

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 2024
FOR
MUSIC THEATRE WALES**

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

MUSIC THEATRE WALES

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FOR THE YEAR ENDED 31 MARCH 2024**

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MUSIC THEATRE WALES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

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 2024. 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

Objects

The company 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

Music Theatre Wales (MTW) exists to breathe new life into opera, presenting it as storytelling in music and seeking to revitalise opera as an expressive form for anyone. We nurture artists who will create the opera of the future and present opera in imaginative ways that will help change the preconceptions of what opera is and can be. We are asking: What is Opera? Who is making it? and Who is it for?

Our work has two integrated strands:

Artform Development - driven by diversity and exploring new ways of creating and presenting opera - as live performance in theatres and community spaces, as short form digital work, as street art opera, in Welsh and in collaboration with multiple different partners.

Community Cohesion - offering opera as storytelling in music as a means of expression and creative development for communities who have traditionally been ignored or excluded from opera.

OBJECTIVES AND ACTIVITIES

Objects

Measures of success in 2022/23

- In Autumn 2023 Arts Council Wales announced the outcome of their Investment Review with MTW receiving continued support as a regularly funded company at least until March 2027. Following further budget cuts by the Welsh Government, the outcome for MTW is an annual grant of £216,636. The company's work was praised for the degree of transformation we had already accomplished. This funding provides a stable foundation for a three-year plan from April 2024 and provides confidence to the Trusts and Foundations we are applying to for the additional resources we need to be able to deliver on the programme we presented to ACW.
- During 2023/24 MTW has been able to develop our fundraising work, creating a new Fundraising position with Catrin Slater taking the role. During the year we have raised £42,500 from eight different sources for current projects, and we are in dialogue with a number of larger funds for on-going support for Core and particular projects/productions.
- Acclaim for MTW productions has continued: Violet by Tom Coult and Alice Birch was shortlisted for the Classical IVORS Stage Work category. The Scorched Earth Trilogy by Brian Irvine which we showed in Summer 2023 was also shortlisted for the Classical IVORS. GRIEF - one of the two digital shorts we released in March 2024 - was awarded Best Original Score at the Focus Wales Film Festival. interbeing - our other digital short, was featured in Modron Magazine, a Welsh publication for poets and writers who have a particular focus on the environment. GRIEF, interbeing and Perthyn have been shown at Chapter Cinema as part of the Moviemakers series. interbeing and AMAZON will also be shown at Aberystwyth's MusicFest as part of Sinfonia Cymru's Regenerate programme that explores the human impact on the environment. Perthyn - the new digital opera created through our Future Directions programme - was selected for the Focus Wales Film Festival and will also be shown as part of the Unity Film Festival run by Hijinx in November 2024. We are delighted that Wales Millennium Centre will be presenting our newly commissioned Street Art Operas by Welsh creatives in October 2024, taking this part of our work to a new level of exposure.
- Denis & Katya - the opera we co-commissioned and co-produced with Opera Philadelphia in 2020 and which won the Fedora Prize for Opera and for which Philip Venables won an Ivor Novello Award, has continued to receive new productions and during 2023 entered the Top 10 most performed operas by living composers worldwide.

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.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2023/24 we continued to develop the artistic programme according to the new Mission 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.

During 2023/24 our new programmes have evolved. We started the year with two strands:

New Directions (working with Global Majority artists)
and

Future Directions (working with young people)

Our New Directions programme 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. 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. However, having started New Directions as a specific action programme to help us diversify the artists who have the opportunity to create opera as well as the ways in which it is produced, we have now reached a place where inclusion and equity sit at the heart of everything we do. As a result, we no longer need a specific programme to drive this work forward and New Directions will cease to exist as a separate entity.

In addition, we are also continuing to explore alternative ways of producing and performing new opera, and in 2023/24 this included 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.

Creative Work

Throughout the year we have been working with Renell Shaw on the development of a new stage work for 2026 springing from the story of Yasuke - the first Black Samurai. A contract was issued in June 2023 which takes the process to December 2024 when Renell is due to deliver a full draft libretto and an indication of the musical treatment with the intention of commissioning completion of the work in March 2025.

At the start of the year we began our second Future Directions programme in collaboration with Hijinx, with a Residency at Aberystwyth Arts Centre hosted by Aberystwyth University. The second residency took place at Atrium, University of South Wales in Cardiff in August, and the resulting digital opera Perthyn was released in December 2024. We launched the new work at a cinema screening in Chapter Arts Centre in Cardiff, with many of the participants, their families and carers and our partners in attendance, with the film receiving an overwhelming and emotional response. Many of the young people shared their experience and comments with the audience and we were also able to undertake our first Evaluation process following intense training and development provided by Dr Nell Farrallay.

In Summer 2023 we presented The Scorched Earth Trilogy - a trilogy of street art operas created by Dumbworld in Ireland. Michael McCarthy had seen the first Street Art Opera created by Dumbworld and Irish National Opera at an international festival and immediately identified how they could help attract new artists to creating opera. MTV presented the trilogy in collaboration with Cardiff Singer of the World in Bangor, Haverfordwest and Cardiff. Following the presentation we ran a day of insight and training with Dumbworld for Welsh artists, with the intention of commissioning two new pieces. The open call for submissions attracted 26 exciting proposals and the commissioned works will be shown in autumn 2024.

In January 2024 we began working in the Butetown area of Cardiff at the start of a planned 3-year residency. This has come about in response to a commission by the Royal Opera House of a new opera based on the book The Fortune Men by Nadifa Mohamed which follows the true story of a Somali seaman living in Butetown who was wrongly convicted and hung for the murder of a local shopkeeper in the 1950s. Although Nadifa Mohamed conducted extensive research and made many personal connections in Butetown when writing the book, there has been no engagement with the community on the development of the opera. MTW had already identified that we wanted to develop a relationship with the Butetown community and when ROH asked if we were able to co-produce the piece (which we are not in a position to do) we proposed working on the ground to foster a relationship between community and the opera that is about them. We have started this by working in collaboration with the Cardiff City Council arts team Arts Active on a Reading Room project as a way of carefully building trust and establishing communications before we offer to extend our work in the area.

In March 2024 we launched two new digital shorts as part of our New Directions programme, creating opportunities for Global Majority artists to create opera. GRIEF was created by Connor Allen and Francesca Amewudah-Rivers and interbeing by Simmy Singh and ASHA. Both pieces are powerful, compelling and relevant and demonstrate how much potential there is for re-imagining the way opera is made. The films remain live on our website and we are continuing to find new outlets for them, with GRIEF also selected to open the Focus Wales Film Festival and going on to win Best Original Score.

In early 2023 we commissioned a new work from composer Conor Mitchell and director/dramaturg Jac Ifan Moore to mark the centenary of Edward Prosser Rhys winning the Crown for his poem *Atgof* (Memory). Despite being awarded Wales's most prestigious literary prize, the judges also condemned the poem and Prosser Rhys for the inclusion of direct reference to a homosexual affair, resulting in a scandal that carried on in the newspapers for some time and ultimately ended Prosser Rhys's literary career. In modern terms this would be seen as the poet being "cancelled" and we aim to demonstrate that not much has changed. The new production will combine an operatic monologue by Conor Mitchell using verbatim material from the time (in its original Welsh) and a dance piece by Eddie Ladd which presents a contemporary reflection of the original poem. This is a collaboration with the National Eisteddfod and Aberystwyth University and the production will also tour in Wales in October 2024. It is our first Welsh language commission since *Y Twr* in 2017 and we hope it will stimulate further interest in creating new operatic work in Welsh.

During the year Michael McCarthy has provided mentoring support to Gareth Churchill and Kaite O'Reilly on the development of a new opera based on Kaite's play about Frida Kahlo, and to a variety of artists who are keen to explore ways of creating opera. He is also providing support to Buxton Festival as they develop their own new short works scheme, calling on his experience with MTW and as Dramaturg for Scottish Opera's 5:15 Operas Made in Scotland.

MTW continues to develop new partnerships to not only provide additional support to help deliver the work we have devised, but crucially to reach new audiences and new artists and to continually inform our work and our understanding of different communities. We are working in partnership with Hijinx, Arts Active, the Royal Opera House, Sinfonia Cymru, Ty Cerdd, RCT Borough Council, National Eisteddfod and Aberystwyth University. In July 2024 we announced a new long-term partnership between MTW and Sinfonia Cymru.

During 2023/24 MTW became a member of Black Lives in Music and we continue to benefit from regular health-check meetings with them.

In March 2023 Åsa Malmstrom left her role as General Manager. Fortunately, Kathryn Joyce was able to take on the role as we were in the throes of the ACW Investment Review application. Dylan Jenkins, our first native Welsh speaker, joined the company in January 2024 to take up the role of Marketing and Communications Manager after Rachel Kinchin left the company in December 2023. Elayce Ismail continues to work with us as Artistic Associate, providing invaluable artistic support on all our creative projects. She will be continuing to work with MTW through to at least the end of 2026 when she will be directing *Yasuke* by Renell Shaw. We are continuing to subscribe to an Employee Assistance Programme from Health Assured to provide external support for anyone working with the company in case of work related stress and health issues.

During 2023/24 our Chair Christine Bradwell retired and was replaced by Kerry Skidmore. Handover was conducted over a period of around 6 months with Kerry taking on the role in December 2023. We are continuing to develop the way the Board works and now have Board Leads for Diversity, Safeguarding, Finance and Environment.

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.
- Commissioned two new Street Art Operas from all-female and diverse creative teams.
- 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.
- Through New Directions we have been developing the participation in opera of Global Majority artists, leading to the fundamental repositioning of the company by placing inclusion and equity at the heart of everything we do. We continue to draw on the knowledge and experience of Elayce Ismail, as MTW's Artistic Associate, to inform all of our work with her expertise as a theatre director, dramaturg and commissioner
- We are continuing to explore 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.
- We are investing in our fundraising to ensure we have the resources to deliver our plan

FINANCIAL REVIEW

Financial review

The Statement of Financial Activities is set out on page 7 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 £329,990 and incurred expenditure in the year of £252,363, giving a surplus of £77,627. This included a theatre tax relief claim of £59,475. We achieved a year-end position of £351,286.

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 2024, the level of unrestricted reserves are £341,786, £60,000 represent cash-backed reserves that have been designated as contingency funds. An additional £194,004 has been designated towards specific projects.

FUTURE PLANS

Music Theatre Wales is 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.

Artistic plans for 2024/25 include the performance of our joint commission with the National Eisteddfod - Bwystfilod Afan - and touring it in Wales, and the presentation of our newly commissioned Street Art Operas. Alongside this performance work we will continue to support the development of our next touring production - Yasuke by Renell Shaw.

We will be delivering a 3-stranded Residency in Rhondda Cynon Taff supporting young composers, performing a music and video work set in Treorchy and delivering our next Future Directions programme, and our 3-year Residency in Butetown, Cardiff will continue in association with the Royal Opera House.

We are also continuing to participate in wider discussions around the future of opera in the UK, leading the Opera Forum Wales and as guest speakers at the Laidlaw Opera Trust summit - The Business of Opera.

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.

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.

MUSIC THEATRE WALES

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

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	Former Chair	resigned 18 December 2023
K Skidmore	Chair	appointed 2 October 2023
A P Followell		resigned 2 October 2023
C M Edwards		resigned 28 May 2024
L J Gray		
D P Rees		
P Scammell		
A F Pool		
K Jones		
M Razi		

Senior management team

M McCarthy Artistic Director / CEO

Company Secretary

K R Joyce

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

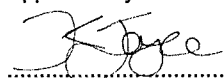
Solicitors

Geldards
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

Lloyds Bank
31 Queen Street
Cardiff
CF10 5AG

Approved by order of the Board of Trustees on **29 October 2024** 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 2024.

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.

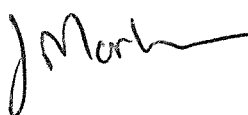
Independent examiner's statement

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 (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
CARDIFF
CF23 8RS

Date: 14 November 2024

MUSIC THEATRE WALES

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	225,411	21,875	247,286	260,624
Other trading activities	4	17,210	-	17,210	42,145
Investment income	5	2,449	-	2,449	509
Other income	6	63,045	-	63,045	-
Total		<u>308,115</u>	<u>21,875</u>	<u>329,990</u>	<u>303,278</u>
EXPENDITURE ON					
Charitable activities	7				
Advancing education of the public in the appreciation of new opera and music theatre		<u>239,988</u>	<u>12,375</u>	<u>252,363</u>	<u>338,569</u>
NET INCOME/(EXPENDITURE)		68,127	9,500	77,627	(35,291)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>273,659</u>	-	<u>273,659</u>	<u>308,950</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>341,786</u></u>	<u><u>9,500</u></u>	<u><u>351,286</u></u>	<u><u>273,659</u></u>

The notes form part of these financial statements

MUSIC THEATRE WALES

BALANCE SHEET
31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	14	640	-	640	-
CURRENT ASSETS					
Debtors	15	64,331	4,500	68,831	6,009
Cash at bank		283,364	5,000	288,364	273,074
		<u>347,695</u>	<u>9,500</u>	<u>357,195</u>	<u>279,083</u>
CREDITORS					
Amounts falling due within one year	16	(6,549)	-	(6,549)	(5,424)
NET CURRENT ASSETS		<u>341,146</u>	<u>9,500</u>	<u>350,646</u>	<u>273,659</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>341,786</u>	<u>9,500</u>	<u>351,286</u>	<u>273,659</u>
NET ASSETS		<u><u>341,786</u></u>	<u><u>9,500</u></u>	<u><u>351,286</u></u>	<u><u>273,659</u></u>
FUNDS	18				
Unrestricted funds				341,786	273,659
Restricted funds				9,500	-
TOTAL FUNDS				<u><u>351,286</u></u>	<u><u>273,659</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 29 October 2024 and were signed on its behalf by:

K E Skidmore

.....
K E Skidmore - Trustee

The notes form part of these financial statements

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

Following a provisional award as part of the Arts Council Wales Investment Review (on 27 September 2023), MTW's revised funding amount was confirmed on 8 January 2024. This came following the 10.5% cut in funding to ACW made by the Welsh Government and passed on to all successful organisations awarded funding as part of the investment review process.

MTW's amended award of £216,625 will continue on an annual basis through to March 2027. Although this will require some adjustments to budgets and artistic plans over the next 3 years, this (and the successful awards received from Trusts and Foundations within the last 6 months) 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 a 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 2024

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	5,749	1,055
Grants	241,537	259,569
	<u>247,286</u>	<u>260,624</u>

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

	2024	2023
	£	£
Arts Council of Wales	224,662	231,627
Garfield Weston Foundation	-	10,000
RVW Trust	-	2,000
PRS Foundation	-	2,500
Other	-	400
Ernst von Siemens Music Foundation	-	5,042
Ty Cerdd	625	2,750
Anthem Music Fund	1,750	5,250
The Boltini Trust	5,000	-
The Fidelio Charitable Trust	2,000	-
Margaret Davies Charitable Trust	3,000	-
The Hinrichsen Foundation	1,500	-
Vaughan Williams Foundation	3,000	-
	<u>241,537</u>	<u>259,569</u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Other earned income	17,210	42,145

5. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	2,449	509

6. OTHER INCOME

	2024	2023
	£	£
Other income	3,570	-
Theatre tax relief	59,475	-
	<u>63,045</u>	<u>-</u>

Other income of £3,570 relates to refund received relating to lease of copier.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Advancing education of the public in the appreciation of new opera and music theatre	116,758	135,605	252,363

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024 £	2023 £
Production and performance	91,975	202,864
Sales and marketing	8,283	14,577
Commission fees	16,500	5,874
	116,758	223,315

9. SUPPORT COSTS

	Staff and associated costs £	Other £	Depreciation £	Governance costs £	Totals £
Advancing education of the public in the appreciation of new opera and music theatre	107,325	24,802	34	3,444	135,605

10. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Depreciation - owned assets	34	-
Independent examination fees	2,200	2,000

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 or for the year ended 31 March 2023.

Trustees' expenses

Expenses of £465 (2023: £294) were paid to four (2023 - four) trustees in the year in respect of travel costs.

12. STAFF COSTS

	2024 £	2023 £
Wages and salaries	102,713	89,414
Social security costs	907	3,929
Other pension costs	2,423	2,105
	106,043	95,448

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

12. STAFF COSTS - continued

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

	2024	2023
Average number of employees	3	3

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

Total key management personnel remuneration paid in the year was £57,309 (2023: £52,913).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	243,082	17,542	260,624
Other trading activities	42,145	-	42,145
Investment income	509	-	509
Total	285,736	17,542	303,278
EXPENDITURE ON			
Charitable activities			
Advancing education of the public in the appreciation of new opera and music theatre	259,176	79,393	338,569
NET INCOME/(EXPENDITURE)	26,560	(61,851)	(35,291)
RECONCILIATION OF FUNDS			
Total funds brought forward	247,099	61,851	308,950
TOTAL FUNDS CARRIED FORWARD	273,659	-	273,659

14. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
Additions	674
DEPRECIATION	
Charge for year	34
NET BOOK VALUE	
At 31 March 2024	640
At 31 March 2023	-

MUSIC THEATRE WALES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
VAT	515	3,639
Prepayments and accrued income	68,316	2,370
	<u>68,831</u>	<u>6,009</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other creditors	467	-
Accruals and deferred income	6,082	5,424
	<u>6,549</u>	<u>5,424</u>

17. LEASING AGREEMENTS

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

	2024	2023
	£	£
Within one year	<u>525</u>	<u>1,658</u>

Operating lease payments recognised as an expense in the year were £6,648 (2023: £6,948).

18. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	Transfers between funds £	At 31/3/24 £
Unrestricted funds				
General fund	83,659	123,551	(119,428)	87,782
Designated fund - contingency	60,000	-	-	60,000
Designated fund - Bwystfilod Aflan - Atgof	25,000	(24,428)	(572)	-
Designated fund - Street Art Opera	75,000	(24,220)	-	50,780
Designated fund - Yasuke - commission and creative fees	30,000	(6,776)	50,000	73,224
Designated fund - Future Directions Butetown	-	-	30,000	30,000
Designated fund - Butetown Community	-	-	40,000	40,000
	<u>273,659</u>	<u>68,127</u>	<u>-</u>	<u>341,786</u>
Restricted funds				
RCT Community	-	2,000	-	2,000
Bwystfilod Aflan	-	4,500	-	4,500
Future Directions - RCT	-	3,000	-	3,000
	<u>-</u>	<u>9,500</u>	<u>-</u>	<u>9,500</u>
TOTAL FUNDS	<u>273,659</u>	<u>77,627</u>	<u>-</u>	<u>351,286</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	308,115	(184,564)	123,551
Designated fund - Bwystfilod Aflan - Atgof	-	(24,428)	(24,428)
Designated fund - Street Art Opera	-	(24,220)	(24,220)
Designated fund - Yasuke - commission and creative fees	-	(6,776)	(6,776)
	308,115	(239,988)	68,127
Restricted funds			
Future Directions - 2023	2,375	(2,375)	-
RCT Community	2,000	-	2,000
Bwystfilod Aflan	14,500	(10,000)	4,500
Future Directions - RCT	3,000	-	3,000
	21,875	(12,375)	9,500
TOTAL FUNDS	<u>329,990</u>	<u>(252,363)</u>	<u>77,627</u>

Comparatives for 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	21,900	213,659
Designated fund - contingency	60,000	-	-	60,000
Designated fund - Violet by Tom Coult	90,000	(68,100)	(21,900)	-
	247,099	26,560	-	273,659
Restricted funds				
Violet by Tom Coult	50,639	(50,639)	-	-
Future Directions - 2023	11,212	(11,212)	-	-
	61,851	(61,851)	-	-
TOTAL FUNDS	<u>308,950</u>	<u>(35,291)</u>	<u>-</u>	<u>273,659</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

18. 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	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 - 2023	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>

Restricted Funds

Future Directions - 2023

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.

RCT Community

Our work in the RCT area doesn't stop at the Future Directions programme. We are also running a scheme for aspiring young composers. As part of MTW's partnership with Sinfonia Cymru, we are working together to offer an exciting creative opportunity for young people aged 14 to 18, living or attending school in RCT, to create their own original music and hear it performed live by the Sinfonia Cymru ensemble at the Parc and Dare Theatre, Treorchy. We have received £2,000 from the Fidelio Charitable Trust to support this project.

Bwystfilod Aflan

This period saw the commission and initial creation process for Bwystfilod Aflan, a brand new National Eisteddfod commission by MTW and Music@Aber, performed with Sinfonia Cymru. The performance, which premieres at the Eisteddfod Genedlaethol in August 2024, before touring around Wales in October 2024, combines an operatic monologue performed by tenor Elgan Llyr Thomas, and a reflective piece by dancer/actor Eddie Ladd. We have received an individual donation of £5,000 from Philip Carne as well as an additional grant of £5,000 from The Boltini Trust to support this project.

Future Directions - RCT

The Future Directions programme continues in 2024-25 with our project in the Rhondda Cynon Taf area - Future Directions RCT. Funding has been received from The D'Oly Carte Charitable Trust to support this project. The project is a young people's programme with a difference, where young people in the RCT area 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.

Designated Funds

Future Directions Butetown

A young people's programme which brings together neurotypical and neurodivergent, learning disabled and autistic people age 16 - 25. It is an invitation to create storytelling in music and to make a new digital opera. It is a continuous programme that sits at the heart of the company's main activity. The digital operas the Young Company creates, in collaboration with the professional facilitators, are presented as one of our core productions on our website to be shared far and wide, seeking new audiences and finding new ways to surprise and excite the audiences who already love our work. As part of our wider programme of activity in the Butetown area of Cardiff, we will be running a Future Directions project in the area over the period September 2024 to September 2025.

18. MOVEMENT IN FUNDS - continued

Yasuke

We have embarked on an ambitious commission from the IVOR-winning composer and musician Renell Shaw to create a new work exploring the contemporary implications of the real life legend of Yasuke - a C17th African man who ended up becoming a Samauri: A story of migration and cultural diversity, adaptation, acceptance and strength. The score will be for an ensemble cast, with a mix of African and Japanese musicians alongside musicians from Sinfonia Cymru (as part of our ongoing partnership), and the production will be designed to be performed in a variety of spaces.

Butetown Community

Working in collaboration with Arts Active Trust, Hijinx and the Royal Opera House, we have started a long-term project working with people in Butetown and South Cardiff to explore the creative and expressive potential of opera as storytelling in music across the community.

Initiated by the commission of a new opera based on Nadifa Mohamed's novel The Fortune Men, which explores the horrific miscarriage of justice inflicted on Mahmood Hussein Mattan in Tiger Bay in the 1950s, we are running a series of projects and community conversations to build a creative link between the opera and the community whose story it is.

Work began in January 2024 with a Reading Room project led by a group of local young people, reading and responding to Nadifa Mohamed's award-winning book and opening up a wider discussion. The Reading Room project will lead to further creative work, to be led and developed locally with our support, and will include developing a conversation with the creative team leading on the new opera.

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £2,423 (2023: £2,105)). Contributions outstanding at the year end amounted to £467 (2023: £423)

20. RELATED PARTY DISCLOSURES

There were no related party transactions requiring disclosure in the year ended 31 March 2024.