

Registered Company Number: 03508706
Charity Registration Number: 1070013

Mahogany Opera Group
(Company Limited by Guarantee)

Trustees Report and Financial Statements For the year ended 31
March 2020

MAHOGANY OPERA GROUP

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YEAR ENDED 31 MARCH 2020

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**MAHOGANY OPERA GROUP
REFERENCE AND ADMINISTRATION DETAILS
FOR THE YEAR ENDED 31 MARCH 2020**

Constitution

The Company is incorporated under the Companies Act, company number 03508706 and its governing document is its Memorandum and Articles of Association. The Company is a registered charity, number 1070013.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the trustees are appointed by the trustees or by the Company's members at a general meeting.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular trustee meetings.

The trustees during the year and since the year end, were:

David Bernstein

Ian Hamilton

Penny Jonas (Chairman)

Professor Ludmilla Jordanova (appointed 18 March 20)

Secretary

Allison Rosser

Artistic Director

Frederic Wake-Walker

Executive Manager

Allison Rosser

Independent Examiner

Michael Kyriakides

Bankers

Lloyds Bank Plc, Villier House, 48-49 Strand, London WC2N 5LL.

Barclays Bank Plc, 1 Churchill Place, London E14 5HP.

Solicitors

Weil, Gotshal & Manges (London) LLP, 110 Fetter Lane, London, EC4A 1AY.

Operation address

Institute of Contemporary Arts, 12 Carlton House Terrace, London SW1Y 5AH.

Registered office

Watford Palace Theatre, 20 Clarendon Road, Watford, Hertfordshire WD17 1JZ.

**MAHOGANY OPERA GROUP
TRUSTEES' ANNUAL REPORT INCLUDING DIRECTORS' REPORT
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The Trustees who act as directors for the purposes of company law, present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, including the adoption of the amendments issued in December 2017 (FRS 102).

The trustees confirm that they complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity's Commission general guidance on public benefit "Charities and Public Benefit". The Trustees' Report clearly sets out the charitable objectives, our current activities and how they benefit the public.

PRINCIPAL ACTIVITY

The charitable objects of Mahogany Opera Group are:

to promote, maintain, improve and advance education, by the encouragement of the arts, but particularly the arts of drama, music, signing, mime, dance and to formulate, prepare and establish schemes thereof provided that all objects of the company shall be of a charitable nature.

Mahogany Opera Group is a leading commissioner and producer of new opera and music theatre. The Company's vision is for opera to be an inclusive, collaborative and dynamic artform that speaks meaningfully to people today. Its mission is to stretch the boundaries of what opera can be and who it is for.

Since 2014, under the artistic direction of Frederic Wake-Walker, Mahogany Opera has commissioned 19 new works and toured them across the UK and internationally. The company has worked with an extensive range of creative partnerships from international festivals, regional venues, music education hubs, universities and orchestral ensembles, receiving many accolades and awards for its boundary-pushing and inclusive work.

Mahogany Opera's work sits within three complementary programmes:

Commissioning new work

- creating new opera in new ways
- extending the reach and diversity of artists and audiences
- addressing the need for opera to reinvigorate itself, speak from diverse perspectives and reflect the world around us

Snappy Operas

- Mahogany Opera's award-winning schools project making and performing new mini-operas alongside professionals
- bringing the power and joy of music and theatre to children across the UK
- addressing the need for more accessible, high quality music and theatre provision in primary schools

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Various Stages

- Mahogany Opera's pioneering research and development programme opening up the creative process to artists, promoters and new audiences
- creating inclusive opportunities for artists to develop and create new work in new ways
- addressing the need to provide more inclusive opportunities for artists to create new work in new ways

Mahogany Opera places its work with children on an equal footing to the rest of the programme, using the same artists and approach across all strands of work. Twelve of the recent commissions are ten-minute Snappy Operas that have been developed with and performed by primary school children alongside professional artists. Since the beginning of the Snappy Operas programme the Company has worked with 2500 children in 80 schools across the UK.

Various Stages is a Research & Development programme of open calls, workshops, public showcases and mentoring support. It has been a platform for the creative development of over a hundred artists in the last six years.

Beyond the work itself, Mahogany Opera is a creative space for the development of new ideas and the sparking of new connections – a place where people can encounter music and theatre for the first time, where artists can forge new creative relationships and where time is given for research, reflection and discussion.

The Company's approach is deeply collaborative and defined by people – by a belief that everyone involved has a creative role to play and that includes, crucially, the audience. Mahogany Opera knows that opera is a form of culture that upholds systemic injustices rather than challenges them and endeavours to create work that is open and welcoming to everyone who wants to take part.

Mahogany Opera has an office at the Institute of Contemporary Arts in London but the team is based around the UK (London, Scotland and the North of England) and Frederic Wake-Walker is based in Berlin. This gives the Company a unique perspective when creating work and building partnerships; connecting meaningfully to communities while bringing a broad outlook to our approach.

Mahogany Opera Group is a registered charity (No.1070013) and a company limited by guarantee (No. 03508706). The current board of trustees are Penny Jonas (chair), David Bernstein and Ian Hamilton, all of whom have been involved with Mahogany for a number of years, and Prof. Ludmilla Jordanova who joined in March 2020.

As a registered charity, Mahogany Opera is immensely grateful for the generous contributions of trusts & foundations and individuals, without whose support its work would not be possible.

ACHIEVEMENTS AND PERFORMANCE

THE SNAPPY OPERA FESTIVAL

A Snappy Opera is a ten-minute opera for children which introduces all the essential elements of opera – singing, acting and making – in fun, colourful and bite-sized chunks. Mahogany Opera has so far commissioned ten Snappy Operas, written by some of the UK's top composers and writers. To make the operas relevant and engaging each Snappy Opera is developed alongside a group of children to create the stories and characters.

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In the financial year 2019/2020 Mahogany Opera expanded its Snappy Opera programme through the delivery of the inaugural Snappy Opera Festival. The Snappy Opera Festival is designed to take place biennially and to be a celebration of opera making with children in primary schools breaking down misconceptions about opera and the barriers that surround the art form. Collaboration is key – as the Snappy Opera Festival continues Mahogany Opera will connect with Music Education Hubs (MEHs), Multi-Academy Trusts (MATs) venues, artists, schools, teachers, children and audiences to make it happen, with each having shared ownership and involvement throughout the process.

To support the Snappy Opera Festival and to provide a legacy in the regions where the Company works a new Continuing Professional Development (CPD) model for teachers and an Artist Recruitment Programme to expand Mahogany Opera's pool of creative practitioners was developed and delivered. Mahogany Opera also continued to work with producer Marc Dunleavy who has been key to the development and growth of the Snappy Opera programme.

A focus of the Snappy Opera Festival is to bring activity to children in areas where there is low arts provision. This is achieved by Mahogany Opera forming partnerships with MEHs and other key organisations working in those areas. For the Snappy Opera Festival 2019 Mahogany Opera furthered its relationships with previous partners the David Ross Education Trust, Leicester-Shire Music Service, North Tyneside Music Education Hub and Rosehill Theatre, Cumbria and formed new relationships with Nottingham Playhouse and Southwold Music Trust.

Creative teams comprised of a director, music director, repetiteur and stage manager worked with 24 classroom groups in schools across England, engaging more than 700 primary school children. Each group of children learned and rehearsed one of the 10-minute Snappy Operas over a six-week period. Activity was delivered during school hours, reducing barriers to participation. Online learning resources that included scores and music learning tracks, were made available to aid learning, as well as bespoke design packs created by artist Anna Bruder to enable teachers and children to make their own props and costumes.

The children both shared their work to peers through in-school performances and then through public performances. The participating schools in each region coming together to perform alongside professional musicians at local theatrical venues including Nevill Holt Opera, Nottingham Playhouse and the Playhouse Whitley Bay and others to a total audience of 3,590 people.

TEACHERS CPD

Mahogany provided a full day of training and CPD to all the teachers involved to provide a clear understanding of the activity and their role within the process. Additional benefits to teachers were increased confidence in using arts activities in the classroom, both in support of the Snappy Opera Festival and in wider teaching, and guidance on how the arts, or related skills and techniques, can be used to support their teaching in the wider curriculum. This model will be further developed to support teachers in future Snappy Opera Festivals; this will include the development of written resources to accompany the training, for which research and data gathering took place during the evaluation period of the 2019 Festival.

ARTIST RECRUITMENT PROGRAMME

For the Snappy Opera Festival 2019, Mahogany Opera sought to broaden the creative practitioners who deliver the Snappy Opera activity in-schools. The intention was for artists to better reflect the diversity of participants and audiences in the partner regions and to engage with creative practitioners working in these areas. Mahogany Opera carried out a wide-reaching

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recruitment process, complimented by a day-long training workshop for artists delivering the project and for those interested in working with children through opera. The Company received a high-level of applications, training and engaging over 35 artists for the delivery of the Snappy Opera Festival. The training day also provided an opportunity for a discussion amongst participants about access and inclusion in relation to opera projects for children in areas where there is low arts provision.

"It showed the amazing potential of young kids to get immersed in Opera. When it is pitched in the right way – a story suitable to their age, with melodies and words which they can easily learn they absolutely love it. Getting involved in the whole things is the key. They make the costumes, brought and made some of the props, really got totally involved. They will never forget their performance. It was fabulous!"

Primary School Teacher, Snappy Opera Festival 2019

VARIOUS STAGES FESTIVAL

Various Stages is Mahogany Opera's distinctive and artist-led research and development programme. Through Various Stages Mahogany Opera aim to address the need to provide more inclusive opportunities for artists to create new work in new ways.

The Various Stages Festival takes place every two/three years and is designed to reduce barriers and create opportunities to make new work. The Various Stages Festival aims to drive sector change by offering audiences, promoters and producers a rare look inside the creative process and an opportunity to participate in conversations about the future direction of opera and music theatre. Through the Various Stages Festival Mahogany Opera supports a broad range of emerging and established composers, performers, and makers; develops those artists' existing skills and techniques to experiment with new ideas and approaches; and builds connections with producers and promoters from across industry. Projects for the Various Stages Festival are discovered through an inclusive open call process, followed by a series of workshops, sharings and public work-in-progress showings, supported by an artistic advisor.

The Various Stages Festival 2020 supported makers of new opera and music theatre from a range of disciplines and creative backgrounds. Artists were invited to apply through an open call with ideas exploring the interplay between music and other forms of live performance, whether they saw their project as opera, music theatre and/or a type of music driven performance. Three projects were offered the opportunity to receive three days' workshop with a fee for lead artists plus contribution towards workshop costs, rehearsal space, mentoring, and a public showcase at the Institute of Contemporary Arts (which was sadly cancelled as a result of Covid-19).

"The festival allowed for encounters between different disciplines. My background is in design and sonic arts and it was very satisfying to work with professional vocalists and instrumentalists." **Wojciech Rusin, VSF20 Artist**

Three artistic advisors, Martin Berry (Nottingham Playhouse), Dr Jessica Walker (academic & performance) and Jamie Man (composer/conductor) were involved in the shortlisting and interviewing process. 154 applications were received and in total seven projects received resources for workshops as part of the Various Stages Festival. Mahogany Opera supported eleven lead artists and forty-five additional artists were involved in workshop activity. The Various Stages Festival 2020 featured two international collaborations, which included a research project in Kenya and a collaboration between Ukrainian and British artists with 12 young adults (18-25) from London.

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The workshops were supported by artist and organisational relationships, through support in-kind from Nottingham Playhouse, Sage Gateshead, Guildhall School of Music and Drama, Snape Maltings, and Battersea Arts Centre. The Company also explored and trialled a new opera making project with students in collaboration with the University of Edinburgh.

"I have a strong belief that the process will create the end piece of work. And my main interest is in process towards transformation." **Nwando Ebizie, Various Stages Festival 2020 Artist**

The Various Stages Festival 2020 was to culminate with a Showcase & Forum on 19 March at the Institute of Contemporary Arts, was to be an afternoon of work-in-progress performances, a series of funding surgeries run by Chloe Brookes, Relationship Manager, Arts Council England, a Round Table chaired by Rhian Hutchings (Operasonic) with representatives from Snape Maltings and Hull Urban Opera. A new relationship was established with a freelance marketing consultant who developed a successful campaign, achieving good levels of interaction with posts across social media platforms. A filmmaker and photographer were booked to capture the event. This documentation was to be used as archive and marketing material to follow up with attendees and to publicise future activity.

The Showcase & Forum was cancelled due to the Covid-19 crisis. The decision was made in consultation with Mahogany Opera's board of trustees in response to the developing situation and closure of the Institute of Contemporary Arts. Most of the workshops had taken place before the Covid-19 crisis took hold and Mahogany Opera worked with artists to gather material to share digitally. A series of blogs was created which were shared with a distribution list of 2,400 including key industry contacts, Mahogany Opera's mailing list, and across the Company's social media platforms with a following of over 8000.

"It felt very joyful. Neither of us felt like we had to defend our project and as a result it was very honest and led to a lot of discoveries that came just out of talking."

Toria Banks, Various Stages Festival 2020 Artist

COVID-19

The Covid-19 crisis has had, and continues to have, a significant impact on the delivery of our programme. The majority of our work takes place either in schools or in collaboration with artists, which has been difficult or impossible since the crisis began. While our fundraising activities continue, they have inevitably been impacted by the crisis and the restrictions on our operations.

Despite the crisis, we remain financially resilient. We finished the financial year 2019-20 with a healthy reserves position, and towards the end of that period had secured core funding from the Ellerman Foundation and funding for the Snappy Opera Festival from the Foyle Foundation helping the Company to plan for future activity.

Our income for the 2020-21 financial year is expected to be adversely impacted by a reduction in funding as a result of delays in our delivery schedule and in performance income, which will be partially offset by reduced project spending. Over the 2018-19 and 2019-20 financial years our core costs reduced substantially as a result of the refocussing of our work. While the Trustees and the executive team have continued to seek to identify possible cost savings in our core costs, given the small size of our team it is not possible to achieve further substantial cost reductions without a significant threat to our ability to continue to operate and to be deliver our future charitable goals. However, despite the ongoing uncertainty around when we will be able to restart our activities fully, given the Company's strong balance sheet and the support of the

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Ellerman Foundation and others, the Trustees are confident in the Company's future ability to continue to meet its artistic goals.

FINANCIAL REVIEW

The Statement of Financial Activities (including Income and Expenditure Account), Balance Sheet, together with the notes thereon are set out on pages 15 to 23.

The Statement covers the 12 months from 1 April 2019 to 31 March 2020.

Total income for the year amounted to £230,827 (2018/19 £158,176) of which £116,053 (2018/19 £117,269) was restricted. Total resources expended for the year was £239,386 (2018/19 £217,240), of which £142,553 (2018/19 £110,795) was restricted.

We have identified the need to diversify our income. Over the year we made appropriate changes to make the company financially secure. Core costs were reduced, and new financial models explored in order to achieve sustainability. This included reducing office costs and streamlining the core team to an Executive Manager, the sole employed member of staff.

Strong support was received from a number of trusts and foundations, with welcomed continued support from the Ellerman Foundation, the Foyle Foundation and Arts Council England for the Snappy Opera Festival, and PRS for Music Foundation for our work with composers. We are focusing on increasing our philanthropic fundraising, cultivating individual donors and regional trusts in the UK areas where we tour. We were able to take advantage of the Theatre Tax Relief scheme.

Against this background, our financial position at the end of the period under review provides a good platform from which to embark on 2020-21.

Reserves

The unrestricted reserves of the Company comprise a General Fund and two Designated Funds. The Trustees consider it prudent to maintain sufficient unrestricted reserves in the General Fund to meet a minimum of six months core operating costs. This reflects the challenge of funding within the present economic climate, together with the need to deliver on future commitments.

In response to the variable pattern of expenditure, the Company maintains two designated funds. One is for Current Projects where funds received have been allocated by the trustees to existing projects which are underway, but the costs of which are to be borne in subsequent accounting periods. The level of this reserve fluctuates according to the pattern of funding and the Company's production schedules. This flexibility allows us to respond to performance opportunities, the scheduling of which may be beyond our control.

The second is the John Hughes Innovation Fund, which is the combination of the legacy received in 2017/2018 and the Future Commissions Fund. This will be used for future commissions, the funding of which may be required two to three years before its production; development of new ideas across the Company's artistic programme; and to support Various Stages. This demonstrates our commitment to the development and commissioning of new work and ideas.

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Investments

The Company maintains a savings account for managing cash reserves and any grants awarded for future projects. These funds are kept on instant access or short notice as appropriate. The remaining funds are kept in a 32-day Notice Account with Lloyds Bank.

RISK MANAGEMENT

All significant activities undertaken are subject to a risk review as part of the initial project assessment and implementation. Major risks are identified and ranked in terms of their potential impact and likelihood. Major risks, for this purpose, are those that may have a significant effect on:

- Operational performance, including risks to staff, volunteers and visitors;
- Achievement of aims and objectives; or
- Meeting the expectations of beneficiaries or supporters.

The trustees review these risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. Where appropriate, risks are covered by insurance. The following framework is central to ensuring adequate risk management:

- Regular monitoring of major risks;
- Embedding risk identification and assessment within operating procedures;
- A clear structure of delegated authority and control; and
- Maintaining reserves in line with set policies.

In assessing risk, the trustees recognise that some areas of work require the acceptance and management of risk if key objectives are to be achieved. The trustees have reviewed the major risks to which the company is exposed and identified control and mitigation procedures, under the headings of:

- Governance;
- Operational;
- Financial;
- External; and
- Compliance.

PLANS FOR FUTURE PERIODS

Mahogany Opera's plans for the 20/21 period and beyond are all made in light of the Covid-19 crisis. Despite the restrictions, in the financial period 20/21 the company will aim to expand its Board to include 3-4 more trustees, develop a new website and communications strategy, and continue to deliver work across its three programmes:

Commissions

At the year end 19/20 Mahogany Opera had confirmed its commitment as co-commissioner for *Dido's Ghost* a new opera by composer Errollyn Wallen and writer Wesley Stace. The new commission will reframe and illuminate Purcell's original Dido and Aeneas. Co-commissioned by Dunedin Consort, Barbican and Mahogany Opera *Dido's Ghost* will open at the Barbican in June 2021 directed by Mahogany Opera artistic director Frederic Wake-Walker and performed on period instruments by Dunedin Consort. *Dido's Ghost* will bridge worlds, blurring past and

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present, creating a distinctive new classic for our time. Mahogany Opera will also support the development of the piece through workshops held in the 20/21 period.

Snappy Operas

In 20/21 and into the future Mahogany Opera will continue to develop the Snappy Opera programme. Upcoming plans are to commission two new Snappy Operas in the 20/21 period with composers Pippa Murphy and Raymond Yiu and writers Karine Polwart and Russell Plows in partnership with North Tyneside Music Education Hub and Hull Music Service. These two new operas will receive their premieres during the Snappy Opera Festival 2021. The commissioning process for these new operas will be adapted to deal with the impacts of Covid-19 with development activity taking place remotely with children in schools.

In the 20/21 Mahogany Opera will begin fundraising for a project with Leicester-Shire Schools Music Service to create a new SEND Snappy Opera that will be developed with and for children with additional needs in a specialist school. The plan for the project to be delivered over the 20/21 and 21/22 financial periods. The creation of this new Snappy Opera will also frame a wider project to inform and shape the overall delivery of the Snappy Opera programme – making Mahogany Opera's approach more inclusive, developing more robust resources, providing even stronger project outcomes for children, teachers and artists, and creating a stronger offer for project partners.

The primary strategic aims for the Snappy Opera programme are focused on quality, access and impact and the complementary aims of reach and sustainability. Mahogany Opera works in area where there is low arts provision, breaking down social barriers and confounding expectations of what opera can be. The intention for Snappy Operas to play a meaningful role in many children's lives and to have a significant effect on both the education and arts sectors. To this end Mahogany Opera will continue to build long-term strategies with current partners alongside brokering new relationships in order to work with communities to facilitate opportunities for children to engage with the arts and the confidence to perform.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees (directors), who numbered four at the end of the period, have overall fiduciary responsibility for the supervision of the activities of the Company.

The Artistic Director and Executive Manager are currently responsible for day to day management of the Company.

Artistic initiation, planning, development and delivery is led by the Artistic Director. The Artistic Director is engaged in that role, on a part-time freelance basis, as he is when directing the Company's productions.

The Executive Manager leads on daily organisational and financial management. The Company's activity is supported by a freelance Associate Producer (Snappy Operas), freelance Fundraising Manager and a part-time freelance Finance Manager. In addition, the Company works with a range of specialist freelance staff to deliver on producing, fundraising, project management, education, PR when appropriate.

The trustees meet at least four times a year and are available for consultation and advice on an ad hoc basis. The Finance Committee meets in advance of each quarterly trustees meeting to monitor the Company's financial position and management.

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TRUSTEES' ANNUAL REPORT INCLUDING DIRECTORS' REPORT
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Statement of trustees' responsibilities

The trustees (who are directors of Mahogany Opera Group for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

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

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

Disclosure of information to the independent examiner

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that;

- so far as that Trustee is aware, there is no relevant information of which the charitable company's independent examiner is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing their report and to establish that the charitable company's independent examiner is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 26 January 2022 and signed on its behalf by

Penny Jonas
Chairman of the Board

MAHOGANY OPERA GROUP
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAHOGANY OPERA GROUP

I report on the accounts of the charity for the year ended 31 March 2020, which are set out on pages 12-22.

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. The trustees consider that an audit is not required for the year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is required to prepare accrual accounts and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act.
- To follow procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosure in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination of the charity, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
to keep accounting records in accordance with section 386 of the Companies Act 2006 and to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, and which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Michael Kyriakides ACA
26 January 2021

Michael K
7 Forest Road
Sutton
Surrey
SM3 9NT

MAHOGANY OPERA GROUP
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020

		2020		
		Unrestricted funds	Restricted funds	Total funds
	Note	£	£	£
Income from:				
Donations and legacies	2	56,545	116,053	172,598
Charitable activities	3	23,188	-	23,188
Investment	4	2,574	-	2,574
Other	5	32,467	-	32,467
Total Income		114,774	116,053	230,827
Expenditure on:				
Raising funds	7	14,775	-	14,775
Charitable activities	8	82,058	142,553	224,611
Total expenditure		96,833	142,553	239,386
Net income/(expenditure)		17,941	(26,500)	(8,559)
Transfers between funds		-	-	-
Net movement in funds		17,941	(26,500)	(8,559)
Reconciliation of funds:				
Total funds brought forward		387,144	26,500	413,644
Total funds carried forward		405,085	-	405,085

All gains and losses arising in the year have been included in the Statement of Financial Activities and arise from continuing operations.

The notes on pages 15 to 22 form part of these financial statements

MAHOGANY OPERA GROUP
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019

		2019		
		Unrestricted funds	Restricted funds	Total funds
	Note	£	£	£
Income from:				
Donations and legacies	2	18,981	117,269	136,250
Charitable activities	3	10,881	-	10,881
Investment	4	2,958	-	2,958
Other	5	8,087	-	8,087
Total Income		40,907	117,269	158,176
Expenditure on:				
Raising funds	7	24,254	-	24,254
Charitable activities	8	82,191	110,795	192,986
Total expenditure		106,445	110,795	217,240
Net income/(expenditure)		(65,538)	6,474	(59,064)
Transfers between funds		-	-	-
Net movement in funds		(65,538)	6,474	(59,064)
Reconciliation of funds:				
Total funds brought forward		452,682	20,026	472,708
Total funds carried forward		387,144	26,500	413,644

All gains and losses arising in the year have been included in the Statement of Financial Activities and arise from continuing operations.

The notes on pages 15 to 22 form part of these financial statements

**MAHOGANY OPERA GROUP
BALANCE SHEET
AS AT 31 MARCH 2020**

COMPANY REGISTRATION NUMBER 03508706

	Note	2020 £	2019 £
CURRENT ASSETS			
Debtors	15	32,509	48,426
Cash at bank and in hand		<u>410,290</u>	<u>380,838</u>
		442,799	429,264
CREDITORS: amounts due within one year	16	<u>(37,714)</u>	<u>(15,620)</u>
NET ASSETS		<u>405,085</u>	<u>413,644</u>
Funds	18		
Restricted funds		-	26,500
Unrestricted funds:			
General funds		281,706	263,765
John Hughes Innovation Fund		120,000	120,000
Designated funds		<u>3,379</u>	<u>3,379</u>
		<u>405,085</u>	<u>413,644</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2020 and of its net expenditure for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company. The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2016.

The financial statements were approved by the trustees on 26 January 2021 and signed on their behalf, by:

Penny Jonas
Chair

The notes on pages 15 to 22 form part of these financial statements

**MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

(a) Accounting convention

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

(b) Statutory Information

The Mahogany Opera Group is a charitable company limited by shares, and is incorporated in England & Wales. The registered office address is 20 Clarendon Road, Watford, Hertfordshire, WD17 1JZ.

(c) Going concern

The Trustees have considered the appropriateness of the going concern assumption and believe it is appropriate to prepare the financial statements on this basis due to the Trust's level of reserves and agreed funding.

(d) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income is not shown net of expenditure. The following specific policies are applied to categories of income.

- Voluntary income is received by way of grants, donations and gifts and is included in the SOFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

- Investment income is included when receivable.

- Income from grants where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

- Theatre income is included in incoming resources in the period in which the relevant activity took place

- Project specific funding, when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, is included in the income of restricted funds when receivable.

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 ACCOUNTING POLICIES (Continued)

(e) Expenditure

All expenditure is accounted for on an accruals basis and is stated net of VAT. Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs which can be directly allocated to activities and those costs of an indirect nature necessary to support them.

Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

Costs are allocated between the expenditure categories of the SOFA based on usage of the resource.

Where costs cannot be directly allocated they are apportioned on an appropriate basis and recognised in SOFA.

(f) Leased assets

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

(g) Fund accounting

The charity has three distinct types of fund in its balance sheet:-

Unrestricted, or general, funds arising from the accumulated surplus from its various activities.

Restricted funds representing balances to be spent on particular activities as specified by the donor.

Designated Funds are funds set aside by the Board of Trustees for a specific purpose. The income and expenditure are shown in the SOFA.

The assets and liabilities representing each fund are shown in the notes to the accounts.

(h) Pensions

The charity participates in the NEST pension scheme, a defined contribution pension scheme. Payments of £1567 were made to the scheme during the year.

(i) Taxation

No provision is made in these accounts for corporation tax as the charity is exempt from such taxes as a result of having registered with the Charity Commission.

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 ACCOUNTING POLICIES (Continued)

(j) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar amount.

(k) Creditors and provisions

Creditors and provisions are recognised where 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. Creditors and provisions are normally recognised at their settlement value.

(l) Deferred Income

Grants that are received during the year but relate to a future period are classified as deferred income. Where income relates to a period of time, the time apportionment amount relating to the following year is also classified as deferred income.

2 Income from Donations and legacies

	Unrestricted	Restricted	Total
	2020	2020	2020
	£	£	£
Year to 31 March 2020			
Grants			
Arts Council England	14,850	76,262	91,112
The Catherine Cookson Charitable Trust	-	500	500
John Ellerman Foundation	30,000	-	30,000
Kobler Trust	-	5,000	5,000
The Thistle Trust	-	3,000	3,000
Britten-Pears Foundation	-	5,000	5,000
The Vaulkhard Douglas-Home Music Trust	-	4,000	4,000
PRS TDP	-	5,000	5,000
The P & C Hickinbotham Charitable Trust	-	1,000	1,000
William Webster Charitable Trust	-	1,000	1,000
The D'Oyly Carte Charitable Trust	-	3,000	3,000
The Garrick Charitable Trust	-	4,000	4,000
The Leche Trust	-	2,000	2,000
RVW Trust	-	2,000	2,000
	44,850	111,762	156,612
Donations			
Individual Giving	5,188	4,291	9,479
Friends & Directors' Circle	6,507	-	6,507
	56,545	116,053	172,598

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

2 Income from Donations and legacies (Continued)

	Unrestricted	Restricted	Total
	2019	2019	2019
	£	£	£
Year to 31 March 2019			
Grants			
Arts Council England		37,628	37,628
The Space CIC	-	113	113
RVW	-	2,500	2,500
Cockayne	-	25,000	25,000
Britten Pears	-	2,500	2,500
Polish Cultural Institute	-	5,000	5,000
Ernst von Siemens	-	8,945	8,945
Amberstone Trust	10,000	-	10,000
Finn Family Fund	-	1,500	1,500
Foyle Foundation	-	25,000	25,000
	10,000	108,186	118,186
Donations			
Individual Giving	-	9,083	9,083
Friends & Directors' Circle	8,981	-	8,981
	18,981	117,269	136,250

3 Income from charitable activities

	Unrestricted	Unrestricted
	2020	2019
	£	£
Theatre income		
Snappy Opera	23,188	8,000
The Mother	-	2,881
	23,188	10,881

4 Investment income

	Unrestricted	Unrestricted
	2020	2019
	£	£
Bank Interest	2,574	2,958
	2,574	2,958

5 Other Income

	Unrestricted	Unrestricted
	2020	2019
	£	£
Theatre tax relief	29,394	8,087
Other income	3,073	-
	32,467	8,087

Theatre Tax relief Scheme is available on qualifying pre-production expenditure.

6 Donated goods, facilities and services

No goods or services were received with a recognisable value.

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

7 Fundraising costs

	Unrestricted 2020 £	Unrestricted 2019 £
Staff and related costs	13,200	19,991
Allocated support costs	1,575	4,263
Total	14,775	24,254

8 Analysis of Charitable Expenditure by type

	Staff Costs 2020 £	Direct Costs 2020 £	Support Costs 2020 £	Total 2020 £
Year to 31 March 2020				
Theatre production / project costs				
Artists/ production/ touring/ preparation	56,537	128,482	22,070	207,089
Marketing	-	15,654	1,867	17,521
Total	56,537	144,136	23,937	224,610
	Staff Costs 2019 £	Direct Costs 2019 £	Support Costs 2019 £	Total 2019 £
Year to 31 March 2019				
Theatre production / project costs				
Artists/ production/ touring/ preparation	58,202	93,014	32,246	183,462
Marketing	-	7,850	1,674	9,524
Total	58,202	100,864	33,920	192,986

Analysis of Charitable Expenditure by fund

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Theatre production / project costs			
Artists/ production/ touring/ preparation	64,536	142,553	207,089
Marketing	17,521	-	17,521
Total	82,057	142,553	224,610
	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Theatre production / project costs			
Artists/ production/ touring/ preparation	72,667	110,795	183,462
Marketing	9,524	-	9,524
Theatre production / project costs	82,191	110,795	192,986

9 Support costs

	2020 £	2019 £
Office costs	19,690	33,310
Bookkeeping	5,057	4,765
Bank charges	90	107
Governance	675	-
	25,512	38,183

The accounting policy adopted for the apportionment of costs between activities is based on the total cost of each activity

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

10 Operating Surplus/(Deficit)

is stated after charging

	2020	2019
	£	£
Independent examiner's fees	800	800
	800	800

11 Staff Costs

	2020	2019
	£	£
Wages and salaries	37,485	46,745
National insurance	985	1,483
Pension costs	1,567	1,082
Temporary contractor costs	29,700	14,857
	69,737	64,167

There were no employees (2019: £Nil) who received emoluments (excluding employer pension costs) of more than £60,000

The key management personnel of the Charity, comprise the trustees, Executive Manager and Artistic Director (freelance). The total employee benefits of the key management personnel of the charity were £59,524 (2019: £48,578).

The Charity trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

The average monthly number of employees during the year was 1.5 (2019: 1.5)

Average head count in the year

	2020	2019
	Number	Number
The parts of the charity in which the employees work	2	2

12 Defined contribution pension scheme

	2020	2019
	£	£
Amount of contributions recognised in the SOFA as an expense	1,567	1,082

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. Pension costs are allocated to restricted funds as part of gross salary costs where funds cover salaried posts.

13 Related party transactions

There were no related party transactions requiring disclosure during the year

14 Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

15 Debtors

Debtors falling due < 1 year

	2020	2019
	£	£
Trade debtors	-	26,000
Other debtors	-	1,168
Prepayments and accrued income	27,034	21,258
VAT recoverable	5,475	-
	32,509	48,426

16 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	31,855	7,398
Social security and other taxes	193	1,195
Accruals	5,666	1,000
Deferred income	-	5,000
VAT payable	-	1,027
	37,714	15,620

17 Deferred income

	2020	2019
	£	£
Balance as at 1 April 2019	5,000	48,945
Amount released to incoming resources	(5,000)	(48,945)
Amount deferred in the year	-	5,000
Balance as at 31 March 2020	-	5,000

Deferred income relates to theatrical income and grant income received in advance

18 Analysis of movements in funds

	At 1 April		At 31 March	
	2019	Income	Expenditure	2020
	£	£	£	£
Unrestricted funds				
General funds	263,765	114,774	96,833	281,706
Designated funds:				
- John Hughes Innovation Fund	120,000	-	-	120,000
- Future projects	3,379	-	-	3,379
- Future commissions	-	-	-	-
Total unrestricted funds	387,144	114,774	96,833	405,085
Restricted funds				
Snappy Opera	-	18,341	18,341	-
ACE managed funds	-	76,262	76,262	-
Various Stages	-	21,450	21,450	-
Foyle & Finn Family	26,500	-	26,500	-
Total restricted funds	26,500	116,053	142,553	-
Total funds	413,644	230,827	239,386	405,085

MAHOGANY OPERA GROUP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

18 Analysis of movements in funds (Continued)

Description of purpose of designated funds

John Hughes Innovation Fund: The trustees have brought together the legacy received in 2017/2018 with the Future commissions fund to create the John Hughes Innovation Fund. This will be used for future commissions, the funding of which may be required two to three years before its production; development of new ideas across the Company's artistic programme; and to support Various Stages.

Future projects: Income relating to Snappy Opera was brought into the year and spent during the year on a project in Leicestershire.

Description of purpose of restricted funds

ACE managed funds are towards a review of the future organisational strategy.

Funding for The Mother for capitalisation and performance costs for the premiere performance in April 2019
 Foyle & Finn Family funds were received towards the Snappy Operas in 2019-20

The other restricted funding has been received to support individual productions

19 Analysis of net assets by fund

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds at 31 March 2020 £
Year ended 31 March 2020			
Fund balances are represented by			
Net Current assets	405,085	-	405,085
	405,085	-	405,085
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds at 31 March 2019 £
Year ended 31 March 2019			
Fund balances are represented by			
Net Current assets	387,144	26,500	413,644
	387,144	26,500	413,644