there will be challenging transitional years. The first year was a great success and a remarkable achievement and the incredible support received from donors has put the charity on what the trustees believe to be a firm and secure financial footing which will see its continued success and enhance the delivery of its charitable objectives. Notwithstanding the considerable financial contribution to the capital costs by supporters, the season itself almost broke even with ticket sales up on 2016, 1,987 new lead bookers and increased programme sales and catering compared to 2016. Commercial sponsors and advertising increased year on year but there were reductions in annual donors and singer sponsors due to the re-direction of funds from supporters to the capital fund. The management of GPO expect these donations and sponsorships to return to at least prior levels as the need for capital funds diminishes.

As in previous years, the operas were reviewed by the national press and bloggers and online reviewers, who also play an important role in influencing public perception.

Membership and support

In November 2015, a £10m capital campaign was launched to build the new theatre in Surrey. The £10m goal was achieved in July 2017 and the appeal target has since been raised to £14m to include a lavatory block (the Lavatorium Rotundum), an exterior canopy, and an Endowment Fund to secure long-term financial support for the charity. Roughly 800 donors supported the festival revenue stream with gifts of £1,100 and less. A further 47 donors made larger gifts of £2,000 and over.

Engendering a sense of family is key to donor retention and development. Outside the festival period there were more than a dozen receptions for members and ticket buyers. Younger artists are engaged to perform at for these events, which provide valuable experience. Members' outings included visits to West Horsley Place and 'happenings' included a master class with young singers given by Stephen Barlow.

The Meteors scheme for Under-35s was started in 2009. In January 2013 GPO formed a Meteor Board whose members create events for younger opera lovers in London and give a voice to the younger audience demographic. There are now nearly 1,000 Meteors registered with GPO. They can buy seats for £30. Senior Meteors volunteer to talk to audience members as "hosts" during the festival and this initiative has been a huge success, increasing the engagement of the charity with the audience.

There is a very small corporate presence at GPO and it remains predominantly a place for individuals to attend in small parties. Corporate benefactors made up less than 5% of the audience. The charity remains very grateful to its corporate benefactors and in particular to LEX for their longstanding support. The Clore Duffield Foundation made an exceptionally generous contribution to the charity. Other major donors in excess of £100k include Michael & Hilary Cowan, Michael Spencer, William Garrett, and the Geoff and Fiona Squire Foundation.

GPO is also grateful for support from its partners who have done much to increase awareness of the festival, including Fortnum & Mason, Financial Times, Savills and Laurent-Perrier. Bell Pottinger provided helpful pro bono advice during the year.

Public benefit

In recognising our responsibilities as a charity and consistent with the requirements of the Charities Act, we have continued to record our public benefit activities.

GRANGE PARK OPERA

TRUSTEES' ANNUAL REPORT cont.

31 AUGUST 2017

Review of activities - cont.

The venue

During the year Grange Park Opera substantially completed the new opera house at West Horsley Place, with 11 months between the receipt of planning permission and the opening night. To build a permanent structure for opera in the UK is an extraordinary and rare achievement and Grange Park Opera is immensely proud to have made this contribution to the cultural life of the nation for a second time. The trustees believe that Grange Park Opera's activities at West Horsley Place will also prove invaluable to the Mary Roxburghe Trust as they pursue their own charitable objects, including repairs to the historic house. During the year a 99 year lease was signed with the Trust.

The brief for the new Theatre in the Woods was the horseshoe shape of La Scala with four tiers of balconies to achieve a reverberation of 1.4 to 1.6 seconds. The overall seating capacity is greater than the previous theatre and a larger orchestra pit and wing space expands the possible repertoire.

In addition to the benefits of the new theatre, this magical new location has the marked advantage for many in our audience of being closer to London. There is a train station just a mile away, which may make enjoying GPO easier for some members of our audience, especially younger people. GPO responded by offering 50 Meteor tickets each night. Furthermore, these tickets were offered (a) before booking opened to the general public and (b) in all parts of the auditorium.

There is also the possibility of year round creative activities, where GPO is looking forward to fruitful engagement with the plans that the Mary Roxburghe Trust is developing for the overall site.

People

- GPO gave work to around 350 people, of whom around 60 were from the local area.
- GPO engaged around 45 chorus singers, as a result of auditioning over two hundred singers, some of whom are recent graduates from music colleges.
- Many roles are in specialist theatrical skills (wigs, costumes, etc.) where GPO's high quality productions offer valuable experience and contributes to the UK's exceptional skill base in these areas.
- More than 20 local volunteers reporting to the Head of Volunteers undertook a broad range of duties from greeting visitors to helping prepare the site and prune the roses.
- GPO has not tried to quantify the wider contribution to the local economy: bed and breakfasts, taxis and other suppliers who are supported by the festival.
- There are 15 central staff and several consultants engaged on opera business throughout the year.

Access

13 local school children were in the production as chorus for Tosca and Jenufa.

Musical chairs are free seats for young people who simply would not otherwise be able to come to the opera. Some are music students and others are just inquisitive. 41 seats were given in 2017. Many come to see their first opera – or make their first visit to a theatre.

A further 105 free performance tickets were given to schoolchildren.

540 Meteors attended as part of our reduced price scheme for the Under-35s.

GRANGE PARK OPERA

TRUSTEES' ANNUAL REPORT cont.

31 AUGUST 2017

Review of activities - cont.

Scholarships

Alongside international artists in principal roles, the charity employs 36 younger singers in the chorus, as understudies and in smaller roles. They benefit greatly from the skill and experience of their elders. During the audition process, certain younger singers stand out as exceptional. Of those, some are unable to finance lessons/coaching. This comes to light in their response to the question, "when did you last have a lesson?" It is these singers who need support.

Throughout their professional lives, singers need lessons/coaching. At a time when their earning capacity is lowest, the need for this costly training is greatest in order for them to achieve their potential. The size of scholarships varies; some might receive £500 towards lessons/coaching to learn a cover role; for others support is more significant.

We monitor how their scholarship is spent by paying teachers direct; we evaluate vocal progress by re-auditioning; at the end of the festival, we gather testimonials from recipients.

Performance development

The ethos of GPO is to nurture young singers in operas with high production values. They start off in the chorus. Younger artists partly learn by example. Sharing the stage with international artists, they learn not only how to conduct themselves on stage, but also how to prepare, warm up, pace their performances and rest.

After a year or two some returning singers might be given a small named role and they might 'cover' (understudy) a role. In recent years seven singers have benefitted from this multi-year journey.

Pimlico Opera

The office staff of GPO also work on the outreach activities of sister charity Pimlico Opera. The initiatives could not be more different and are directed at those who are less fortunate or have troubled lives. Pimlico Opera's Primary Robins was in its fourth year in 2016/17 and gave more than 1,400 primary school children a weekly half-hour singing class. For the 2017/18 school year there are 2,000 Robins.

In October 2017 Pimlico Opera staged a highly successful production of *Les Miserables* in Highdown Prison, Surrey.

Charitable support

Grange Park Opera supports many charities by donating tickets for auction. Charities supported include:

Academy of St Martin in the Fields, Anthony Nolan, Barbican Centre Trust, BRIGHT Cancer Care, British Youth Opera, Cambridge BID, Cancer Research UK, Child Autism UK, Childline & NSPCC, Combat Stress, Dreamflight, GRACE Charity, Greenmead Primary School, Prader Willi Syndrome & Rokeby School, Helford River Children's Sailing Trust, Howard of Effingham School, Marymount International School London, Polesden Lacey Infant School, Polka Theatre, Princess Alice Hospice, READ College, Royal College of Music, RNLI in British & Irish Waters, Rugby Portobello Trust, Saddle Sand Sea, Seenaryo, arts and education with refugees in Lebanon, Southend Hospital Charity, SSAFA, the Armed Forces charity, The Brain Tumour Charity, The Royal British Legion, The Opera Awards Foundation, The Victoria Foundation, Topic of Cancer - 'Providing Support and Funding Immunotherapy Research', Women's Aid, XLP - London Youth Charity, Young Epilepsy. The charity partner is Queen Elizabeth's Foundation for Disabled People.

Connected charity

Grange Park Opera has an associated charity, Pimlico Opera, governed by a separate trust deed.

GRANGE PARK OPERA
TRUSTEES' ANNUAL REPORT cont.

31 AUGUST 2017

Financial review

Key risks

The principal risks to the company are:

- a failure to secure the necessary sponsors and donors for the annual festival;
- poor ticket sales;
- risks associated with the cancellation of performances because of an external factor;
- control failures related to the company's resources;
- poor artistic performances and / or visitor experience, eroding long-term audience support;

In addition Grange Park Opera continues to face additional risks, although these are diminished;

- cost over-runs or delays associated with completing the new theatre;
- failure to complete the fund-raising for the completion of the theatre and its surroundings.

Each year the trustees review the level of risk associated with each area of income, particularly the projected box office revenues and the degree to which the support from sponsors and donors is committed by the time the season has to be confirmed. They are satisfied that adequate steps have been taken to mitigate these risks but will continue to review the control environment in line with the rising standards required by the Charity Commission.

Review of the year

The group is supported by a number of individual and corporate sponsors and donors. The net incoming resources for the year amounted to £4,367,391 with the unrestricted fund showing a net deficit of £98,278 after theatre tax credits and the transfer from the appeal fund of £147,211 to match the year's depreciation of the new Theatre in the Woods.

The restricted appeal fund stood at £9,024,709 at the year end and total funds at £9,236,714. The appeal fund represents £7,360,554 of expenditure on the Theatre in the Woods and the remaining £1,664,155 is earmarked for completion of the theatre.

Reserves policy

The balance on the consolidated general fund at the end of the year was £212,005 (2016 £310,283). The trustees aim to hold a balance on the fund of approximately 6 months' running costs i.e. £350,000.

Pay policy for senior staff

The board of directors, who are also the trustees, with the senior management team comprise the key management personnel of the charity in charge of directing, controlling and operating Grange Park Opera. The directors give of their time freely and receive no remuneration for their directors' duties. Details of related party transactions are disclosed in note 12 to the accounts. The pay of the chief executive is set by the trustees and reviewed annually. The pay of other key management personnel is agreed between the chief executive and the trustees.

Auditors

The auditors, WSM Advisors Limited Chartered Accountants, remain willing to be reappointed.

This report has been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom FRS 102, the Charities Act 2011 and Accounting and Reporting by Charities, the Statement of Recommended Practice for charities applying FRS 102. This is a Public Benefit Entity as defined by FRS 102.

By order of the Trustees



ELEANOR CRANMER
Company secretary
23 May 2018

GRANGE PARK OPERA

STATEMENT OF DIRECTORS' AND TRUSTEES' RESPONSIBILITIES

The charity trustees, who are also the directors of the charitable company, 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. 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 accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for accounting by charities 2014 and the governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Statement as to disclosure to our auditors

So far as each trustee is aware, there is no relevant audit information of which the auditor is unaware, relevant to preparing the audit report. Each trustee has taken all the steps that she or he ought to have taken as a trustee and director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GRANGE PARK OPERA

Opinion

We have audited the accounts of Grange Park Opera (the parent charitable company) which are the consolidation of the charitable company and its subsidiary (the group) for the year ended 31 August 2017, which comprise of the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 August 2017 and of its 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 accounts 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 accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the parent charitable company's financial statements is inconsistent in any material respect with the Trustees' Report; or

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GRANGE PARK OPERA**

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group and 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Annie Lee
for and on behalf of WSM Advisors Limited
Chartered Accountants
Statutory Auditor

23 May 2018

Connect House
133-137 Alexandra Road
London
SW19 7JY

WSM Advisors Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

GRANGE PARK OPERA

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE

YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Incoming from:					
Donations and grants					
General donations		881,467	-	881,467	763,554
Annual donations		251,187	-	251,187	301,042
Appeal donations		-	4,017,258	4,017,258	3,916,686
Gift aid on donations		388,517	935,729	1,324,246	582,277
Other donations		143,311	-	143,311	241,017
Charitable activities					
Opera performances		885,780	-	885,780	830,204
Performance related grants		43,879	-	43,879	994,300
Other activities					
Sponsorship, advertising and programmes		189,295	-	189,295	132,527
Catering		526,937	-	526,937	456,344
Investment income and interest		2,590	-	2,590	6,785
Total income		3,312,963	4,952,987	8,265,950	8,224,736
Expenditure on:					
Raising funds					
Support costs	2	346,779	-	346,779	503,300
Charitable activities					
Opera performances		1,983,020	-	1,983,020	2,007,806
Venue costs		520,778	-	520,778	506,527
Depreciation		147,211	-	147,211	356,475
Education projects		640	-	640	1,500
Support costs	2	346,779	-	346,779	503,300
Other activities					
Marketing, programme and shop expenses		71,553	-	71,553	52,502
Catering costs		322,315	-	322,315	280,265
Support costs	2	77,062	82,422	159,484	111,845
Total expenditure	1	3,816,137	82,422	3,898,559	4,323,520
Net (expenditure) / income for year	3	(503,174)	4,870,565	4,367,391	3,901,216
Transfers between funds	9	147,211	(147,211)	-	-
Theatre Tax Relief tax credits	5	257,685	-	257,685	757,940
Net (expenditure) / income after transfers and tax		(98,278)	4,723,354	4,625,076	4,659,156
Total funds brought forward		310,283	4,301,355	4,611,638	(47,518)
Total funds carried forward		£ 212,005	£ 9,024,709	£ 9,236,714	£ 4,611,638

The statement of financial activities includes all gains and losses recognised during the year.
All of the activities of the charity are classed as continuing.

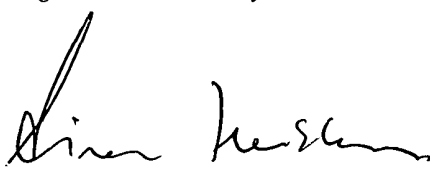
GRANGE PARK OPERA

CONSOLIDATED BALANCE SHEET - 31 AUGUST 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	6	7,215,023	1,887,785
Current assets			
Debtors	7	1,041,441	2,410,753
Bank and cash balances		1,588,189	1,586,495
		<u>2,629,630</u>	<u>3,997,248</u>
Liabilities			
Creditors falling due within one year	8	607,939	1,273,395
Net current assets		<u>2,021,691</u>	<u>2,723,853</u>
Total assets less current liabilities		<u>£ 9,236,714</u>	<u>£ 4,611,638</u>
Represented by:			
Funds			
Restricted appeal fund	9	9,024,709	4,301,355
Unrestricted general fund	10	212,005	310,283
		<u>£ 9,236,714</u>	<u>£ 4,611,638</u>

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

These financial statements were approved by the trustees and authorised for signature on 23 May 2018 and signed on their behalf by:


SIMON FREAKLEY - director and trustee

GRANGE PARK OPERA
COMPANY BALANCE SHEET - 31 AUGUST 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	6	7,215,023	1,887,785
Investment in subsidiary		100	100
Current assets			
Debtors	7	3,029,372	4,735,556
Bank and cash balances		1,577,769	1,586,495
		<u>4,607,141</u>	<u>6,322,051</u>
Creditors: amounts falling due within one year	8	<u>581,547</u>	<u>1,273,395</u>
Net current assets		<u>4,025,594</u>	<u>5,048,656</u>
Total assets less current liabilities		<u>£ 11,240,717</u>	<u>£ 6,936,541</u>

Represented by:

Funds			
Restricted appeal funds	9	9,024,709	4,301,355
Unrestricted general fund		2,216,008	2,635,186
		<u>£ 11,240,717</u>	<u>£ 6,936,541</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within the Companies Act 2006.

These financial statements were approved by the trustees and authorised for signature on 23 May 2018 and signed on their behalf by:



SIMON FREAKLEY - director and trustee

Company number 3490791

GRANGE PARK OPERA

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2017

	2017		2016	
	£	£	£	£
Net income for year	4,367,391		3,901,216	
Investment income and interest	(2,590)		(6,785)	
Theatre tax relief received	319,970		407,939	
Depreciation of tangible fixed assets	148,215		366,325	
Net receipts to capital fund	(4,870,565)		(4,301,355)	
Movement in debtors	1,307,027		(1,690,227)	
Movement in creditors	(665,456)		348,959	
Net cash flow from operating activities		603,992		(973,928)
Cash flow from investing activities				
Net receipts to capital fund	4,870,565		4,301,355	
Payments to acquire tangible fixed assets	(5,475,453)		(1,887,348)	
Investment income and interest	2,590		6,785	
		(602,298)		2,420,792
Net increase in cash		1,694		1,446,864
Bank and cash balances at start of year		1,586,495		139,631
Bank and cash balances at end of year		£ 1,588,189		£ 1,586,495
Consisting of:				
Bank and cash balances		£ 1,588,189		£ 1,586,495

GRANGE PARK OPERA

PRINCIPAL ACCOUNTING POLICIES

Company information

Grange Park Opera is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor Long Barn, Sutton Manor Farm, Bishop's Sutton, Alresford, Hampshire, SO24 0AA. The company is also a registered charity with registration number 1068486.

The accounting policies have been applied consistently throughout the year and in the preceding year and are set out below.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2016; the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Basis of consolidation

The group financial statements consolidate the financial statements of Grange Park Opera and its wholly owned subsidiary GPO Productions Limited for the year ended 31 August 2017. The holding represents 100 £1 ordinary shares. The results for the subsidiary are set out in note 18.

The charitable company has exercised the option under S 398 of the Companies Act 2006 to prepare the group accounts as the annual accounts for filing purposes.

Going concern basis

The accounts have been prepared on the going concern basis. At the time of approving the accounts the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

Fund accounting

There is an unrestricted general fund for the designated purposes of the charity, which is the promotion, encouragement and appreciation of opera. This is credited with donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose.

The restricted appeal fund exists to receive donations to be used for the specific purpose of building the Theatre in the Woods at West Horsley Place.

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that the income will be received.

Voluntary income is received by way of donations and gift aid tax. Donations are recognised when received and gift aid tax is accrued on applicable donations in the same year.

Income from sponsorship, advertising, the sale of programmes and catering is recognised net of VAT when it has been earned, provided it can be quantified.

Investment income is recognised in the year in which it is receivable.

Income from opera performances is recognised net of VAT for the festival taking place in the year.

Grants are recognised when the charity becomes unconditionally entitled to the grant. Grants and donations to fund the purchase of fixed assets are released to income in line with the depreciation of the associated assets.

GRANGE PARK OPERA

ACCOUNTING POLICIES cont

Resources expended

Expenditure is recognised on an accruals basis as liabilities are incurred. Costs relating to a particular activity are allocated directly, whereas support costs are apportioned in relation to usage as specified in note 2.

Costs of generating voluntary income comprise costs associated with soliciting and receiving donations.

Costs of generating funds comprise costs associated with raising sponsorship and advertising, organising fundraising events and programmes, catering activities and the sale of merchandise.

Charitable expenditure comprises the costs of opera productions and educational projects relevant to the charity's purposes.

Governance costs include the cost of meeting the charity's statutory requirements and strategic management.

Property, plant and equipment

Fixed assets are initially measured at cost and subsequently at cost or valuation.

Depreciation on fixed assets is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

The Theatre in the Woods	- over 50 years
Office equipment	- over 3 years
Website	- over 3 years

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown in current liabilities.

Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price less provision for impairment, or at amortised cost if they are receivable after more than one year.

Basic financial liabilities

Basic financial liabilities, which include trade and other creditors and bank loans, are recognised at transaction price. Amounts payable are classified as current liabilities if payment is due within one year or less.

Taxation

Tax income represents credits claimed under the Theatre Tax Relief provisions of Finance Act 2014.

Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the lease.

Rentals payable under the lease relating to The Theatre in the Woods have been time apportioned as specified in the lease, including the rent free and reduced rental payments due in the first six years of the lease. This is a departure from FRS 102 which requires lease incentives to be spread over the period of the lease, in this case 99 years. The departure is not considered to be materially misleading to users of the financial statements and the trustees conclude that the financial statements give a true and fair view.

Pensions

The charity operates a defined contribution pension scheme. Details of employer contributions are shown in note 4 and are charged to the income and expenditure account as incurred.

GRANGE PARK OPERA

NOTES TO THE ACCOUNTS - 31 AUGUST 2017

1 Analysis of expenditure

	Opera performances and other charitable costs £	Other costs to generate funds £	Support and governance costs £	2017 Total £	2016 Total £
Performers	880,294			880,294	870,501
Technical costs	257,912			257,912	297,262
Production costs	134,322			134,322	152,780
Orchestras	382,300			382,300	292,398
Sets and costumes	328,192			328,192	394,865
Lighting	72,494			72,494	91,405
Music and rehearsal space	67,556			67,556	128,226
Travel and accommodation	105,160			105,160	113,277
Seasonal staff	23,640			23,640	22,341
Site maintenance	223,118			223,118	135,829
Special projects	-			-	3,725
Transport	28,810			28,810	11,724
Depreciation of theatre structures	147,211			147,211	356,475
Marketing, programme and shop expenses		71,553		71,553	52,502
Catering costs		322,315		322,315	280,265
Salaries and consultancy			481,276	481,276	413,355
Office costs			249,074	249,074	289,125
Depreciation of office equipment and website			1,004	1,004	9,850
Bad debts			2,812	2,812	31,201
Education projects			640	640	1,500
Professional fees			118,876	118,876	374,914
	<u>£ 2,651,009</u>	<u>£ 393,868</u>	<u>£ 853,682</u>	<u>£ 3,898,559</u>	<u>£ 4,323,520</u>

2 Support costs

	2017 £	2016 £
Salaries and consultancy	481,276	413,355
Office costs	249,074	289,125
Depreciation of office equipment and website	1,004	9,850
Bad debts	2,812	31,201
Professional fees - unrestricted fund	36,454	374,914
	<u>£ 770,620</u>	<u>£ 1,118,445</u>

Support costs have been allocated as follows:

		2017 £	2016 £
Costs of generating voluntary income	45%	346,779	503,300
Activities to generate funds	10%	77,062	111,845
Charitable activities	45%	346,779	503,300
		<u>£ 770,620</u>	<u>£ 1,118,445</u>

GRANGE PARK OPERA

NOTES TO THE ACCOUNTS - 31 AUGUST 2017

3 Net (expenditure) / income after transfers and tax

	2017 £	2016 £
This is stated after charging:		
Depreciation - owned assets	148,215	366,325
Auditors' remuneration - audit services	11,000	10,500
- non audit services	12,978	19,885
	<u> </u>	<u> </u>

4 Staff costs and numbers

	2017 £	2016 £
Group and company		
Salaries and wages	346,006	266,257
Social security costs	29,897	23,410
Pension costs	1,402	-
Consultancy fees	117,971	158,217
Management charge	(14,000)	(34,529)
	<u>£ 481,276</u>	<u>£ 413,355</u>

	2017 No	2016 No
The average number of staff and consultants, both full and part-time, during the financial year amounted to:		
Management and administration	<u>15</u>	<u>12</u>

Pension costs, as disclosed above, are allocated to activities in proportion to related staff costs and are charged to unrestricted funds. £417 was outstanding at the year end (2016 nil).

The costs of all staff, some of whom are part-time, are shared with Pimlico Opera, which is charged with an amount based on apportioned time costs. In 2017 this was £14,000 (2016 £34,529).

5 Taxation

Grange Park Opera is a company limited by guarantee and is a registered charity. As such it is eligible for the relief applicable to charities.

GPO Productions is a trading subsidiary and eligible to claim Theatre Tax Relief under the provisions of Finance Act 2014 in respect of core expenditure on productions. Details are set out below:

	2017 £	2016 £
Theatre tax credits receivable for the current year	275,000	350,000
Theatre tax credits received for the previous year	-	407,940
Overstated tax credits for prior years	(17,315)	-
	<u>£ 257,685</u>	<u>£ 757,940</u>

GRANGE PARK OPERA

NOTES TO THE ACCOUNTS - 31 AUGUST 2017

6 Tangible fixed assets

	Assets under construction £	The Theatre in the Woods £	Office equipment £	Website £	Total £
Group and company Cost					
1 September 2016	1,885,936	-	30,553	26,265	1,942,754
Additions in year	-	5,474,618	835	-	5,475,453
Transferred in year	(1,885,936)	1,885,936	-	-	-
	<u>-</u>	<u>7,360,554</u>	<u>31,388</u>	<u>26,265</u>	<u>7,418,207</u>
Depreciation					
1 September 2016	-	-	28,704	26,265	54,969
Charge for year	-	147,211	1,004	-	148,215
Disposals	-	-	-	-	-
	<u>-</u>	<u>147,211</u>	<u>29,708</u>	<u>26,265</u>	<u>203,184</u>
Net book value					
31 August 2016	£ 1,885,936	£ -	£ 1,849	£ -	£ 1,887,785
	<u>£ -</u>	<u>£ 7,213,343</u>	<u>£ 1,680</u>	<u>£ -</u>	<u>£ 7,215,023</u>

7 Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	15,550	51,590	15,550	51,590
GPO Productions Limited - subsidiary	-	-	2,492,980	2,674,803
Pimlico Opera - associated company	-	6,532	-	6,532
Theatre tax relief	287,715	350,000	-	-
VAT	679,879	391,602	476,837	391,602
Prepayments and accrued income	58,297	1,611,029	44,005	1,611,029
	<u>£ 1,041,441</u>	<u>£ 2,410,753</u>	<u>£ 3,029,372</u>	<u>£ 4,735,556</u>

8 Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade creditors	98,722	115,037	78,830	115,037
Pimlico Opera - associated company	13,520	-	13,520	-
PAYE	8,016	7,518	8,016	7,518
Income in advance	111,608	81,932	111,608	81,932
Accruals	376,073	1,068,908	369,573	1,068,908
	<u>£ 607,939</u>	<u>£ 1,273,395</u>	<u>£ 581,547</u>	<u>£ 1,273,395</u>

Income in advance relates to general donations received for the following year's festival and are taken to income in the following year.

GRANGE PARK OPERA

NOTES TO THE ACCOUNTS - 31 AUGUST 2017

9 Restricted appeal fund

	Balance at 1 September 2016	Incoming resources	Resources expended	Transferred in year	Balance at 31 August 2017
	£	£	£	£	£
Group and company					
West Horsley Place appeal fund	4,301,355	4,952,987	(82,422)	(147,211)	9,024,709
	<u>£ 4,301,355</u>	<u>£ 4,952,987</u>	<u>£ (82,422)</u>	<u>£ (147,211)</u>	<u>£ 9,024,709</u>

The West Horsley Place appeal fund is being amortised in line with the depreciation of the Theatre in the Woods. The theatre is being depreciated over 50 years.

10 Unrestricted general fund

Group

The balance on the consolidated general fund at the end of the year was £212,005 (2016 £310,283). The trustees aim to hold a balance on the fund of approximately 6 months' running costs i.e. £350,000.

11 Analysis of net assets by funds

	Fixed assets £	Other net assets £	Net Assets £
Group			
Restricted funds:			
West Horsley Place appeal fund	7,213,343	1,811,366	9,024,709
	<u> </u>	<u> </u>	<u> </u>
Unrestricted funds			
General fund	1,680	210,325	212,005
	<u> </u>	<u> </u>	<u> </u>
	<u>£ 7,215,023</u>	<u>£ 2,021,691</u>	<u>£ 9,236,714</u>

12 Related party transactions

At 31 August 2017 Grange Park Opera owed Pimlico Opera £10,211 (2016 Pimlico Opera owed Grange Park Opera £6,532). Shared salary costs of £14,000 (2016 £34,529) were recharged to Pimlico Opera in respect of the year. A contribution to office costs of £10,000 was also charged (2016 £10,000).

Iain Burnside (trustee) received fees totalling £22,500 (2016 £12,500). £7,500 was outstanding at the year end.

Ince & Co, of which Jeremy Farr (trustee) was a partner, received £229,119 for legal services made up of fees (which were charged at standard rates), disbursements and third party disbursements, and provided pro bono services in the amount of £40,000 during the year (2016 £271,828 and £13,384 respectively).

Mary Creswell was paid £10,000 prior to her appointment as a trustee.

GRANGE PARK OPERA

NOTES TO THE ACCOUNTS - 31 AUGUST 2017

13 Operating lease commitments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Total operating lease payments due	<u>£ 9,808,221</u>	<u>£ 129,336</u>	<u>£ 9,808,221</u>	<u>£ 129,336</u>

14 Other financial commitments

The company has signed a lease with The Mary Roxburgh Trust, under which the Theatre in the Woods is being built on the West Horsley Place estate and leased for 99 years, with associated rental obligations. There are also defined rights to use other areas of the estate at defined times. A lease relating to the opera house, and a licence relating to use of the house and grounds, have also been signed.

15 Company limited by guarantee

In the event of a winding up of the company, the liability of each member is limited to £1.

16 Post balance sheet events

Donations have continued to be received or pledged for the West Horsley Place appeal fund. Phase 2 of works to the Theatre in the Woods are proceeding.

17 Financial performance of the charity

The summary financial performance of the charity alone is:

	2017 £	2016 £
Income	8,265,950	8,224,736
Expenditure on charitable activities	<u>(3,961,774)</u>	<u>(1,648,617)</u>
	4,304,176	6,576,119
Taxation	<u>-</u>	<u>407,940</u>
Net income for year	4,304,176	6,984,059
Total funds brought forward	6,936,541	(47,518)
Total funds carried forward	<u>£ 11,240,717</u>	<u>£ 6,936,541</u>
Represented by:		
Restricted appeal funds	9,024,709	4,301,355
Unrestricted general fund	<u>2,216,008</u>	<u>2,635,186</u>
	<u>£ 11,240,717</u>	<u>£ 6,936,541</u>

GRANGE PARK OPERA

NOTES TO THE ACCOUNTS - 31 AUGUST 2017

18 Additional information on subsidiary

GPO Productions Limited is a wholly owned subsidiary - company registration 10028759 (England and Wales). It has been formed in order to incur the core costs of opera productions and to claim Theatre Tax Relief.

The trading results were as follows:

	2017 £	2016 £
Turnover	2,674,903	-
Production costs	(2,611,687)	(2,674,903)
	<hr/>	<hr/>
	63,216	(2,674,903)
Taxation	257,685	350,000
	<hr/>	<hr/>
Profit / (loss) retained in subsidiary	£ 320,901	£ (2,324,903)
	<hr/>	<hr/>
Assets	515,469	350,000
Liabilities	(2,519,372)	(2,674,803)
	<hr/>	<hr/>
Equity	£ (2,003,903)	£ (2,324,803)
	<hr/>	<hr/>

GPO Productions Limited is exempt from audit of its individual accounts as a small company.