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STREETWISE OPERA

(A company limited by guarantee)

Report and Financial Statements

Period ended 28 February 2003

Charity no: 1092931
Company no: 4370521

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Legal and administrative information

Constitution

Streetwise Opera was formed as a company limited by guarantee and not having a share capital on 8 February 2002 and as a registered charity on 12 July 2002.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Directors and Trustees

The directors of the charitable company (the "charity"), with the exception of the executive director, are its trustees for the purpose of charity law and throughout the report are collectively referred to as the trustees. The minimum number of trustees shall not be less than three and shall not be subject to any maximum. The first trustees were the subscribers to the memorandum. The trustees are subject to retirement by rotation.

The trustees serving during the period and since the period end are as follows:

Ashutosh Khandekar	first trustee and chairman
Matthew Peacock	first trustee, resigned 3 September 2002
Jonathan Gaisman	first trustee
Ellen Thomson	first trustee
Sister Ellen Flynn	first trustee
Anna Thicknesse	appointed 10 September 2002

Executive Director

Matthew Peacock	appointed 3 September 2002

Secretary
Matthew Peacock

Registered office
32 Grafton Square
London SW4 0DB

Auditors
Clarkson Hyde
Chartered Accountants and
Registered Auditors
137-143 High Street
Sutton, Surrey SM1 1JH

Bankers
The Royal Bank of Scotland
142-144 Princes Street
Edinburgh EH2 4EQ

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Report of the Chairman

I am delighted to report that Streetwise Opera has enjoyed resounding success in its inaugural year both in terms of benefiting the homeless and ex-homeless people it serves and in producing opera productions of outstanding quality.

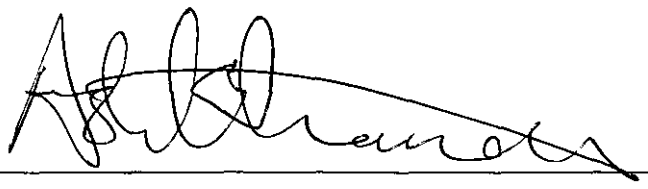
Our first large-scale opera production in 2002, the *Canticles* at Westminster Abbey was unanimously applauded by the sell-out audiences and critics, winning a 5-star review from *The Times*, sensational notices from *The Guardian*, *Independent*, *Independent on Sunday*, *Opera Now* and *Opera* and has been nominated for Best Opera from the Royal Philharmonic Society – an accolade usually only contested between the main national opera companies in Britain. The results of the project for our participants have been equally astounding – the vast majority have grown in confidence and many have gone into full-time education, housing and substance rehabilitation programmes as a result of the project. We eagerly await our next project in Oxford which is due to begin in September 2003.

This year, we have also established a programme of weekly workshops across three London homeless centres, providing what has become a much needed, regular activity for around 30-40 individuals per week. This work complements the annual large-scale projects and we aim to run both features of our work side by side in the future. In 2003-04 we will be expanding this programme and are planning a number of public and private performing opportunities for our participants from these three centres, and others, so we can focus regularly on goals with them and nurture them further throughout the year.

Our designs for a work-placement scheme for participants in arts organisations is progressing well – in a pilot scheme, a participant was sent to Berlin with the ENO and 1st Framework on a production of *Threepenny Opera* with tremendous success.

It has also been a year of cementing the foundations of the charity and putting in place infrastructure that will take the organisation forward. Founder Matthew Peacock has built Streetwise Opera from the ground upwards from research carried out since 1999, through the pilot project *The Little Prince* in 2000, to setting up the charity last year, all in his own time with a small, dedicated staff. I am delighted that he is now installed as Executive Director and can draw a salary that has been donated generously by the Linbury Trust. I wish to thank him; Project Manager Rowan Fenner; the other workshop leaders; the exceptional board of trustees; staff from the centres; everyone involved in the *Canticles* and our on-going work and a number of extremely generous volunteers (especially Tim Geddes who has created our first set of accounts) – for making this a very memorable inaugural year.

Ashutosh Khandekar
Chairman
11 April 2003



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Report of the trustees for the period ended 28 February 2003

The trustees are pleased to present their report together with the first financial statements of the charity for the period from incorporation on 8 February 2002 to 28 February 2003.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice, *Accounting and Reporting by Charities*.

Objects of the charity

The objects of the charity are:

- To advance the education of the public in the arts, in particular but not exclusively in the art of opera;
- The relief of need of homeless people.

Streetwise Opera was founded in 2001 to help homeless and ex-homeless people re-build their lives by developing confidence, self-esteem and communication skills.

The majority of homeless people and those who have been resettled feel isolated and have few opportunities to be involved in the community or in projects that make them feel worthwhile and proud of themselves. Streetwise Opera gives them a platform for their ideas; a chance to use their skills and talents; encouragement to communicate and help to rebuild feelings of self-worth. In doing so, our clients are able to look forward to the future with hope. This increased motivation helps them to look into addictions, education possibilities, housing opportunities or employment.

Organisation

The board of trustees, who meet about four times a year, administer the charity. The Executive Director is appointed by the trustees to manage the day to day operations of the charity.

Investment powers

The charity has the power, under the memorandum and articles of association, to operate bank accounts.

Review of activities and future developments

Activities before Incorporation

The work of Streetwise Opera was structured and designed following extensive research work into the needs of the homeless and the provision of arts activities in homeless centres in 1999-2000, particularly the Passage Nightshelter which hosted a pilot project in 2000 performed at the Royal Opera House, Linbury Studio.

In addition, the initial fundraising and the planning of *Canticles* was carried prior to incorporation.

Activities following Incorporation; 2002-03
At present the charity fulfils its aims in two methods:
a) By staging a large-scale opera once a year and
b) By running weekly workshops in Westminster.

a) Large-scale professional productions – The Canticles at Westminster Abbey, May 2002

This 16-week project involved the first staging of Britten's *Canticles,* produced in Westminster Abbey with participants of five London homeless centres (The Passage, London Connection, Look Ahead Victoria, Queen Mary Hostel and the Dellow Centre) together with the opera company Tête à Tête. 124 homeless and ex-homeless men and women were involved.
The project was widely praised in the media and was awarded a 5-star review in *The Times* and has been nominated for Best Opera at the Royal Philharmonic Society Awards 2003. Participants benefited hugely from the project and many have gone onto education, drug/alcohol rehabilitation, housing and employment.

b) Weekly workshops in Westminster homeless centres

Following the success of the *Canticles* we have implemented a regular programme of workshops for homeless and ex-homeless individuals in Westminster. We are running weekly music workshops at The Passage, London Connection and Queen Mary hostel – a further centre will be added to this list in 2003. We are planning a series of public performances, cabarets and in-house concerts with this group throughout the year. We are also in partnership with Business in the Community to facilitate work placements for homeless participants in arts organisations. A pilot work placement scheme saw one of our participants being engaged in a co-production of *Threepenny Opera* with ENO Studio touring to Berlin in October 2002.

Future Projects

a) **2003 – Oxford**. This project beginning in September, involves collaborations with New College School and choir, most of the local homeless agencies across the city, including Lucy Faithful House, The Gap, The Bridge, Gatehouse, Steppin' Stone, Connections – and the Oxford City Council – to produce the first staging of Britten's *Ceremony of Carols*. The premiere will be in New College Chapel in late November.

b) **2004 – Nottingham**. Our following project will culminate in the world premiere of a newly commissioned opera by a famous British composer, including specially-composed choruses for homeless and ex-homeless individuals. This project is in collaboration with Magdala Opera, Framework Housing, the Hostels Liaison Group, East Midlands Arts and the Nottingham City Council.

Both these projects will focus heavily on follow-up with workshops, evaluation, the implementation of on-going music workshops and work-placement opportunities for the participants involved in the project.

Our supporters

We would like to thank the support of a number of companies, trusts, foundations and individuals whose generosity has helped set up this charity and made our work possible. These include:

Barclays, the Bartlett Taylor Charitable Trust, Covent Garden Festival, the Linbury Trust, Charlotte Stevenson, the Regional Arts Lottery Programme, City of Westminster Arts Council, London String of Pearls, the Britten Estate, the Bonus Trust, the Andrew Mitchell Christian Charitable Trust, BP, the Walter Guiness Charitable Trust, The Passage, our Founder Members and other donors.

Summary of results for the period

The following table shows a summary of the results of the period since incorporation on 8 February 2002. In order to give a more complete picture in particular of the donations received and the costs incurred in respect of *Canticles* prior to incorporation, the table also shows the results for the period since Streetwise Opera was formed as an unincorporated entity in July 2000. Full details are given in the financial statements that follow.

	Since incorporation	**Including period Before incorporation**
	£	**£**
Incoming resources		
Donations	84,563	89,271
Income from Canticles	3,799	3,799
Other income	1,752	4,329
	90,114	97,399
Outgoing resources		
Fundraising costs	554	1,664
Charitable costs		
Canticles	49,404	51,624
Post Canticles workshops	8,530	8,530
Donation to the Passage	0	1,951
Management and administration	5,570	7,574
Net incoming resources	26,056	26,056

Details of principal donors are given in note 3 of the financial statements. In the period to January 2003, Matthew Peacock received no remuneration for setting up and managing the charity or for fundraising although he was reimbursed for producing *Canticles* and for running workshops. Following a donation from the Linbury Trust, he now receives a salary.

Reserves policy and risk management
The trustees consider the risks that the charity may face at their regular board meetings. This process includes the review of budgets and future cash flows, as well as non-financial risks such as health and safety issues, and the development of procedures to mitigate those risks. As the charity is still very young, this process is still being developed.

The free reserves of the charity (those funds not tied up in fixed assets, and designated and restricted funds) totalled £25,052 at the period end. This consists principally of funding for the salary of the Executive Director for the next year. The trustees would like to see the free reserves built up to a level to enable the charity to meet its ongoing commitments for the current financial year in the event that additional funding is not secured.

Trustees responsibilities in relation to the accounts
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 charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue on that basis.

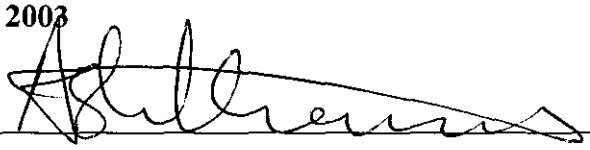
The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors
Clarkson Hyde were appointed the first auditors of the charity. A resolution to reappoint them for the ensuing year will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

By order/On behalf of the trustees:

Ashutosh Khandekar
Chairman
11 April 2003



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Report of the auditors

To the members of Streetwise Opera

We have audited the financial statements of Streetwise Opera on pages 9 to 15 for the period ended 28 February 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the trustees and auditors
As described in the statement of trustees' responsibilities on page 6, the trustees, who are the directors for the purpose of company law and trustees for the purpose of charity law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibilities, as independent auditors, are to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations that we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 28 February 2003 and of its incoming resources and application of resources, including the charity's income and expenditure, for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Clarkson Hyde
Chartered Accountants and
Registered Auditor

11 April 2003
137-143 High Street
Sutton
Surrey
SM1 1JH

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Statement of Financial Activities (including Income and Expenditure Account) for the period ended 28 February 2003

	Notes	Unrestricted Funds 2003 £
Incoming resources		
Donations:	3	
Canticles		36,979
General		47,584
Income from Canticles	4	3,799
Bank interest receivable		30
Other income		1,722
Total incoming resources		90,114
Resources expended		
Cost of generating funds	5	554
Cost of charitable activities:	6	
Canticles		49,404
Post Canticles workshops		8,530
Managing and administering the charity	7	5,570
Total resources expended		64,058
Net incoming resources – net income for the period		26,056
Total funds carried forward		26,056

The statement of financial activities includes all gains and losses recognised in the period. All incoming resources and resources expended derive from continuing activities.

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Balance Sheet as at 28 February 2003

	Notes	2003 £
Fixed assets		
Tangible assets – office equipment	9	1,004
		1,004
Current assets		
Debtors	10	847
Cash at bank and in hand		32,387
		33,234
Creditors: amounts falling due within one year	11	8,182
Net current assets		25,052
Total assets less current liabilities		26,056
Unrestricted funds		
General	12	26,056
		26,056

Approved by the trustees on 11 April 2003 and signed on their behalf by

Ellen Thomson
Trustee

Notes to the financial statements for the period ended 28 February 2003

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, *Accounting and Reporting by Charities* (SORP 2000), issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the accounts are as follows:

Incoming resources

Charitable trading activities
Income from tickets for performances is included in the period when the performance takes place.

Donations and grants
Income from donations and grants is included in incoming resources when these are receivable.

Interest receivable
Interest is included when receivable by the charity.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure has been allocated to specific activities where practicable.

Fees payable are in respect of time spent by third parties producing, rehearsing and performing projects and administering the charity. They have been allocated on the basis of time spent.

Tangible fixed assets

Fixed assets are capitalised at cost and are depreciated on a straight line basis over their expected useful lives, as follows:

Office equipment	3 years

Fund accounting

Funds held by the charity are categorised as follows:

Unrestricted – funds which can be used in accordance with the charitable objects at the discretion of the trustees.

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding-up is limited to £1.

3. Donations

Donations received during the period include the following which were in excess of £500:

	2003 £
Canticles	
London String of Pearls	12,497
London Arts	11,301
Barclays plc	10,000
City of Westminster Arts Council	2,000
General	
Linbury Trust	28,000
Andrew Mitchell Charitable Trust	2,000
BP plc	1,438
Walter Guinness Charitable Trust	1,000
Britten Estate	1,000

The charity also received a donation of £12,785 on incorporation. This consisted of the net of donations received less costs incurred before the charity was incorporated. More detail is given in the Memorandum Statement of Financial Activities on page 13. Donations received in the period prior to incorporation, in excess of £500, were:

	£
Linbury Trust (for Canticles)	10,000
Covent Garden Festival Ltd	2,000
Charlotte Stevenson	1,000

4. Income from Canticles

Income consists of proceeds of ticket and programme sales for performances of Canticles.

5. Cost of generating funds

Costs of generating funds consist mainly of expenses incurred meeting with potential funders.

6. Cost of charitable activities

	2003
Canticles	**£**
Fees	40,914
Photography, printing and stationery	2,000
Venue hire	3,218
Equipment costs	2,572
Other administrative expenses	700
	49,404

	2003
Post Canticles workshops	**£**
Fees	7,830
Administrative expenses	700
	8,530

7. Managing and administering the charity

	2003
	£
Fees	400
Staff costs	2,333
Legal and professional	515
Bank charges	27
Depreciation	287
Other administrative expenses	2,008
	5,570

Legal and professional costs include an audit fee of £500.

8. Staff costs

	2003
	£
Salaries	2,087
Social security costs	246
	2,333

During the period from 8 February 2002 to 3 September 2002, Matthew Peacock was a trustee of the charity and was responsible for administering the charity and fundraising, without remuneration. He also produced *Canticles* and ran a series of workshops, for which services he received £2,500 [including 3 paid workshops in the *Canticles* follow-up workshops and project co-ordination of *Canticles*]. The payments for these services were approved by the other trustees and were notified to the Charity Commission. With effect from 3 September 2002, Matthew Peacock resigned as a trustee and was appointed Executive Director of the charity. Since then, there is a further £2,760 of unpaid workshops owed to him and, from the start of February 2003, has become an employee of the charity. His remuneration is shown above. He is the sole employee of the charity.

No other trustee received any payment or was reimbursed for expenses during the period.

9. Tangible fixed assets

	2003
	£
Office equipment, at cost	
Additions	1,291
Depreciation	(287)
Net book value at 28 February 2003	1,004

The office equipment is for charitable use.

10. Debtors

	2003
	£
Donations	500
Prepayments and accrued income	347
	847

11. Creditors: amounts falling due within one year

	2003
	£
Trade creditors	2,589
Accruals	5,593
	8,182

12. Unrestricted funds

	General £
Movement in funds in the period	26,056
Balance at 28 February 2003	26,056

All the assets of the charity are for general use.

13. Related parties

No payments were made to any trustees for expenses or any other services other than those disclosed in note 8.

14. Cash flow statement

The charity has taken advantage of the exemption available to it not to produce a cash flow statement as required by FRS 1 (Revised) on the grounds that it is a small entity.

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Memorandum Statement of Financial Activities for the period ended 28 February 2003 (including the period prior to incorporation)

	Pre - incorporation 2003 £	Post - incorporation 2003 £	Total 2003 £
Incoming resources			
Donations:			
Canticles	10,000	36,979	46,979
General	7,493	34,799	42,292
Income from Canticles	0	3,799	3,799
Activities for generating funds	2,530	0	2,530
Other income	0	1,722	1,722
Bank interest receivable	47	30	77
Total incoming resources	20,070	77,329	97,399
Resources expended			
Cost of generating funds	1,110	554	1,664
Cost of charitable activities:			
Canticles	2,220	49,404	51,624
Post Canticles workshops	0	8,530	8,530
Donation to the Passage	1,951	0	1,951
Managing and administering the charity	2,004	5,570	7,574
Total resources expended	7,285	64,058	71,343
Net incoming resources – net income for the period	12,785	13,271	26,056
Total funds brought forward	0	12,785	0
Total funds carried forward	12,785	26,056	26,056

The statement of financial activities above covers the pre-incorporation period from 21 July 2000 to 7 February 2002 and the post-incorporation period from 8 February 2002 to 28 February 2003. It includes all gains and losses recognised in the period. All incoming resources and resources expended derive from continuing activities.