

REGISTERED COMPANY NUMBER: 02815692 (England and Wales)
REGISTERED CHARITY NUMBER: 1039757

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
MUSIC THEATRE WALES**

MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

MUSIC THEATRE WALES

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FOR THE YEAR ENDED 31 MARCH 2023**

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MUSIC THEATRE WALES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives

Music Theatre Wales (MTW) is a charity and the principal activities of the company continue to be the education of the public in greater knowledge, interest and engagement in new opera and music theatre including performances, public talks and demonstrations, educational workshops and creative projects with other arts organisations.

Music Theatre Wales - Re-imagining opera

- Vision:** A future Wales where opera gives voice to expression, identity and diversity, as storytelling in music for all.
- Mission:** We are asking: What is opera? Who is creating it? And Who is it for? We are working with artists and communities who have been excluded from opera to create work in their own image, connecting the personal and local with the wider world. We are making new forms of opera and presenting it in unusual ways and locations that will change the audiences for and the perception of opera. We are making opera that reflects and explores the world as it is now, not as it once was. We are re-imagining opera
- Aims:** We are forming programmes and creative partnerships that enable artists and communities to develop their own creativity through storytelling in music. We are growing relationships with our communities that will inform our strategic development and the artistic work we produce, and which will bring opera into the lives of people across Wales and beyond. All of our work celebrates the expressive power of opera as storytelling in music.

MUSIC THEATRE WALES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Objectives

Measures of success in 2022/23

- In December 2022 we received a grant of £10,000 from the Garfield Weston Foundation to support our work during the calendar year 2023. We regard this as a strong endorsement of the change of direction the company has taken since 2020 and an indication that they would like to help us continue beyond the ACW Investment Review which will be announced in September 2023. We can re-apply for future funding from Garfield Weston in January 2024. We also received funding from Anthem Music Fund for Wales and from Ty Cerdd and several private donations to mark 40 years of work.
- In June 2022 we premiered VIOLET by Tom Coult and Alice Birch in a co-production with Britten Pears Arts, opening the Aldeburgh Festival and touring to a further four venues including Hackney Empire (where the performance was co-produced by the Royal Opera House) and Buxton Festival. The opera and its production were a phenomenal success, garnering rave reviews across the National Press: "The best new British opera in years" - 5* The Telegraph, "An accomplished and fascinating new work" - 5* The Stage, "This heady, intense opera whips away any doubts about post-Covid insecurities and only affirms Music Theatre Wales' position in music-making" Buzz magazine. We played to a live audience of 2,383 and the opera was also broadcast on BBC Radio 3 reaching an audience of 60,000 - 70,000. We also reached 30,000 people via Twitter alone.

The production received three award nominations: UK Theatre Award for Outstanding Achievement in Opera; World Premiere at the International Opera Awards (the only UK company in this category) and The Southbank Sky Arts Awards.

Violet was also recognised in the 2023 Critics' Circle Awards where Tom Coult was awarded the Young Talent - Composer Award, following the success of Alex Ho in 2022 with reference to his MTW commission AMAZON.

Violet has now received two further productions: At Theater Ulm in Germany and in Paris by L'Aurore Boréale.

- In March 2023 we presented the newly created live production of The House of Jollof Opera by Tumil Williams, in a co-production with Global Majority led theatre company Fio. This new work perfectly demonstrated the potential impact of our New Directions programme, inviting Global Majority artists to create new operatic work that combines music and story in a way that is true to them as artists and people. The impact on entirely new audiences was immediate and joyous. The production was featured on both BBC Wales TV News and ITV Wales News.
- In January 2023, MTW released our fourth digital opera, this time created by the first Young Company from our programme Future Directions. The work was presented on screen to a live audience at Chapter Arts Centre in June 2023.

Denis & Katya - the opera we co-commissioned and co-produced with Opera Philadelphia and which won the Fedora Prize for Opera and for which Philip Venables won an Ivor Novello Award, has continued to receive productions across Europe, and in May 2023 our co-production with Opera Philadelphia was presented by Pittsburgh Opera as part of the Opera America annual conference.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and the trustees consider how planned activities will contribute to the aims and objectives they have set.

MUSIC THEATRE WALES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2022/23 we continued to develop the artistic programme according to the new Vision, Mission and Aims established over the previous two years. We remain firmly in line and happy with the changes made. Our creative work has an entirely new outlook and purpose, and the structure of the company reflects this and continues to evolve as the work develops.

Both of our new programmes are now established and delivering exciting new work:

New Directions (working with Global Majority artists)

and

Future Directions (working with young people)

We are also continuing to explore alternative ways of producing and performing new opera, and in 2023 this will include **Street Art Operas** as well as performing work of a short duration in unusual locations. All of this work is aimed at inviting new artists to help us move opera forward as an artform, reaching new audiences and engaging with artists and young people on their own terms and in ways that will take us in new directions, now and in the future.

New Directions has already achieved considerable success, with the first three digital pieces created by Global Majority artists reaching a new audience in the UK and audiences in the USA through an exchange with Opera Philadelphia where we also showed some of their digital work. It has opened a new dialogue with artists who previously had no relationship with opera and has already led to a number of creative outcomes:

During the year we commissioned and produced a new 15-minute live version of The House of Jollof Opera, performing it in community venues as a pop-up food and music event. It worked brilliantly as an opera and as a community sharing with the serving of Jollof Rice at the end of the performance. There is considerable interest in staging further performances, including collaborating with a commercial Street Food Festival promoter.

Throughout the year we have been in discussion with Renell Shaw to commission a new stage work for 2026 and a contract will be issued in June 2023.

After extensive research into artists, two new Digital Shorts were commissioned in February 2023 for release later in the year, including Welsh artists Simmy Singh (working with Myah Jeffers) and Connor Allen (working with Francesca Amewudah-Rivers). We are delighted that Elayce Ismail is continuing as Artistic Associate at MTW with leadership responsibility for New Directions. She will also work as Dramaturg and Director on the new work by Renell Shaw.

In January 2023 we released the first digital opera created through Future Directions and began work on the second programme. This programme is now a formal partnership with Hijinx, bringing our work to an entirely new group of young people with learning disabilities and/or autism. Hijinx are keen to showcase this work at an international conference for young people's theatre.

Much of the year has been focussed on developing a creative plan for the company through to March 2027 which clearly expresses the new direction of the company. This also enabled us to submit a fully developed application to the Arts Council of Wales for their Investment Review. We will be working in partnership on almost all of our projects, including with Tŷ Cerdd, Sinfonia Cymru, RCT Borough Council, Aberystwyth Music Centre, Bangor University and Hijinx. Later in 2023 we will also be announcing a new strategic partnership with another Welsh organisation.

In June 2022 we celebrated the 40th anniversary of the start of the company's work, when founding directors Michael McCarthy and Michael Rafferty staged their first opera - The Lighthouse by Peter Maxwell Davies - as Cardiff New Opera Group. The event took place at the Sherman Theatre after the Cardiff performance of Violet, and we received many emails and video notes from composers and colleagues.

In September 2022 Caroline Tress left her role as General Manager to become Chief Executive of Sinfonia Cymru and was replaced by Åsa Malmstrom. In November 2022 our Digital and Marketing Officer Sarah Chew left for a full time job and was replaced by Rachel Kinchin.

During 2022/23 one Trustee retired, and we recruited one new Trustee - Mehdi Razi. We are continuing to explore developing the diversity of the Board and we are working with Black Lives in Music to support this agenda.

This work has contributed to the aims and objectives in the following ways:

- Created a new digital work that has opened up creative options for additional artists.
- Our work with young people has led to the creation of a new programme which will increase the participation, understanding and engagement in opera.
- We co-produced the commissioned opera Violet ensuring the audiences were given an experience to enrich their experience of opera and bringing a new work into the repertoire.

MUSIC THEATRE WALES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

- Through New Directions we are developing the participation in opera of Global Majority artists, and are drawing on the knowledge and experience of Elayce Ismail, as MTW's Artistic Associate, to inform this work with her expertise as a theatre director, dramaturge and commissioner.
- We are also actively exploring how we can develop the diversity of the Board.
- With Future Directions we are exploring how opera can become more relevant to young creatives and how their work might inform the work we create in the future.
- We continue to develop and seek new partners with whom we can create new work.

FINANCIAL REVIEW

Financial review

The Statement of Financial Activities is set out on page 8 of the financial statements. A summary of the financial results and the work of the company are set out below.

Results

In the year to which this report relates, we raised and earned income totalling £303,278 and incurred expenditure in the year of £338,569, giving a deficit of £35,291. We achieved a year-end position of £273,659.

Investment and management policy

Aside from retaining a prudent amount in the reserves each year, most of the company's funds are to be spent in the short-term so there are few funds for long-term investment.

Reserves policy

We have continued the process of building up our reserves. At 31 March 2023, the level of unrestricted reserves are £273,659, £60,000 represent cash-backed reserves that have been designated as contingency funds and £130,000 represents reserves that have been designated for future projects.

FUTURE PLANS

Music Theatre Wales is continuing to evolve the new approach we initiated in 2020. We are re-imagining opera – by exploring new ways of making and presenting opera; collaborating with artists who are new to opera, especially those who have been excluded; expanding the range of music, new ideas and stories opera can embrace; creating work in collaboration with young people and communities and exploring how opera can function as an expression of identity. Our focus is also much more strongly on working in Wales and with Welsh artists.

Artistic plans for 2023/24 include the commission and presentation of two new Street Art Operas by Welsh artists and the creation and performance on tour of a new Welsh language production exploring the centenary of the poem Atgof which won the Chair at the National Eisteddfod in 1924. We also planning the next Future Directions programme working with young people in collaboration with Hijinx.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Music Theatre Wales is a company limited by guarantee and a registered charity. Its governing documents are its Memorandum and Articles of Association, adopted on incorporation in 1993 and amended by special resolution in December 2017.

Recruitment and appointment of new trustees

Trustees are appointed or removed or retire by resolution of the trustees at Board meetings or Annual General Meeting.

Organisational structure

The Board of Trustees administers the company. Day to day control of operations is delegated to the Director. He works closely with the General Manager. Freelance staff are contracted to provide specific services, including artistic lead on New Directions and the lead creative and producing role for Future Directions, as well as marketing (notably digital marketing), PR and other functions as necessary.

Induction and training of new trustees

New trustees are provided with information about the company and the opportunity to meet with the Chair and key employees. Trustees are also urged to make use of the training and advice available for trustees provided on-line by the Charity Commission.

MUSIC THEATRE WALES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

A risk register is in place. This identifies the types of risk the company faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risk. As part of this process the Board of Trustees will continue to review the adequacy of the company's internal controls and ensure they conform to guidelines issued by the Charity Commission.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02815692 (England and Wales)

Registered Charity number

1039757

Registered office

Chapter Arts Centre
Market Road
Canton
Cardiff
County of Cardiff
CF5 1QE

Trustees

C Bradwell	Chair	
A P Followell		
C White		resigned 6 June 2022
C M Edwards		
L J Gray		
D P Rees		
P Scammell		
A F Pool		
K Jones		appointed 6 July 2022
M Razi		appointed 12 October 2022

Senior management team

M McCarthy	Artistic Director / CEO
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Company secretary

K R Joyce

Independent examiner

MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Solicitors

Geldards
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

Lloyds Bank
31 Queen Street
Cardiff
CF10 5AG

MUSIC THEATRE WALES

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Approved by order of the Board of Trustees on 16 October 2023 and signed on its behalf by:



.....
K R Joyce - Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MUSIC THEATRE WALES

Independent examiner's report to the trustees of Music Theatre Wales ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

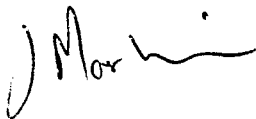
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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



Julia Mortimer FCCA
MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Date: 26 October 2023

MHA is the trading name of MacIntyre Hudson LLP Limited liability partnership in England & Wales Registered number OC312313

MUSIC THEATRE WALES

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	243,082	17,542	260,624	247,112
Other trading activities	4	42,145	-	42,145	24
Investment income	5	<u>509</u>	<u>-</u>	<u>509</u>	<u>25</u>
Total		<u>285,736</u>	<u>17,542</u>	<u>303,278</u>	<u>247,161</u>
EXPENDITURE ON					
Charitable activities	6				
Advancing education of the public in the appreciation of new opera and music theatre		<u>259,176</u>	<u>79,393</u>	<u>338,569</u>	<u>177,646</u>
NET INCOME/(EXPENDITURE)		26,560	(61,851)	(35,291)	69,515
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>247,099</u>	<u>61,851</u>	<u>308,950</u>	<u>239,435</u>
TOTAL FUNDS CARRIED FORWARD		<u>273,659</u>	<u>-</u>	<u>273,659</u>	<u>308,950</u>

The notes form part of these financial statements

MUSIC THEATRE WALES

**BALANCE SHEET
31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
CURRENT ASSETS					
Debtors	13	6,009	-	6,009	16,779
Cash at bank		<u>273,074</u>	<u>-</u>	<u>273,074</u>	<u>296,268</u>
		279,083	-	279,083	313,047
CREDITORS					
Amounts falling due within one year	14	(5,424)	-	(5,424)	(4,097)
		<u>273,659</u>	<u>-</u>	<u>273,659</u>	<u>308,950</u>
NET CURRENT ASSETS					
		<u>273,659</u>	<u>-</u>	<u>273,659</u>	<u>308,950</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>273,659</u>	<u>-</u>	<u>273,659</u>	<u>308,950</u>
NET ASSETS		<u>273,659</u>	<u>-</u>	<u>273,659</u>	<u>308,950</u>
FUNDS	16				
Unrestricted funds				273,659	247,099
Restricted funds				-	61,851
TOTAL FUNDS				<u>273,659</u>	<u>308,950</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

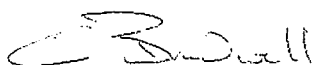
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 16 October 2023 and were signed on its behalf by:



C Bradwell - Trustee

The notes form part of these financial statements

MUSIC THEATRE WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

Music Theatre Wales is a registered charity and private company limited by guarantee and has no share capital incorporated in Wales in the United Kingdom. The registered office is Chapter Arts Centre, Market Road, Canton, Cardiff, CF5 1QE. The nature of the charitable company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the charitable company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from Financial Reporting Standard 102.

Going concern

Arts Council Wales announced the outcome of its Investment Review on 27 September 2023. MTW has been offered continued funding through to March 2027 at the same level we have been funded for the last 7 years, conditional on ACW receiving the anticipated settlement from Welsh Government by the end of 2023. Although this will require some adjustments to budgets for the next three years, this nevertheless provides stability and sustainability for the company for the next three years.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

Other income is recognised on a receivable basis.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on raising funds includes costs of fundraising, advertising, marketing and direct mail materials.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Tangible fixed assets

Fixed assets are initially recorded at cost, including the estimated cost of any donated assets.

Depreciation is provided at the following annual rates in order to write off each asset over its useful economic life.

Instruments and accessories	- 20% on a straight line basis
Fixtures and fittings	- 20% on a straight line basis
Office equipment	- 20% on a straight line basis

Taxation

The charity is exempt from corporation tax on its charitable activities.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

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 amount after allowing for any trade discounts due.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

MUSIC THEATRE WALES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	1,055	4,270
Grants	<u>259,569</u>	<u>242,842</u>
	<u>260,624</u>	<u>247,112</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Arts Council of Wales	231,627	221,342
Garfield Weston Foundation	10,000	-
The Foyle Foundation	-	20,000
RVW Trust	2,000	-
PRS Foundation	2,500	-
Other	400	-
Ernst von Siemens Music Foundation	5,042	-
Tŷ Cerdd	2,750	1,500
Anthem Music Fund	<u>5,250</u>	<u>-</u>
	<u>259,569</u>	<u>242,842</u>

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Other earned income	<u>42,145</u>	<u>24</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>509</u>	<u>25</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Advancing education of the public in the appreciation of new opera and music theatre	<u>223,315</u>	<u>115,254</u>	<u>338,569</u>

MUSIC THEATRE WALES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Production and performance	202,864	47,676
Sales and marketing	14,577	18,479
Commission fees	5,874	4,756
	<u>223,315</u>	<u>70,911</u>

8. SUPPORT COSTS

	Staff and associated costs £	Other £	Governance costs £	Totals £
Advancing education of the public in the appreciation of new opera and music theatre	<u>95,710</u>	<u>16,990</u>	<u>2,554</u>	<u>115,254</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	-	845
Deficit on disposal of fixed assets	-	2,937
Independent examination fees	<u>2,000</u>	<u>2,000</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 or for the year ended 31 March 2022.

Trustees' expenses

Expenses of £294 (2022: £73) were paid to four (2022 - one) trustees in the year in respect of travel costs.

11. STAFF COSTS

	2023 £	2022 £
Wages and salaries	89,414	74,806
Social security costs	3,929	2,992
Other pension costs	<u>2,105</u>	<u>1,554</u>
	<u>95,448</u>	<u>79,352</u>

The average monthly number of employees during the year was as follows:

	2023 <u>3</u>	2022 <u>3</u>
Average number of employees		

No employees received emoluments in excess of £60,000.

Total key management personnel remuneration paid in the year was £52,913 (2022: £50,126).

MUSIC THEATRE WALES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	225,612	21,500	247,112
Other trading activities	24	-	24
Investment income	<u>25</u>	<u>-</u>	<u>25</u>
Total	<u>225,661</u>	<u>21,500</u>	<u>247,161</u>
EXPENDITURE ON			
Charitable activities			
Advancing education of the public in the appreciation of new opera and music theatre	<u>138,519</u>	<u>39,127</u>	<u>177,646</u>
NET INCOME/(EXPENDITURE)	87,142	(17,627)	69,515
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>159,957</u>	<u>79,478</u>	<u>239,435</u>
TOTAL FUNDS CARRIED FORWARD	<u>247,099</u>	<u>61,851</u>	<u>308,950</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
VAT	3,639	6,888
Prepayments and accrued income	<u>2,370</u>	<u>9,891</u>
	<u>6,009</u>	<u>16,779</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Accruals and deferred income	<u>5,424</u>	<u>4,097</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	1,658	1,948
Between one and five years	<u>-</u>	<u>1,085</u>
	<u>1,658</u>	<u>3,033</u>

Operating lease payments recognised as an expense in the year were £7,158 (2022: £6,948).

MUSIC THEATRE WALES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	97,099	94,660	(108,100)	83,659
Designated fund - contingency	60,000	-	-	60,000
Designated fund - Violet by Tom Coult	90,000	(68,100)	(21,900)	-
Designated fund – Prosser Rhys – Atgof	-	-	25,000	25,000
Designated fund – Street Art Opera	-	-	75,000	75,000
Designated fund – Yasuke – commission and creative fees	-	-	30,000	30,000
	<u>247,099</u>	<u>26,560</u>	<u>-</u>	<u>273,659</u>
Restricted funds				
Violet by Tom Coult	50,639	(50,639)	-	-
Future Directions	11,212	(11,212)	-	-
	<u>61,851</u>	<u>(61,851)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>308,950</u>	<u>(35,291)</u>	<u>-</u>	<u>273,659</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	285,736	(191,076)	94,660
Designated fund - Violet by Tom Coult	-	(68,100)	(68,100)
	<u>285,736</u>	<u>(259,176)</u>	<u>26,560</u>
Restricted funds			
Violet by Tom Coult	9,542	(60,181)	(50,639)
Future Directions	8,000	(19,212)	(11,212)
	<u>17,542</u>	<u>(79,393)</u>	<u>(61,851)</u>
TOTAL FUNDS	<u>303,278</u>	<u>(338,569)</u>	<u>(35,291)</u>

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	99,957	87,142	(90,000)	97,099
Designated fund - contingency	60,000	-	-	60,000
Designated fund - Violet by Tom Coult	-	-	90,000	90,000
	<u>159,957</u>	<u>87,142</u>	<u>-</u>	<u>247,099</u>
Restricted funds				
Violet by Tom Coult	79,478	(28,839)	-	50,639
Future Directions	-	11,212	-	11,212
	<u>79,478</u>	<u>(17,627)</u>	<u>-</u>	<u>61,851</u>
TOTAL FUNDS	<u>239,435</u>	<u>69,515</u>	<u>-</u>	<u>308,950</u>

MUSIC THEATRE WALES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	225,661	(138,519)	87,142
Restricted funds			
Violet by Tom Coult	-	(28,839)	(28,839)
Future Directions	<u>21,500</u>	<u>(10,288)</u>	<u>11,212</u>
	<u>21,500</u>	<u>(39,127)</u>	<u>(17,627)</u>
TOTAL FUNDS	<u>247,161</u>	<u>(177,646)</u>	<u>69,515</u>

Violet by Tom Coult

Funding received in previous years towards the costs of the production "Violet" and the associated touring costs of England and Wales.

Future Directions

Funding has been received this year from the Foyle Foundation and Ty Cerdd to support the Future Directions project. The project is a young people's programme with a difference, where young people will work in collaboration with professional music-creators, learning from and inspiring each other to explore what opera and music theatre mean for themselves and their communities.

Transfers between funds

A transfer of £21,900 was made during the year from the designated fund for Violet by Tom Coult to the general fund to release the funds previously designated to cover the additional costs that have been incurred as a result of the cancellation of the performance due to Covid-19. The performance took place in June and July 2022; therefore, the designated fund is no longer required.

In addition to the above, the following transfers have been made from the general fund to set aside certain amounts to cover costs for future projects:

- £25,000 has been designated for the Prosser Rhys – Atgof project.
- £75,000 has been designated for the Street Art Opera project.
- £30,000 has been designated for the Yasuke – commission and creative fees project.

17. RELATED PARTY DISCLOSURES

There were no related party transactions requiring disclosure in the year ended 31 March 2023.