

Financial Statements

The Cork Opera House DAC

For the financial year ended 31 March 2021

Company Information

Directors

Sean Martin
Desmond Cahill (resigned 12 May 2021)
Majella Patricia Cullagh
Edward Murphy
Terry Shannon
Gearoid Murphy
Joe Kavanagh
Ciaran Bermingham
Tim Healy
Áine Ní Shé
Mary Rose Desmond
Denis Kelleher
Ronan O' Dubhghaill
Garret Kelleher (appointed 14 June 2021)

Company secretary

Margaret Lane

Registered number

17029

Registered office

Emmett Place
Cork

Independent auditors

Grant Thornton
Chartered Accountants & Statutory Audit Firm
Sixth Floor
Penrose One
Penrose Dock
Cork

Bankers

Bank of Ireland
32 South Mall
Cork

Solicitors

JRAP O'Meara
89/90 South Mall
Cork

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Chairman's and Chief Executive Officer's Statements to Annual Report

For the financial year ended 31 March 2021

The chairman presents his statement for the period.

On behalf of the Board of Directors of Cork Opera House, I present the annual report and financial statements for the year ending 31 March 2021.

For the previous seven years, we have been able report strong positive results in financial, performance and artistic terms, whilst meeting all of our liabilities including debt servicing and reduction.

Unfortunately, like many other companies across Ireland and indeed the world, we have felt the effects of the COVID-19 pandemic and our sector has been among the hardest hit; being first to close and one of the last to reopen. Cork Opera House had to close its doors on the 12th of March 2020 and we have not been able to welcome our patrons into our wonderful venue in person since then. The combination of closing our doors and writing off costs resulted in Cork Opera House generating a reduced surplus in the last financial year and a loss of €226,247 in the year to 31st March 2021.

Our strong performance over previous years has put us in a good position to weather the storm and throughout the closure, we have made every effort to ensure our future survival, including reducing costs in all areas of the business. We have availed of Government supports including the various Wage Subsidy Schemes. For those members of our staff that are unfortunately on temporary lay-off, the Pandemic Unemployment Payment Scheme provides an essential support. We have deferred our capital repayments until after the pandemic. We have delayed, rescheduled or cancelled any programming activity that would place the organisation at further risk of financial loss. We have done everything we can to reduce costs as much as possible in this time with a view to our long-term survival.

We have also continued to receive financial support from Cork City Council and Cork County Council for which we are deeply grateful. We have also received considerable support from the Arts Council. In addition to our annual grant, which we were able to draw down early, the Arts Council made an allocation to Cork Opera House of €290,693 from their Emergency Stabilisation Fund in respect of the calendar year 2020. This funding has been critical to Cork Opera House and we are very grateful for their continuing support.

When writing last year, I reported that “We are hopeful that we can reopen in the coming months and are preparing for that eventuality”. However, that was not to be the case as our sector was first to close and will be one of the last to reopen. Once restrictions eased, due to the continued support of our stakeholders, we were able to produce a series of online events, which focussed on providing local musicians with a platform on the Opera House stage and which are elaborated on by the CEO in her report.

As I write this year's report, there are again green shoots on the horizon as the vaccination programme takes effect. I hope we will be able to reopen our doors and welcome back our artists and patrons alike shortly. Cork Opera House will be participating in a pilot event as part of a series planned by Government for July, which will provide learnings that will influence our gradual return to what will undoubtedly be a “new normal”.

The Board and Executive of Cork Opera House are committed to surviving the present crisis and adapting as necessary to drive forward with a revival and renewal programme to serve the people of Cork and this region for many years to come.

Reflecting on the past year, I would like to thank the Arts Council of Ireland, Cork City Council, Cork County Council, for their consistent support for our vision which motivates our artistic drive and whose financial contribution continues to be fundamental to our fiscal health.

Furthermore, we are extremely grateful to the Chief Executive of the City, Ann Doherty, the Chief Executive of the County, Tim Lucey and their members as well as the Department of Tourism, Culture, Arts, Sport and Media, whose support is crucial to our ongoing success.

Chairman's and Chief Executive Officer's Statements to Annual Report

For the financial year ended 31 March 2021

Our partnership with University College Cork aimed at developing the next generation of arts leaders – a collaboration that places Cork at the centre of innovation and establishes Cork Opera House as a Learning Theatre, continues despite the challenges of the pandemic. I'd like to acknowledge and thank our friends at UCC for their commitment and efforts in realising our joint mission.

I would like to thank our professional advisors, Emer O'Callaghan of JRAP O'Meara Solicitors and our Auditors, Michael Nolan and his team at Grant Thornton for their ongoing advice and stewardship.

My sincerest thanks goes also to the members of the Cork Opera House Board for their contribution and serious commitment to the success of the company. Our Board Members give their time and expertise in a voluntary capacity and are an active and committed Board. Over the past year, they have invested considerable time and energy to ensure our survival and that we make decisions that best support the delivery of the company's strategic objectives and the interests of our stakeholders.

I would like to thank the staff of Cork Opera House whose hard work and dedication to the company's success is greatly valued. I would also like to acknowledge the work of our CEO, Eibhlín Gleeson and Ashley Keating, our interim CEO for part of the year and thank them and all of the Executive for their efforts during this pandemic.

In closing, I would like to thank our loyal patrons. Providing a programme of entertainment to the people of our region is our privilege and to this end, I extend our heartfelt thanks for your continued support and patronage and I hope to welcome you all back to our wonderful Opera House in the not too distant future.

Tim Healy

Chair

Cork Opera House

Chairman's and Chief Executive Officer's Statements to Annual Report

For the financial year ended 31 March 2021

Chief Executive Officer's Statement for the Annual Report

This has been the most difficult period in Cork Opera House's recent history. Like many others, on March 12th 2020 Cork Opera House closed its doors to the public, following instruction from the Government in an effort to manage the spread of Covid 19. We have remained closed to the public since then.

We are hopeful that we can reopen in the coming months and are preparing for that eventuality. However, this sustained period of closure has posed significant difficulties for the Opera House. Without shows on our stage and patrons coming through our doors, we have been unable to sustain the strong fiscal position we had become accustomed to.

Our recent years of healthy profits and cost saving exercises has meant that we have been in a strong position to weather the storm. Throughout the closure, we have made every effort to ensure our future survival, including reducing costs in all areas of the business.

We have availed of all of the government supports available including the Temporary Wage Subsidy Scheme and the Emergency Wage Subsidy Scheme. We have availed of the Pandemic Unemployment Payment for staff members who we were unable to keep in our employment due to the limitations caused by the pandemic. We have delayed, rescheduled or cancelled any programming activity that would place the organisation at further risk of financial loss. We have done everything we can to reduce costs as much as possible in this time with a view to our long-term survival.

Throughout this time we have prioritised our relationships with our artists and patrons. In Winter of 2020, we produced a series of online events, which focussed on providing local musicians with a platform on the Opera House stage. Performances were available to purchase tickets and to view online. We produced our traditional Christmas Concert, featuring the Cork Opera House Concert Orchestra, conducted by John O'Brien and a host of Irish talent. This concert was enjoyed by thousands of people from the comfort of their own homes. We produced an online Panto offering titled "Nanny Nellie's Panto Telly," a show which brought the magic and hope of Panto into peoples' homes at Christmas time. We received excellent feedback on our online programme and it gave Cork Opera House the opportunity to focus on delivering what it does best under very trying circumstances.

We have prioritised our ticket holders, making every effort to reschedule and postpone shows so that our patron's tickets remain valid. We have prioritised communication with our patrons throughout our closure and made provisions for our patrons to be able to contact us at any point with questions relating to their tickets and the rescheduling or cancelling of shows. We would like to acknowledge and thank the loyal and dedicated patrons of Cork Opera House for their patience and understanding throughout this testing time. We have received overwhelming support from the public throughout this time. We feel very lucky to exist in a city that holds this institution in such high regard.

I would like to take this opportunity to thank the staff of Cork Opera House for their patience and understanding. This is an extremely arduous and challenging time for our staff. They are a passionate and dedicated workforce and this period has been devastating for many of them. We look forward to a stronger future and our inevitable recovery, which will not be possible without the dedication and hard work of our workforce and we look forward to welcoming them back to work in the coming months.

Chairman's and Chief Executive Officer's Statements to Annual Report

For the financial year ended 31 March 2021

I would also like to acknowledge the Cork Opera House Board of Directors, ably led by our Board Chair, Tim Healy. The difficulties of this time have meant a great deal of time and consideration is required from our Board, who have been exceptional in the support they have shown to the executive. The Cork Opera House board is a hardworking and dedicated board who possess a deep understanding of the success factors required to ensure our future survival. On behalf of myself and the executive team, we thank them for their time and interest and we deeply appreciate their guidance and support throughout these unprecedented times.

We look forward to a brighter and safer future towards the end of 2021. We hope to be in a position to welcome our patrons back to their beloved Cork Opera House sooner than later, and once we get to this point, our recovery is inevitable. We will continue to plan the best quality entertainment for the people of our region and we look forward to once again celebrating all the things that are great about our city through music, entertainment and the arts.

Eibhlín Gleeson
CEO
Cork Opera House

Directors' report

For the financial year ended 31 March 2021

The directors present their annual report and the audited financial statements for the financial year ended 31 March 2021.

Principal activities

The principal activity of the company has continued to be the operation of a theatre licence trading under the names of The Cork Opera House and The Half Moon Theatre.

Business review

There has been no significant changes in the above activities during the financial year ended 31 March 2021.

Results and dividends

The loss for the financial year, after taxation, amounted to €226,247 (2020 - profit €60,284).

The directors do not propose a dividend for the current financial year (2020 -€NIL).

Directors

The directors who served during the financial year were:

Sean Martin
Joe Kavanagh
Desmond Cahill (resigned 12 May 2021)
Majella Patricia Cullagh
Edward Murphy
Terry Shannon
Gearoid Murphy
Ciaran Bermingham
Tim Healy
Áine Ní Shé
Mary Rose Desmond
Denis Kelleher
Ronan O' Dubhghaill
Garrett Kelleher (appointed 14 June 2021)

The directors and secretary of the company who held office on 31 March 2021 did not have any interests in the shares of the company in issue at that date.

Political contributions

There was no political donations made in the current year.

Principal risks and uncertainties

The challenges facing the company in the short term will include a continuing focus on controlling costs appropriate to the current levels of revenue.

Directors' report (continued)

For the financial year ended 31 March 2021

Health and safety of employees

The company is subject to legislation and regulation with respect to the health, safety and working conditions of employees. It is policy of the company to ensure the health and welfare of employees by maintaining safe places and systems of work.

As a result of the COVID-19 crisis, workplaces have been disrupted. This is expected to impact adversely on business throughout 2021/2022. We will continue to follow various government policies and advice, in parallel, we will do our utmost to continue operations in the best and safest way possible without jeopardising the health of our people. The impact of this remains to be determined, as the duration of workplace closures continues at the date of signing of the financial statement.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at The Cork Opera House, Emmet Place, Cork.

Events subsequent to the financial year

There have been no significant events affecting the Company since the year end. The Company directors continue to monitor and assess the impact of the Covid-19 pandemic and related restrictions on the Company. Management has not determined the financial impact of these events, as the COVID-19 crisis is ongoing at the date of signing of the financial statements.

Going Concern

The Company had to temporarily cease trading on 11th March 2020 due to the impact of COVID-19, the global pandemic. The extent of the impact of COVID-19 on the Company's operational and financial performance will depend on future developments.

The financial statements have been prepared on a going concern basis. The company recorded a loss of €226,247 (2020: profit of €60,284) during the year and had net assets of €4,289,378 (2020: €4,515,625) as at the balance sheet date. The directors have considered the current operating costs, the cash flow projections and the necessity for additional financial support.

On the basis of continuing actions to contain costs, recommence live shows in the coming months and the continued focus on costs appropriate to the current level of activity, the directors consider that it is appropriate for the financial statements to be prepared on a going concern basis.

The financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that would arise if the company was unable to continue as a going concern.

Future developments

The directors do not expect any significant future developments.

Research and development activities

There were no research and development activities during the period.

Directors' report (continued)

For the financial year ended 31 March 2021

Key Performance Indicators (KPIs)

The company is a non-profit DAC with charitable status. The main KPIs used by the company to measure performance are attendances by patrons and the number of performances during the year. Actual financial performance is measured against budgets and plans.

There are also the broad range of KPIs used within the organisation which are broken down by department and responsible persons on a monthly basis. These KPIs are in turn monitored and reported on to ensure that KPI targets are achieved.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

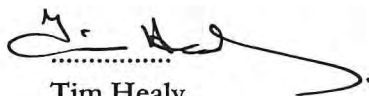
Branches outside the state

There are no branches of the company outside the State.

Auditors

The auditors, Grant Thornton, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.



Tim Healy
Director

Date: 07/07/21



Edward Murphy
Director

Date: 07/07/21

Directors' responsibilities statement

For the financial year ended 31 March 2021

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

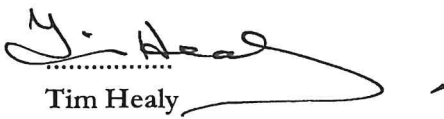
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:


- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board


.....
Tim Healy
Director

Date: 07/07/21


.....
Edward Murphy
Director

Date: 07/07/21

Independent auditors' report to the members of The Cork Opera House DAC

Opinion

We have audited the financial statements of The Cork Opera House DAC, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 March 2021, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, The Cork Opera House DAC's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the company as at 31 March 2021 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent auditors' report to the members of The Cork Opera House DAC (continued)

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of The Cork Opera House DAC (continued)

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Independent auditors' report to the members of The Cork Opera House DAC (continued)

Responsibilities of the auditor for the audit of the financial statements

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

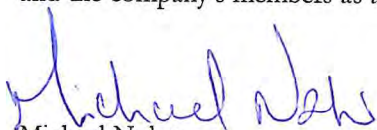
The Auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

Independent auditors' report to the members of The Cork Opera House DAC (continued)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Nolan
for and on behalf of

Grant Thornton
Chartered Accountants
Statutory Audit Firm
Cork

Date:

07/07/21

Statement of comprehensive income

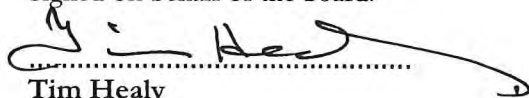
For the financial year ended 31 March 2021

	Note	2021 €	2020 €
Turnover		95,493	7,092,081
Cost of sales		(199,963)	(4,505,841)
Gross (loss)/profit		(104,470)	2,586,240
Administrative expenses		(1,066,627)	(2,963,631)
Other operating income	6	979,637	489,031
Operating (loss)/profit		(191,460)	111,640
Interest payable and similar expenses	7	(34,787)	(51,356)
(Loss)/profit before tax		(226,247)	60,284
(Loss)/profit for the financial year		(226,247)	60,284

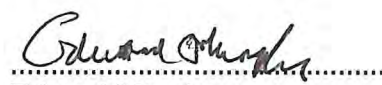
There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:€NIL).

Signed on behalf of the board:


.....
Tim Healy

Director


.....
Edward Murphy

Director

Date: 07/07/21

Date: 07/07/21

The notes on pages 19 to 31 form part of these financial statements.

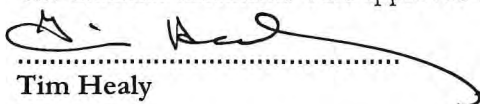
Balance sheet

As at 31 March 2021

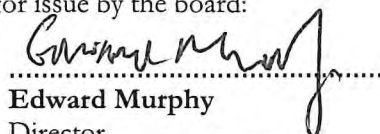
	Note	2021 €	2021 €	2020 €	2020 €
Fixed assets					
Tangible assets	9		8,891,525		9,031,795
			<u>8,891,525</u>		<u>9,031,795</u>
Current assets					
Stocks	10	10,734		32,989	
Debtors: amounts falling due within one year	11	93,233		442,425	
Cash at bank and in hand	12	1,242,129		1,229,598	
		<u>1,346,096</u>		<u>1,705,012</u>	
Creditors: amounts falling due within one year	13	(1,604,312)		(1,755,557)	
			<u>(258,216)</u>		<u>(50,545)</u>
Net current liabilities					
			<u>8,633,309</u>		<u>8,981,250</u>
Total assets less current liabilities					
Creditors: amounts falling due after more than one year	14		(1,609,429)		(1,550,551)
Accruals and deferred income	16		(2,734,502)		(2,915,074)
			<u>4,289,378</u>		<u>4,515,625</u>
Net assets excluding pension asset					
Net assets					
			<u><u>4,289,378</u></u>		<u><u>4,515,625</u></u>
Capital and reserves					
Called up share capital presented as equity	17		77,458		77,458
Revaluation reserve			3,572,218		3,572,218
Capital redemption reserve			2,116,775		2,116,775
Profit and loss account			(1,477,073)		(1,250,826)
			<u>4,289,378</u>		<u>4,515,625</u>
Shareholders' funds					
			<u><u>4,289,378</u></u>		<u><u>4,515,625</u></u>

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board:


 Tim Healy
 Director

Date: 07/07/21


 Edward Murphy
 Director

Date: 07/07/21

The notes on pages 19 to 31 form part of these financial statements.

Statement of changes in equity

For the financial year ended 31 March 2021

	Called up share capital €	Capital redemption reserve €	Revaluation reserve €	Profit and loss account €	Total equity €
At 1 April 2019	77,458	2,116,775	3,572,218	(1,311,110)	4,455,341
Profit for the financial year	-	-	-	60,284	60,284
At 1 April 2020	77,458	2,116,775	3,572,218	(1,250,826)	4,515,625
Loss for the financial year	-	-	-	(226,247)	(226,247)
At 31 March 2021	77,458	2,116,775	3,572,218	(1,477,073)	4,289,378

The notes on pages 19 to 31 form part of these financial statements.

Statement of cash flows

For the financial year ended 31 March 2021

	2021 €	2020 €
Cash flows from operating activities		
(Loss)/profit for the financial year	(226,247)	60,284
Adjustments for:		
Amortisation of grant	(180,571)	(180,571)
Depreciation of tangible assets	231,442	192,660
Interest paid	34,787	51,356
Decrease/(increase) in stocks	22,255	(3,263)
Decrease/(increase) in debtors	349,192	(39,479)
(Decrease) in creditors	(3,972)	(576,845)
(Decrease)/increase in provisions	(107,765)	173,902
Net cash generated from operating activities	119,121	(321,956)
Cash flows from investing activities		
Purchase of tangible fixed assets	(91,172)	(115,508)
Net cash from investing activities	(91,172)	(115,508)
Cash flows from financing activities		
Repayment of loans	11,873	(110,850)
Repayment of other loans	7,496	(104,839)
Interest paid	(34,787)	(51,356)
Net cash used in financing activities	(15,418)	(267,045)
Net increase/(decrease) in cash and cash equivalents	12,531	(704,509)
Cash and cash equivalents at beginning of financial year	1,229,598	1,934,107
Cash and cash equivalents at the end of financial year	1,242,129	1,229,598
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	1,242,129	1,229,598
	1,242,129	1,229,598

The notes on pages 19 to 31 form part of these financial statements.

Analysis of Net Debt

For the financial year ended 31 March 2021

	At 1 April 2020 €	Cash flows €	At 31 March 2021 €
Cash at bank and in hand	1,229,598	12,531	1,242,129
Debt due after 1 year	(1,006,461)	390,900	(615,561)
Debt due within 1 year	(226,657)	(410,270)	(636,927)
	<u>(3,520)</u>	<u>(6,839)</u>	<u>(10,359)</u>

The notes on pages 19 to 31 form part of these financial statements.

Notes to the financial statements

For the financial year ended 31 March 2021

1. General information

The Cork Opera House DAC is a company incorporated in Ireland with a registered address of No. 6 Lapps Quay, Cork.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The financial statements have been prepared on a going concern basis. The company achieved a loss of €226,247 (2020: profit of €60,284) during the year and had net assets of €4,289,378 (2020: €4,515,625) as at the balance sheet date. The directors have considered the current operating costs, the cash flow projections and the necessity for additional financial support.

On the basis of continuing actions to contain costs, satisfactory results during 2020/21 and the continued focus on costs appropriate to the current level of activity, the directors consider that it is appropriate for the financial statements to be prepared on a going concern basis. The financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that would arise if the company was unable to continue as a going concern.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover represents the value of goods and services supplied by the company, exclusive of discounts and value added tax. Sales relating to future performances are deferred to the appropriate period. Turnover also includes a restoration levy charge on each ticket and related costs are included in the Profit and loss account.

Turnover attributable to third party performing companies, with whom a rental agreement exists, are deducted from the gross turnover to show the net amount attributable to the company.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Notes to the financial statements

For the financial year ended 31 March 2021

2. Accounting policies (continued)

2.3 Tangible fixed assets

Premises, including electrical and mechanical services and fittings, were stated at valuation. During the prior year, the directors opted to use the fair value, being the revalued amount, as the deemed cost of the premises as at the transition date, as permitted under FRS 102. Tangible fixed assets are stated at cost.

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is not provided on the valuation of the site. Depreciation is provided on the following basis:

Premises front of house	- 50 years
Premises including electrical and mechanical services	- 55 years from 1 July 1981
Furniture, fittings & stage equipment	- 10% per annum
Computer equipment	- 20% per annum
Refurbishment of premises	- 7 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.4 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

Notes to the financial statements

For the financial year ended 31 March 2021

2. Accounting policies (continued)

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and loss account in the same period as the related expenditure.

In certain circumstances the company may give a specific covenant in relation to grants received whereby the company will commit to a certain course of action for a specific period of time. Any such covenants are disclosed in the notes to the financial statements.

2.7 Operating lease rentals and income

Rental costs under operating leases are charged to the Profit and loss account in the period in which they are incurred.

Income receivable under operating leases are credited to the Profit and loss account over the expected lease period.

2.8 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the Profit and loss account.

2.9 Sponsorship

Amounts granted by sponsors in support of certain productions are accounted for on a receivable basis.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements

For the financial year ended 31 March 2021

2. Accounting policies (continued)

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Going concern

The World Health Organisation officially declared COVID-19 a global pandemic, in March 2020. Due to the compliance with government restrictions around the COVID-19 pandemic the The Cork Opera House has had to be temporarily closed. It is unsure of a reopening date and have lost significant revenue and subsequently the entity made a loss for the year of €226,247. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption, as stated in the Directors' report, a net assets figure of €4,289,378.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classifications of liabilities that might be necessary should the Company be unable to continue in existence as a going concern.

2.15 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Notes to the financial statements

For the financial year ended 31 March 2021

2. Accounting policies (continued)

2.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Borrowing costs

All borrowing costs are recognised in profit or loss in the financial year in which they are incurred.

2.18 Restoration Fund

The restoration fund is in relation to the restoration levy which is charged on each ticket purchase of €1 with consent. This restoration fund will be used going forward for the upkeep and restoration of Cork Opera House as required.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

The following are significant management judgements in applying the accounting policies of the company that have the most significant effect on the financial statements.

Going concern

The validity of the going concern basis is dependent upon continuing actions to contain costs and obtaining the financial support required to develop projects. After making enquiries and considering the matters, the Directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. On the basis of continuing actions to contain costs, satisfactory results during 2020/21 and the continued focus on costs appropriate to the current level of activity, the directors consider that it is appropriate for the financial statements to be prepared on a going concern basis.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

Notes to the financial statements

For the financial year ended 31 March 2021

4. Employees

	2021 €	2020 €
Staff salaries	597,234	1,643,292
Staff national insurance	43,676	174,502
Staff pension costs - defined contribution schemes	15,431	47,256
	<u>656,341</u>	<u>1,865,050</u>

5. Employees

Directors' remuneration during the financial year amounted to €NIL (2020- €NIL).

As part of Grant Circular 13/14 there is now a requirement to disclose the breakdown of total employee remuneration over €60,000 paid in the period.

Two employees fall within the pay band of €60,000 - €70,000 for the 2020/2021 financial year. Pay bands and disclosures for the 2020/2021 financial year are calculated based upon emoluments paid in the financial year.

The average monthly number of persons employed during the financial year was as follows:

	2021 No.	2020 No.
Average monthly number of persons employed	<u>14</u>	<u>49</u>

6. Other operating income - revenue grants received

	2021 €	2020 €
Cork City Council	250,000	250,000
Arts Council	114,250	155,000
Arts Council - Emergency Stabilisation fund	290,693	-
AP Wireless	25,000	25,000
Government subsidies received - TWSS	183,483	-
Government subsidies received - EWSS	116,211	-
Cork County Council	-	50,000
Arts Council - Opera Commission Award	-	9,031
	<u>979,637</u>	<u>489,031</u>

Notes to the financial statements

For the financial year ended 31 March 2021

7. Interest payable and similar expenses

	2021 €	2020 €
Interest payable to credit institutions	17,091	33,795
Other loan interest payable	17,696	17,561
	<u>34,787</u>	<u>51,356</u>

8. Taxation

No taxation charge arises due to the company's charitable status for tax purposes.

Notes to the financial statements

For the financial year ended 31 March 2021

9. Tangible fixed assets

	Premises inc. electrical & mechanical services €	Furniture, fittings & stage equipment €	Computer equipment €	Refurbishme nt of premises €	Total €
Cost or valuation					
At 1 April 2020	9,343,440	2,282,964	446,829	3,931,016	16,004,249
Additions	-	68,737	22,435	-	91,172
At 31 March 2021	9,343,440	2,351,701	469,264	3,931,016	16,095,421
Depreciation					
At 1 April 2020	1,225,790	1,874,712	375,376	3,496,576	6,972,454
Charge for the financial year on owned assets	86,868	35,040	18,265	91,269	231,442
At 31 March 2021	1,312,658	1,909,752	393,641	3,587,845	7,203,896
Net book value					
At 31 March 2021	8,030,782	441,949	75,623	343,171	8,891,525
At 31 March 2020	8,117,650	408,252	71,453	434,440	9,031,795

Fixed assets would have been stated as follows under the historical cost convention:

	Premises inc. electrical & mechanical services €	Refurbishment of premises €	Furniture, fittings & stage equipment €	Computer equipment €	Total €
Cost	6,646,818	4,439,454	2,186,002	641,018	13,913,292
Accumulated depreciation	(2,208,469)	(3,821,894)	(2,052,826)	(355,504)	(8,438,693)
N.B.V at 31 March 2019	4,438,349	617,560	133,176	285,514	5,474,599

Notes to the financial statements

For the financial year ended 31 March 2021

10. Stocks

	2021 €	2020 €
Finished goods and goods for resale	10,734	32,989
	<u>10,734</u>	<u>32,989</u>

11. Debtors

	2021 €	2020 €
Trade debtors	32,338	123,277
Other debtors	1,941	1,887
Prepayments and accrued income	58,954	317,261
	<u>93,233</u>	<u>442,425</u>

All debtor balances are due within one year.

12. Cash and cash equivalents

	2021 €	2020 €
Cash at bank and in hand	1,242,129	1,229,598
	<u>1,242,129</u>	<u>1,229,598</u>

Notes to the financial statements

For the financial year ended 31 March 2021

13. Creditors: Amounts falling due within one year

	2021 €	2020 €
Loans owed to credit institutions	76,298	123,731
Other loans	-	102,926
Trade creditors	359,650	340,203
Taxation and social insurance	102,837	46,168
Other creditors	855,976	824,942
Accruals	209,551	317,587
	<u>1,604,312</u>	<u>1,755,557</u>

Included in other creditors is €855,976 (2020: €824,942) in advance ticket sales. The deferred revenue is released to the Profit and loss account as income in the subsequent period.

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

	2021 €	2020 €
Other taxation and social insurance		
PAYE/PRSI control	94,583	37,798
VAT control	8,254	8,370
	<u>102,837</u>	<u>46,168</u>

14. Creditors: Amounts falling due after more than one year

	2021 €	2020 €
Debentures loans	31,652	31,652
Loans owed to credit institutions	560,629	501,322
Other loans	583,909	473,487
Government grants received	366,203	369,289
Deferred income	67,036	174,801
	<u>1,609,429</u>	<u>1,550,551</u>

Notes to the financial statements

For the financial year ended 31 March 2021

15. Financial instruments

	2021 €	2020 €
Financial assets		
Financial assets measured at fair value through profit or loss	1,242,129	1,229,598
Financial assets that are debt instruments measured at amortised cost	34,279	125,164
	<u>1,276,408</u>	<u>1,354,762</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(5,412,167)</u>	<u>(5,630,924)</u>

Financial assets measured at fair value through profit or loss comprise of cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of overdrafts owed to credit institutions, loans owed to credit institutions, other loans, trade creditors, other creditors, accruals, debenture loans, other loans and deferred income.

Notes to the financial statements

For the financial year ended 31 March 2021

16. Government and Arts Council grants

	City Council €	Corporate Sector €	Arts Council €	Dept. of Tourism, Culture, Arts, Gaeltacht, Sport and Media €	Cork County Council €	Total €
At 1 April 2020	1,809,791	63,487	497,552	5,229,009	170,000	7,769,839
At 31 March 2021	1,809,791	63,487	497,552	5,229,009	170,000	7,769,839
Amortisation						
At 1 April 2020	(1,372,850)	(33,596)	(288,298)	(3,115,500)	(44,524)	(4,854,766)
Amortisation	(101,407)	(1,548)	(6,467)	(46,863)	(24,286)	(180,571)
Net book value						
At 31 March 2021	335,534	28,343	202,787	2,066,646	101,190	2,734,502

a) The Arts Council hold a debenture to cover €317,435 carrying a specific charge over The Half Moon Street property of the company.

b) Included in the grants received from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media is a grant of €1,900,000 which is secured by a lien over the Cork Opera House, land and all buildings on or to be erected on said land.

c) During the year The Cork Opera House DAC received additional funding from The Arts Council from the Emergency Stabilisation Fund to the amount of €290,693. The purpose of Emergency Stabilisation Funding is to provide once-off financial support to Strategic Funded and Arts Centre Funded organisations that are in need of emergency grant aid.

17. Share capital

	2021 €	2020 €
Authorised		
6,000,000 (2020 - 6,000,000) Ordinary shares shares of €1.25 each	7,500,000	7,500,000
Allotted, called up and fully paid		
62,336 (2020 - 61,966) Ordinary shares shares of €1.25 each less calls in arrears of €462	77,458	77,458

18. Contingent liabilities

Capital grants received from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media in the amount of €4,120,961 may become repayable if certain conditions outlined in the agreement are not met.

Notes to the financial statements

For the financial year ended 31 March 2021

19. Pension commitments

The company operates on a defined contribution pension scheme for employees. Payments to this money purchase scheme are invested by an insurance company in a separately managed fund. During the year ended 31 March 2021, contributions to the scheme were €15,431 (2020: €47,256).

20. Related party transactions

During the year the company made a payments totalling €2,000 and €400 to two of the directors of the Company, Majella Cullagh and Ciaran Bermingham respectively, for their services as performers. These transactions were at arm's length and in the normal course of business.

21. Events after the accounting date

There have been no significant events affecting the Company since the year end. The Company directors continue to monitor and assess the impact of the Covid-19 pandemic and related restrictions on the Company.

22. Controlling party

The company is under the ultimate control of the directors.

23. Approval of financial statements

The board of directors approved these financial statements for issue on 07/07/21

The Cork Opera House DAC

Management information

For the financial year ended 31 March 2021

Detailed profit and loss account

For the financial year ended 31 March 2021

	Note	2021 €	2020 €
Turnover		95,493	7,092,081
Cost of Sales		(199,963)	(4,505,841)
Gross (loss)/profit		(104,470)	2,586,240
Other operating income		979,637	489,031
Less: overheads			
Administration expenses		(1,066,627)	(2,963,631)
Operating (loss)/profit		(191,460)	111,640
Interest payable		(34,787)	(51,356)
(Loss)/Profit for the financial year		(226,247)	60,284

Schedule to the detailed accounts

For the financial year ended 31 March 2021

	2021 €	2020 €
Turnover		
Sales	95,493	7,092,081
	<u>95,493</u>	<u>7,092,081</u>
	<u><u>95,493</u></u>	<u><u>7,092,081</u></u>
	2021 €	2020 €
Cost of sales		
Purchases - finished goods	199,963	4,505,841
	<u>199,963</u>	<u>4,505,841</u>
	<u><u>199,963</u></u>	<u><u>4,505,841</u></u>
	2021 €	2020 €
Other operating income		
Government grants receivable	679,952	489,031
Government wage subsidy received	299,685	-
	<u>979,637</u>	<u>489,031</u>
	<u><u>979,637</u></u>	<u><u>489,031</u></u>

Schedule to the detailed accounts

For the financial year ended 31 March 2021

	2021 €	2020 €
Administration expenses		
Staff salaries	597,234	1,643,292
Staff national insurance	43,676	174,502
Staff pension costs - defined contribution schemes	15,431	47,256
Staff welfare	26,403	134,166
Printing and stationery	40,018	62,513
Telephone and fax	25,030	33,390
Advertising and promotion	24,137	282,911
Legal and professional	51,348	13,007
Auditors' remuneration	7,688	8,052
Bad debts	70	(3,574)
Water	1,196	89
Light and heat	44,788	86,615
Cleaning	10,044	143,071
Insurances	40,698	90,908
Repairs and maintenance	79,821	79,506
Security	3,558	6,918
Depreciation net of amortisation	50,871	12,089
Credit card charges	4,616	147,465
Recruitment costs	-	1,455
	<u>1,066,627</u>	<u>2,963,631</u>
	2021 €	2020 €
Interest payable		
Bank loan interest payable	17,091	33,795
Other loan interest payable	17,696	17,561
	<u>34,787</u>	<u>51,356</u>