



(a company limited by guarantee and not having a share capital)

**Annual Report and Accounts for the Year ended
30th June 2020**

Company number: 1332955

Charity number: 274755

In partnership with



GLYNDEBOURNE

**opera
north**



WNO

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NATIONAL
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COMPANY LTD



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**ARTS COUNCIL
ENGLAND**

Supported by

National Opera Studio
The Clore Building,
2 Chapel Yard,
Wandsworth High Street,
London SW18 4HZ
+44 (0) 20 8874 8811

www.nationaloperastudio.org.uk

Introduction and Timescale for this report

The Trustees are pleased to present their annual report together with the independently examined financial statements of the National Opera Studio for the year ended 30 June 2020. These are also prepared to meet the requirement for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the 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 (FRS102) (second edition – effective 1 January 2019).

1. OBJECTIVES AND ACTIVITIES

Charitable objects

Our Charitable objects, as stated in the National Opera Studio governing document from 1977, are:

The National Opera Studio is engaged by the UK's leading opera companies and Arts Council England to provide individually designed, high quality professional training for singers and repetiteurs who have the potential to become the leading artists of their generation.

1.1 Objectives and Aims

To deliver our charitable objectives effectively, we devise long-term strategic plans. The aims and objectives below are drawn from the 2018-22 Business Plan, and this report relates to these.

In shaping and reviewing our aims, strategies and future objectives, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance '*public benefit: running a charity*' (PB2). The Studio relies on grants, donations and the income from hires, courses, tickets and fees to cover its operating costs. Keeping our main Training Programme free to young artists is essential in order to achieve the diversity of talent to which we aspire, and to ensure there is no barrier to our training on grounds of cost.

1.2 Significant Activities

We have five Strategic Aims which inform our activity, and against which our objectives are measured.

These are:

- To develop resilient and appropriately-skilled artists through our world-class training programmes
- To find diverse artists of talent for our emerging and exceptional promise programmes
- To support our community, our alumni and artists in transitional phases of growth
- To lead the conversation on opera training through partnerships and an annual forum
- To sustain an imaginative, resilient and recognised organisation that delivers relevant and tangible benefits for the industry we serve.

2. STRATEGIC REPORT

2.1 Achievement and Performance

Despite the Covid 19 pandemic that has affected the latter part of this reporting year and beyond, 2019/20 has proved to be a year of remarkable activity and achievement for the Studio and its Young Artists. Tribute should be paid in particular to the executive and staff of the NOS who have shown commitment and versatility, as well as true creativity and ingenuity, in order to make the NOS and its community of artists thrive.

Summer Courses

In summer 2019 four short courses for singers were delivered - intensive courses intended to mirror the intensity and individuality of the main nine-month programme. A new course, *Discovering Opera*, was for young British singers from non-white backgrounds studying on music-theatre courses, and was in collaboration with the Brit School, Mountview, Central School and the British Youth Music Theatre. Led by American countertenor Michael Harper and David Sulkin, this hugely successful pilot course has already led to several of these talented singers auditioning for prestigious competitions and programmes including the international Lotte Lenya competition and the Glyndebourne Academy.

A highly successful second course for emerging professional women conductors was delivered in partnership with the ROH and the Royal Philharmonic Society, led by conductors Jessica Cottis and NOS's Mark Shanahan, and included the Chroma Ensemble and the Orchestra of the Royal Opera House.

Young Artist Training Programme

Our 2019 /20 cohort of Young Artists arrived in September. These were:

SOPRANOS:	Eliza Boom, Alexandra Lowe, Julieth Lozano, Ella Taylor
MEZZOS:	Elizabeth Lynch, Kseniia Nikolaieva, Samantha Oxborough
TENORS:	Luis Aguilar, Frederick Jones, Shengzhi Ren
BARITONES:	Kyu Choi, Benson Wilson
BASS:	Msimelelo Mbali
REPETITEURS:	Juliane Gallant, Mairi Grewar, Fernando Loura, Bradley Wood

Talent development is the DNA of the National Opera Studio and remains our principal area of focus. This year it has seemed especially significant that we should be developing young artists to be resilient and appropriately-skilled in a workplace that has changed not only in the last 40 years, but critically, in the last few months. Our artistic and coaching staff aim to equip our artists with the skills that the profession demands; alongside vocal and musical development we emphasise the importance of stagecraft and movement that considers exposure to the digital as well as live stage experience, and we give weight and focus to the importance of personal and professional resilience.

This year, alongside regular coaching from our vocal, stagecraft, language, movement and performance development coaches, we have produced a number of projects and events that have tested and benefitted the artistry, skill, collaborative spirit and mindset of these young artists. A residency with the orchestra of Opera North at Salts Mill, Saltaire, directed by Tim

National Opera Studio
Trustees' Report for the Year Ended 30 June 2020

Albery and conducted by Nicholas Kok explored the theme of *The Fatal Gaze*, in music from Monteverdi to modern musicals. Our Welsh National Opera residency, directed by Emma Jenkins and conducted by Sian Edwards, explored challenging subjects and wide-ranging repertoire, and was accompanied by the orchestra of WNO. Director Keith Warner worked alongside film producer Jonathan Haswell and filmmaker Alistair Kitchen to produce a set of staged and filmed Britten Scenes in a project that explored the artist's relationship to the camera and to film. Our Wandsworth Wednesday recital series gave Young Artists a chance to curate their own concert programme, and for the first time we presented a series of lunchtime concerts at English National Opera, curated by our Assistant Head of Music Dearbhla Collins.

Diverse Voices

Beginning in September 2019, we wrote and developed an application to ACE's National Lottery Fund for a three-year programme to identify and develop the skills and talents of young singers of minority ethnicities in the UK through five levels of progress towards achieving a professional opera career. Early in 2020 we heard that our application had been successful and were preparing for a period of consultation with our extensive list of influential partners in two geographical areas where we had proposed to develop the work: Leeds and Manchester, and London- with particular attention on the Studio's home borough of Wandsworth.

In summer 2020, as a result of Covid-19, we had to pause this work, but with the help and support of ACE, and by ring-fencing the investment, we plan to re-start the initiative when opera companies, conservatoires, universities, music-theatre colleges, schools and community organisations are all able to interact and work together.

Singers in Transition (ReSound)

The research and consultation period for this proposed programme for mid-career artists in transitional phases of their lives began to take shape, led by singer and director Linda Kitchen, and with a highly-talented steering group of singers to guide this project.

Alumni projects

NOS Alumni presented a concert for the Hay on Wye festival, two sold-out concerts at Two Temple Place in London and a British Council-supported tour in and around Moscow. This Russian venture, *Two Elizabeths*, featured Elizabethan music alongside six NOS- commissioned arias from last year's *12:40* project.

The impact of Covid 19

Before the pandemic hit the UK in early 2020, we had exciting plans in the pipeline which unfortunately we were then unable to deliver as a direct result of Covid 19. Amongst others, these plans included a gala concert with the Orchestra of ENO at Cadogan Hall, directed by Keith Warner and conducted by David Parry; a residency with Scottish Opera, masterclasses at the Royal Opera House, and live performances of a major new commissioned set of works entitled *12:42*.

From the end of February 2020 until the end of the training year in June, we sadly had to close the Studio in line with government legislation. However, the NOS demonstrated its adaptability and resilience in moving all of its regular coaching onto Zoom. In a feat of extraordinary determination and creativity, rather than cancel our major contemporary project *12:42*, for

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which we had commissioned 12 composers and 10 librettists, our Director of Artist Development David Sulkin turned the project into a set of films produced entirely during lockdown, with Alistair Kitchen producing a film documentary of the creative process. This film was premiered on OperaVision, and all the filmed arias produced were made available through our website.

Lockdown did not deter us from continuing to play an active and influential part in the local business and artistic life of the borough of Wandsworth or inviting our supporters and friends to join us for online conversation and cocktails. Nor did it deter our Young Artists from producing a final concert in June, filmed and put together entirely in their own homes across the world, and streamed on YouTube. Though Covid prevented us from being physically together in the last three months of training, it certainly did not stop a wealth of creativity, talent and support from shining through.

A key priority for the board during this period has been to ensure the safeguarding of staff, freelance coaches and artists- both in terms of their safety and wellbeing, and in terms of work security in a changing environment. Stringent risk assessment backed up by strict hygiene protocols, social distancing and the use of PPE have kept our work environment virus-free, and we have reduced staff hours, utilised the government's job retention scheme and set up a new Employee Support scheme to look after our team's mental health.

Progress since June 2020

Covid 19 continues to have a major impact on our live work. We were unable to hold our summer short courses, have had to cancel many room hires, and several major artistic projects including partnership residencies, are on hold or delayed. We made the decision to continue to help 19/20 Young Artists beyond June by offering them coaching support and recording space beyond their time at the Studio, and as a result took fewer Young Artists on to the 20/21 Training Programme.

Despite Covid, our 19/20 Young Artists have had notable successes since leaving the Studio, with artists going on to the renowned Lindemann Programme at the Metropolitan Opera in New York, the Jette Parker Young Artist Programme at the Royal Opera House, the Harewood Artist Programme at ENO, Scottish Opera's Emerging Artist scheme, and opera houses around the world including Munich, Basel, Coburg, Florence and Toronto.

On behalf of my fellow trustees, as well as the staff and artists of the NOS, particular thanks must go to all of our valued donors, to our partner opera companies, and to the Arts Council, with whom we have built such strong relationships and achieved so much through a difficult year, and without whom we simply could not deliver our work. Thank you for your support.

2.2 Financial Review

The Statement of Financial Activities for the year is on pages 15 to 30. There was an overall surplus on all funds of £122,087 after depreciation.

2.2.1 Financial Position

Incoming Resources

Arts Council England: London

The NOS is a National Portfolio Organisation (NPO) funded by Arts Council England: London (ACE). The support of ACE is vital for the continuing success of the NOS and we are very grateful to ACE for this support. The ACE grant for the 2019/20 reporting period was £171,316. We are delighted that the NOS continues as an NPO through to March 2023.

We also secured a Strategic Grant of £164,000 from ACE for the *Diverse Voices* project, to be spent over the next three years. In 2019/20 we received £82,000 however as the start of this project has been delayed due to the Coronavirus pandemic, this has been treated as deferred income in the financial statements.

Opera Companies

The financial contribution of the opera companies to the NOS in 2019/20 was £122,000, an increase of 5.1% from last year. The companies are English National Opera, Glyndebourne, Opera North, the Royal Opera House, Scottish Opera and Welsh National Opera.

Fundraising

Funding from ACE and the opera companies in 2019/20 covered 36% of total expenditure. Each year, the NOS needs to attract substantial funds to meet the balance of these costs. The NOS is immensely grateful to our many donors for their continued support. Income from donations, corporate support and grants from Trusts and Foundations for the 2019/20 reporting period was £429,515, or 60% of voluntary income. In addition the Studio is grateful to those who have donated in kind.

The Studio's fundraising approach is based around the cultivation of individuals and Trusts and Foundations who demonstrate an interest in opera and our work in particular. The studio holds a small number of small, targeted cultivation events each year and these are used to demonstrate its work. There is one part-time member of staff responsible for fundraising. The Studio does not use direct mail or telephone canvassing nor are third party fundraisers employed. The Studio keeps in regular touch with its donors to update them on the progress of the Young Artists but does not contact donors or potential donors in regard to fundraising on a regular basis. We do not contact any individuals who may be deemed vulnerable.

The National Opera Studio is compliant with the Code of Fundraising Practice set by the Fundraising Regulator and is registered with the Fundraising Standards Board. No complaints were received.

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Trustees' Report for the Year Ended 30 June 2020

Earned Income

In addition to rental income, the National Opera Studio raises money via activities such as short courses, the hire of our spaces and external performances, which support the charitable objects of the charity and provide opportunities for artists. Though earned income from hires and performances was lost in the latter part of the year due to Covid 19, overall income from charitable activities increased by just under £30,000 or 20%, due mainly to the Coronavirus Job Retention Scheme and Theatre Tax Relief Credit.

Expenditure to Support the Objectives of the Charity

Expenditure reduced this year by £3,533 or 0.4%. Expenditure would have been higher had we not had to cancel events between April and June 2020.

2.2.2 Reserves Policy

Reserves

At the financial year end, the National Opera Studio had overall reserves of £1,767,210 (18/19 £1,645,123). This includes £1,494,869 in fixed assets, namely The Clore Building at 2 Chapel Yard.

We are stating our balances as follows:

Restricted Funds

- Nicholas John Trust: for the 12:42 New Commissions project (£10,000 at year end)
- Diverse Voices: this fund is for our *Diverse Voices* programme of activity (£26,000 at year end)

Designated Funds

- Support Fund Young Artists: this fund is a reserve fund which enables the Studio to provide much-needed assistance in living costs for Young Artists in upcoming years (£60,000 at year end)
- Singers in Transition (now ReSound) initiative (£25,000 at year end)
- Capital Expenditure Fund: funds designated to capital expenditure (£70,000 at year end)

General Fund

This is the money available for unrestricted use by the Charity. The total of the General Fund is £81,341. The Board has set 3 months' core expenditure (£82,000) as a target to retain for General Funds. We aim to sustain them at this level to enable the Studio to withstand an interruption of income, however it is recognised that the pandemic of 2020 is likely to have a short or medium term effect on this stated level.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 Governing Document

The NOS is a company limited by guarantee (company number 1332955) whose governing document is the Memorandum and Articles of Association. These were last amended on the 23rd of September 2015. It is registered as a Charity with the Charity Commission (charity number 274755).

3.2 Appointment of Directors

The Company

The Board of the NOS consists of a representative of each member of 'The Company'. The members of The Company are the six named Opera Companies in the Memorandum and Articles of Association; English National Opera, Glyndebourne, Royal Opera House, Opera North, Scottish Opera and Welsh National Opera. The representatives are the General Directors (or equivalent position) of the six named Opera Companies. The Board may also comprise no more than six other Directors who are not members of The Company, excluding the Chair.

A representative of The Company automatically ceases to be on the Board when his/her position as General Director (or equivalent) of the Opera Company terminates. A new General Director (or equivalent) of an Opera Company automatically becomes a NOS Director on appointment into his/her Opera Company. This appointment is ratified by a letter to the Chair of the NOS by the relevant Opera Company Secretary.

Other Trustees

Up to six Trustees who are not Members of the Company may be appointed, and removed, by the Board. When considering appointing non-company trustees, the Board has regard to the requirement of any specialist skills needed and to the diversity of the makeup of the Board and has due regard to the NOS Board Diversity Policy of 2015.

Chair

The Chair of the Board is appointed by resolution of the Trustees, with the agreement of Arts Council England.

3.3 Organisation

The governing body of the NOS is the Board of Trustees which comprises the heads of the six main opera companies, up to six appointments drawn from the business and charitable sectors, and an independent chair, currently Nicholas Allan.

There are currently four sub-committees, reporting to the Board, formed of trustees and ex-officio members. These are: Finance, Audit, Remunerations and Nominations.

The day-to-day management of the NOS is the task of the management team, led by the Chief Executive, who is appointed by the Trustees. The senior management team comprise the Chief Executive, the Director of Artist Development and the Head of Music. The NOS has a small staff, some of whom are part time. The NOS engages external coaches and other freelance industry experts who, together with the permanent music staff, deliver the training programmes.

3.4 Director induction and remuneration

Induction and Training

New Trustees are inducted by the Company Secretary and are guided by the NOS Board Manual. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Remuneration

Trustees are not remunerated for their roles on the Board. Trustees may be paid all reasonable expenses properly incurred by them, and expenses may only be claimed if agreed in advance by the Chairman.

3.5 Pay Policy for Senior Management

The pay and remuneration of staff is set and reviewed by the Remunerations Committee, who meet annually. Pay of the Senior Management Team, as set out on page 23, is normally increased in accordance with average earnings. The directors benchmark against levels of pay in other organisations of a similar size and nature. The pay is not greater than the highest benchmarked salary for a comparable role. The identified Key Management Personnel are the Chief Executive, the Director of Artist Development, and the Head of Music.

3.6 Equality and Inclusion

The NOS has an ongoing commitment to promoting diversity throughout its work. We report annually to Arts Council England on our progress against an action plan, which is monitored by the Board of Trustees.

The NOS has an Equality Policy which it aims to implement in all aspects of its work. The aim of this policy is to ensure that no job applicant or member of staff receives less favourable treatment on the grounds of age, race, sex, sexual orientation, marital or family status, pregnancy, disability, gender reassignment or religion, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable. The Equality Policy applies to all employees, artists, workers, interns, suppliers and contractors working for the National Opera Studio. The National Opera Studio adheres to the policies and guidance of the Equality Act 2010.

3.7 Health and Safety

All new employees, visiting staff and Young Artists are issued with the NOS Health and Safety Policy which they have a contractual obligation to observe. There are at least two trained first aiders in the office and two fire marshals for the building. Our caretaker, who looks after external hires out of office hours, is a member the Security Industry Authority. A report on Health and Safety is considered at each Board meeting.

3.8 Environment

The NOS is committed to environmental sustainability and works towards ways of reducing our environmental impact. The NOS reports annually on its progress towards its goals through Julie's Bicycle to Arts Council England.

3.9 Risk management

In accordance with recommended practice, the Board has approved a Risk Assessment Report, which identifies potential risks to the organisation, their management and control. The Board will implement measures to mitigate the risks identified wherever practicable, and continue to monitor risk on an ongoing basis through the Finance and Audit Committees.

Major Risks

The Board discussed the following high and medium impact risks to the organisation and assured themselves of the adequacy of the controls and mitigations in place.

Covid-19: risks include closure of spaces, illness or death, financial losses, insufficient fundraising, potential liability claims: mitigations include robust risk assessment relating to Covid and strict control and hygiene measures, robust financial planning in place, the utilisation of the government furlough scheme where possible, strong communication with funders and regular board input, identification of new funding streams, compliance with government guidelines, strong Health and Safety procedures and protocols, and utilisation of digital resources (cf pp.4-5)

Financial: The risk of cash flow shortfalls and costs being in excess of budget are mitigated by ensuring that the general financial condition remains satisfactory through regular cash flow monitoring and projections, regular reporting and staff awareness. To ensure fundraising targets are met we have realistic fundraising plans, monitor the status of trusts with particular regard to bursary support, and ensure effective cultivation and stewardship of existing and prospective supporters. ACE continues to be a key stakeholder and we work closely to meet our mutual objectives.

Governance: the risk of the opera companies deciding that the NOS is not fulfilling its role is mitigated by developing, at Board level, a clear vision for the future matched with realistic resource plans, maintaining a continued standard of excellence and proactive communication with the opera companies. The risk that loss of key staff to this small organisation would have significant impact is mitigated by developing succession plans, clear job descriptions which overlap to ensure consistency of delivery, adequate notice periods and regular appraisals to monitor progress and staff welfare.

Reputational: risks relating to Brexit and changes to movement of people in Europe include international reputational loss, inability to attract EU talent, loss of work opportunity for UK artists: mitigations include maintaining a strong industry voice and connections within Europe, maintaining strong relationships with ACE and industry bodies, maintaining our high standard of work to attract talent. The risk of failing to make change in terms of diversity and inclusion in our organisation is mitigated by a focussed programme of work supported by a strategic grant, Diverse Voices, and business and equality plans that have clear targets which are set and monitored at board level. The risk of incidents related to safeguarding issues is mitigated by clear policies and organisational procedures, a culture of open feedback and regular reviews.

National Opera Studio
Trustees' Report for the Year Ended 30 June 2020

Going Concern

We are confident that the National Opera Studio represents a going concern for the 12 months after the date of this report. The Trustees would refer to:

- The continuing support of Arts Council England (with NPO funding extended to 2023), and the Opera Companies;
- The continued extension of the Government's Job Retention Scheme
- Our success in securing support from trusts and foundations, businesses and individuals;
- The cash balances as shown in the Balance Sheet and the Statement of Cash Flow, with healthy cash balances since year end, and no cash flow difficulties anticipated in the next 12 months;
- A successful fundraising appeal since year end initiated as a result of Covid-19
- Adequate free reserves.

4. Reference and Administrative Details

4.1 Registered charity number

274755

4.2 Registered company number

01332955

4.3 Registered office

National Opera Studio
2 Chapel Yard
Wandsworth High Street
London
SW18 4HZ

4.4 Independent Examiner

Jane Askew ACA
Haysmacintyre LLP
Chartered Accountants
10 Queen Street Place
London
EC4R 1AG

4.5 Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

4.6 Trustees

Directors who served during the year and up to the date of this report:

Nicholas Allan	Chair
Gini Gabbertas	(appointed 2 July 2020)
Diane Henry Lepart	
Aidan Lang	(appointed 1 July 2019)
Stephen Langridge	
Peter Maniura	(appointed 8 October 2019)
Richard Mantle	
Oliver Mears	
Stuart Murphy	
Gillian Newson	
Lorna Parker	
David Pountney	(resigned 1 July 2019)
Alex Reedijk	
Sue Walter	(resigned 27 January 2020)

Company Secretary

Emily Gottlieb

Trustees' responsibility statement

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charity, including the income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

The Trustees' Annual Report was approved by the Board of Trustees and signed on 22nd April 2021.

A handwritten signature in black ink, appearing to read 'Nicholas Allan', with a stylized, cursive script.

Nicholas Allan, Chairman

Independent Examiner's Report to the Trustees of National Opera Studio

I report to the Trustees on my examination of the accounts of National Opera Studio for the year ended 30 June 2020.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act"). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's income is in excess of £250,000, your examiner must be a member of a body listed in the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jane Askew ACA
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Date: 23 April 2021

National Opera Studio
Statement of Financial Activities
(Including Income and Expenditure Account)
For the Year Ended 30 June 2020

	notes	Unrestricted Funds £	Designated Capital Fund £	Other Designated Funds £	Restricted Funds £	Total June 2020 £	Total June 2019 £
Income from							
Grants, donations and legacies	3	452,139	-	50,000	220,700	722,839	626,135
Other trading income	4	26,167	-	-	-	26,167	23,413
Charitable activities	5	184,462	-	-	-	184,462	155,614
Investment income		269	-	-	-	269	150
Total		<u>663,037</u>	<u>-</u>	<u>50,000</u>	<u>220,700</u>	<u>933,737</u>	<u>805,312</u>
Expenditure on:							
Raising funds:	6						
Cost of fundraising		70,819	-	-	-	70,819	78,519
Generating rental income		17,271	-	-	-	17,271	16,785
Charitable activities		415,501	62,198	40,000	205,861	723,560	719,879
Total		<u>503,591</u>	<u>62,198</u>	<u>40,000</u>	<u>205,861</u>	<u>811,650</u>	<u>815,183</u>
Net income (expenditure)		159,446	(62,198)	10,000	14,839	122,087	(9,871)
Transfer between funds		(108,628)	22,137	80,000	6,491	-	-
Net movement in funds		<u>50,818</u>	<u>(40,061)</u>	<u>90,000</u>	<u>21,330</u>	<u>122,087</u>	<u>(9,871)</u>
Total funds brought forward		30,523	1,534,930	65,000	14,670	1,645,123	1,654,994
Total funds carried forward		<u>81,341</u>	<u>1,494,869</u>	<u>155,000</u>	<u>36,000</u>	<u>1,767,210</u>	<u>1,645,123</u>

All transactions are derived from continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

The notes form part of these financial statements.

National Opera Studio
Balance Sheet at 30 June 2020

		2020 £	2020 £	2019 £	2019 £
	notes				
Fixed assets					
Tangible assets	11		1,494,869		1,534,930
Current assets					
Debtors	12	170,512		91,737	
Cash in bank and in hand		<u>239,076</u>		<u>102,246</u>	
		409,588		193,983	
Creditors (due within 1 year)	13	(137,247)		(83,790)	
Net current assets			<u>272,341</u>		<u>110,193</u>
Total assets			<u>1,767,210</u>		<u>1,645,123</u>
Funds					
Restricted Funds	14		36,000		14,670
Designated fund: Capital	15		1,494,869		1,534,930
Other Designated Funds	15		155,000		65,000
General fund	16		81,341		30,523
			<u>1,767,210</u>		<u>1,645,123</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 22nd April 2021 and signed on their behalf by: -



Nicholas Allan, Chair of Trustees, on behalf of trustees.
The notes form part of these financial statements.

Company No. 1332955

National Opera Studio
Statement of Cash flow
For the Year Ended 30 June 2020

	Year to June 2020 £	Year to June 2019 £
Cash flows from operating activities	158,698	39,798
Cash flows from investing activities		
Dividends and interest	269	150
Purchase of property, plant and equipment	(22,137)	(59,553)
Net cash provided by investing activities	(21,868)	(59,403)
Change in cash and cash equivalents in the reporting period		
Cash and cash equivalents at the beginning of the reporting period	102,246	121,851
Cash and cash equivalents at the end of the reporting period	239,076	102,246

NOTES TO THE CASH FLOW STATEMENT

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

Net movement in funds	122,087	(9,871)
Depreciation charges	62,198	44,080
(Increase)/decrease in debtors	(78,775)	4,993
Increase in creditors	53,457	746
Interest and dividends	(269)	(150)

Net cash provided by operating activities	<u>158,698</u>	<u>39,798</u>
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Analysis of cash and cash equivalents

	<u>239,076</u>	<u>102,246</u>
Cash at bank and in hand	<u>239,076</u>	<u>102,246</u>

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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) - (Charities SORP Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Trust is a Public Benefit Entity as defined by FRS102.

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.

b) The financial statements have been prepared on a going concern basis as the Trustees are confident that the Charity will continue to meet its obligation and continue as a going concern for the foreseeable future.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) have been met and it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from grants (whether capital or revenue) is recognised when the charity has entitlement to the funds, any performance conditions to the grant met and it is probable that the income can be received and the amount can be measured reliably and is not deferred.

Income is deferred if there is a delay between the receipt of the money and the criteria for receiving it being met.

d) Donated services and facilities.

Donated professional services and donated facilities are recognised as income when the charity has control of the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest Receivable

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is usually upon notification of the interest paid or payable by the bank.

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for the particular areas of the Studio's work or for specific projects it undertakes.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Cost of generating voluntary income

Cost of generating rental income

Charitable activities

Other expenditure - representing those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs.

Support costs are those functions that assist the work of the charity, but are not directly related to undertaking charitable activities. These have been allocated between the various classes of expenditure.

i) Governance

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, and include the independent examiner/audit fees and other costs linked to strategic management of the charity. These are allocated in line with other support costs.

j) Operating leases.

Various items are held by the Charity under operating leases; the title to the items remains with the lessor and equipment is normally replaced every 10 years, rental charges are charged on a straight-line basis.

k) Tangible fixed assets.

Individual fixed assets costing £1,000 or more are capitalized and depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold Land	Not depreciated
Buildings, major remodelling	2%
Building other improvements	10%
Equipment (not including Pianos)	25%
Fixtures and Fittings	25%
Pianos	5%

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

l) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at Bank and in hand

Cash at bank is stated at the reconciled values in the bank accounts and cash in hand is stated on the basis of the money held at the time.

n) Creditors and Provisions

These are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. This is usually after allowing for any discounts due.

o) Financial Instruments

The only instruments held by the charity are cash in bank and hand, as described in note m).

p) Pensions

The charity makes contributions to personal pension schemes and came under the scope of Auto-enrolment in April 2017. There are no pension funds held by the charity.

q) Employee Benefits

Short-term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

2 Legal Status

The National Opera Studio is a Company Limited by Guarantee and has no share capital. In the event of the Charity deciding to cease, its operations all assets would be transferred to another charity whose aims and objectives are closest to that of the Studio.

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

3 Grants, Donations and Legacies

Current Year

	Unrestricted Funds	Designated Capital Fund	Other Designated Funds	Restricted Funds	Total June 2020	Total June 2019
	£	£	£	£	£	£
Arts Council	171,316	-	-	-	171,316	168,221
Donations	130,565	-	15,000	58,700	204,265	47,708
Trusts and foundations	6,250	-	35,000	162,000	203,250	242,441
Corporate donations	22,000	-	-	-	22,000	38,000
Opera companies	122,000	-	-	-	122,000	116,000
In-kind income	-	-	-	-	-	13,740
Legacies	8	-	-	-	8	25
	<u>452,139</u>	<u>-</u>	<u>50,000</u>	<u>220,700</u>	<u>722,839</u>	<u>626,135</u>

Prior Period

	Unrestricted Funds	Designated Capital Fund	Other Designated Funds	Restricted Funds	Total June 2019	Total April 2017 to June 2018
	£	£	£	£	£	£
Arts Council	168,221	-	-	-	168,221	210,276
Donations	42,208	-	5,500	-	47,708	144,038
Trusts and foundations	137,441	-	42,000	63,000	242,441	297,249
Corporate donations	38,000	-	-	-	38,000	35,243
Opera companies	116,000	-	-	-	116,000	107,000
In-kind income	13,740	-	-	-	13,740	16,000
Legacies	25	-	-	-	25	9,912
	<u>515,635</u>	<u>-</u>	<u>47,500</u>	<u>63,000</u>	<u>626,135</u>	<u>819,718</u>

4 Other Trading Income

	Unrestricted Funds	Designated Capital Fund	Other Designated Funds	Restricted Funds	Total June 2020	Total June 2019
	£	£	£	£	£	£
Rental income	26,167	-	-	-	26,167	23,413
	<u>26,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,167</u>	<u>23,413</u>

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

5 Charitable Activities

	Unrestricted Funds	Designated Capital Fund	Other Designated Funds	Restricted Funds	Total June 2020	Total June 2019
	£	£	£	£	£	£
Audition fees	18,499	-	-	-	18,499	23,020
Other income	18,048	-	-	-	18,048	10,048
Box Office receipts	11,834	-	-	-	11,834	25,500
Short Course fees	34,672	-	-	-	34,672	48,468
Coronavirus Job Retention Scheme Grants	24,733	-	-	-	24,733	-
Theatre Tax Credit	76,676	-	-	-	76,676	48,578
	<u>184,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,462</u>	<u>155,614</u>

6 Analysis of Total Expenditure

Current Year

	Direct Costs	Support Costs	Total June 2020	Total June 2019
	£	£	£	£
Raising funds:				
Cost of fundraising	57,434	13,385	70,819	78,519
Generating rental income	11,917	5,354	17,271	16,785
Charitable activities	<u>474,600</u>	<u>248,960</u>	<u>723,560</u>	<u>719,879</u>
	<u>543,951</u>	<u>267,699</u>	<u>811,650</u>	<u>815,183</u>

Prior Period

	Direct Costs	Support Costs	Total June 2019	Total April 2017 to June 2018
	£	£	£	£
Raising funds:				
Cost of fundraising	68,663	9,856	78,519	143,877
Generating rental income	12,843	3,942	16,785	15,163
Charitable activities	<u>536,566</u>	<u>183,313</u>	<u>719,879</u>	<u>868,637</u>
	<u>618,072</u>	<u>197,111</u>	<u>815,183</u>	<u>1,027,677</u>

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

7 Analysis of Support Costs

	2020	2019
	£	£
Staff	95,387	56,253
Premises	15,242	17,070
Office costs, finance, and admin	42,049	35,188
Travel	7,275	9,991
Insurance	9,107	7,839
Governance	36,441	26,690
Depreciation	62,198	44,080
	<u>267,699</u>	<u>197,110</u>

Support costs are allocated across the different areas of expenditure on the basis of staff time and other costs expended.

8 Governance Costs

	2020	2019
	£	£
2019 Audit Fees under-accrued	2,460	8,100
2020 Independent Examination fees	5,000	-
Accountancy Fees for Corporation Tax	5,610	-
Allocated staff costs	23,371	18,590
	<u>36,441</u>	<u>26,690</u>

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

9 Staff Costs and Numbers

	2020	2019
	£	£
Gross salary	287,631	257,919
Social security costs	27,710	25,374
Pensions costs	7,601	4,092
Redundancies and settlements	-	-
Government Employment Grant	(4,000)	(3,000)
	<u>318,942</u>	<u>284,385</u>
	2020	2019
Average number of employees is as follows		
Charitable Activities	6.93	6.42
Core	3.21	2.25
Total	<u>10.14</u>	<u>8.67</u>
	2020	2019
	£	£
Salary, National Insurance, and pensions of Key Management Personnel	<u>179,211</u>	<u>167,789</u>

The pay and remuneration of staff is set and reviewed by the Remunerations Committee, who meet annually. Pay of the Senior Management Team is normally increased in accordance with average earnings. The directors benchmark against levels of pay in other organisations of a similar size and type. The pay is not greater than the highest benchmarked salary for a comparable role.

The identified Key Management Personnel are the Chief Executive, the Director of Artist Development, and the Head of Music.

One employee received over £60,000 in the year ended June 2020, in the banding of £60,000-£69,999 (2019: No employee received above £60,000).

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

10 Net Income is stated after charging

	2020	2019
	£	£
Independent Examination/Audit fees	7,460	8,100
Depreciation	62,198	44,080
Operating lease rentals	12,647	8,667

11 Tangible Assets

As at 1st July 2019	1,839,095	100,693	126,028	2,065,816
Additions	-	20,036	2,101	22,137
Disposals	-	-	-	-
As at 30th June 2020	<u>1,839,095</u>	<u>120,729</u>	<u>128,129</u>	<u>2,087,953</u>
As at 1st July 2019	411,654	56,920	62,312	530,886
Charge for year	25,774	20,650	15,774	62,198
On disposals	-	-	-	-
As at 30th June 2020	<u>437,428</u>	<u>77,570</u>	<u>78,086</u>	<u>593,084</u>
Net book value 30th June 2020	<u>1,401,667</u>	<u>43,159</u>	<u>50,043</u>	<u>1,494,869</u>
Net book value 30th June 2019	<u>1,427,441</u>	<u>43,773</u>	<u>63,716</u>	<u>1,534,930</u>

Included in Property is freehold land value £575,000 (2019: £575,000) which is not depreciated.

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

12 Debtors

	2020	2019
	£	£
Trade debtors	8,465	5,418
Other debtors	-	-
Prepayments and accrued income	162,047	86,319
	<u>170,512</u>	<u>91,737</u>

13 Creditors

	2020	2019
	£	£
Trade creditors	13,980	15,425
Other Creditors	-	-
Accruals and deferred income	123,267	57,492
Taxes, social security, and pensions	-	10,873
	<u>137,247</u>	<u>83,790</u>

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

14 Restricted Funds

Current Year	Balance 1st July 2019	Income	Expenditure	Transfers	Balance 30th June 2020
Nicholas John Trust (1)	1,120	-	1,120	-	-
Nicholas John Trust (2)	-	45,000	35,000	-	10,000
British Council	13,550	-	13,550	-	-
Help Musicians	-	40,000	40,000	-	-
Boltini Trust	-	10,000	10,000	-	-
Jonathan Kane	-	13,700	-	(13,700)	-
Amar-Franses and Foster-Jenkins Trust	-	14,000	14,000	-	-
Diverse Voices Restricted Fund	-	26,000	20,191	20,191	26,000
Young Artist Training and Support Restricted Fund	-	35,000	35,000	-	-
Old Possum's Practical Trust	-	5,000	5,000	-	-
Young Artist Training Restricted Fund	-	32,000	32,000	-	-
	<u>14,670</u>	<u>220,700</u>	<u>205,861</u>	<u>6,491</u>	<u>36,000</u>
Prior Year	Balance 1st July 2018	Income	Expenditure	Transfers	Balance 30th June 2019
Nicholas John Trust (1)	3,634	-	2,514	-	1,120
William de Winton	-	3,000	3,000	-	-
Help Musicians	10,000	30,000	40,000	-	-
Boltini Trust	-	10,000	10,000	-	-
Kathleen Trust	-	6,000	6,000	-	-
Fidelity Trust	57,749	-	-	(57,749)	-
British Council	-	14,000	450	-	13,550
	<u>71,383</u>	<u>63,000</u>	<u>61,964</u>	<u>(57,749)</u>	<u>14,670</u>

Nicholas John Trust (1): funds that supported activities related to former Young Artists to help them in the early stages of their career

Nicholas John Trust (2): funds for the 12:42 New Commissions project

British Council: supported the NOS alumni tour to Russia in November 2019

Help Musicians: this was the final instalment of a 3 year National Grants Programme supporting residencies, and new programmes Diverse Voices and Opera Roots

Boltini Trust: supported the Contemporary Scenes in 2019

Jonathan Kane: this supported the Studio building refurbishment and eco-lighting

Amar-Franses and Foster-Jenkins Trust: audition travel fund and Young Artist support

Young Artist Training and Support: supports activity related to training and bursary support

Old Possum's Practical Trust supported activity on New Commissions project 12:42

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

15 Designated Funds

Current Year	Balance	Income	Expenditure	Transfers	Balance
	1st July 2019				30th June 2020
	£	£	£	£	£
Fixed Assets Fund	1,534,930	-	62,198	22,137	1,494,869
Support Fund: Young Artists	50,000	40,000	40,000	10,000	60,000
ReSound (Singers in Transition)	15,000	10,000	-	-	25,000
Capital Expenditure Fund	-	-	-	70,000	70,000
	<u>1,599,930</u>	<u>50,000</u>	<u>102,198</u>	<u>102,137</u>	<u>1,649,869</u>
Prior Period	Balance	Income	Expenditure	Transfers	Balance
	1st July 2018				30th June 2019
	£	£	£	£	£
Fixed Assets Fund	1,519,457	-	44,080	59,553	1,534,930
Support Fund: Young Artists	50,000	32,500	36,000	3,500	50,000
	<u>1,569,457</u>	<u>47,500</u>	<u>80,080</u>	<u>63,053</u>	<u>1,599,930</u>

Fixed Assets Fund: this represents the value of the fixed assets of the Studio.

Support Fund Young Artists: This is a reserve fund which enables the Studio to provide extra assistance in living costs for Young Artists should individual circumstances arise, to be held in reserve otherwise.

ReSound (formerly Singers in Transition) was due to start in 2019, however activity was delayed and this fund will be spent in the next financial year.

Capital Expenditure Fund: this is a fund for capital expenditure, primarily on the Clore Building, 2 Chapel Yard, London, SW18 4HZ

16 General Fund

Current Year	Balance	Income	Expenditure	Transfers	Balance
	1st July 2019				30th June 2020
	£	£	£	£	£
General	30,523	663,037	503,591	(108,628)	81,341
	<u>30,523</u>	<u>663,037</u>	<u>503,591</u>	<u>(108,628)</u>	<u>81,341</u>
Prior Period	Balance	Income	Expenditure	Transfers	Balance
	1st April 2018				30th June 2019
	£	£	£	£	£
General	14,154	694,812	673,139	(5,304)	30,523
	<u>14,154</u>	<u>694,812</u>	<u>673,139</u>	<u>(5,304)</u>	<u>30,523</u>

General Fund: Funds available for general use.

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

17 Analysis of Assets Between Funds

Current Year	Unrestricted £	Restricted £	Total £
Fixed assets	1,494,869	-	1,494,869
Debtors	170,512	-	170,512
Cash in bank and in hand	121,076	118,000	239,076
Creditors	(137,247)	-	(137,247)
	<u>1,649,210</u>	<u>118,000</u>	<u>1,767,210</u>
Prior Period	Unrestricted £	Restricted £	Total £
Fixed assets	1,534,930	-	1,534,930
Debtors	91,737	-	91,737
Cash in bank and in hand	87,576	14,670	102,246
Creditors	(83,790)	-	(83,790)
	<u>1,630,453</u>	<u>14,670</u>	<u>1,645,123</u>

18 Operating Lease Commitments

	2020 £	2019 £
Annual cost of operating leases which expire within 1 year	-	4,428
Cost For 2 - 5 Years	9,420	4,005

19 Taxation

The company is a registered charity and is therefore not liable to income tax or corporation tax on incomes or gains derived from its charitable activities.

20 Capital Commitments

The company has entered into no capital commitments (2019=£nil).

21 Charge

There is no charge on any of the assets of the company (2019=£nil).

National Opera Studio
Notes to the Accounts for the year ended 30 June 2020

22 Related Party Transactions

The National Opera Studio received financial and other support from the English National Opera, Glyndebourne, the Royal Opera House, Scottish Opera, Opera North and Welsh National Opera totalling £144,390 (2019: £128,000). Under the Memorandum and Articles of Association, the holders of the post of General Director (or equivalent) of each of the companies are automatically members of the Board of the National Opera Studio. Donations are often received from Trustees and other related parties, but no material benefits are given in return. These totalled £29,310 for the year (2019: £27,000).

The trustees were not remunerated for their services to the charity and did not receive any reimbursement of expenses in the year (2019: £Nil).

There were no other related party transactions.