

MID WALES OPERA LTD
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



MID WALES OPERA LTD
(A company limited by guarantee)

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MID WALES OPERA LTD
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	Gareth Williams, Chair Sara Clutton Sheila Drury CBE (resigned 15 November 2021) Kingsley George (resigned 21 January 2021) Alun Jones Njabulo Madlala (appointed 22 March 2021) Avriel Reader Prof. David Roberts FEA John Stephenson Suzanne Wardell Paul Wingfield (appointed 15 November 2021)
Company registered number	03001101
Charity registered number	1043391
Registered office	Bryn Wgan Trefeglwys Powys SY17 5QU
Accountants	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury SY2 6LG
Company Secretary	Alun Jones
Chief Executive Officer	Lydia Bassett

MID WALES OPERA LTD
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the independently examined financial statements of Mid Wales Opera Limited (the company) for the period ended 31 March 2020. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" update effective January 2019.

Since the Charitable Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

This report covers the twelve-month period to 31 March 2021 with a revised programme of work which included socially-distanced Christmas Livestock Market concerts, open commission projects under the *Cerddoriaeth eich Milltir Sgwâr* scheme, and other online activity due to the coronavirus pandemic.

Objectives and activities

a. Policies and objectives

The company aims to mount operatic productions of the highest possible standards within budgetary restraints at affordable prices in areas where audiences do not otherwise have the opportunity to attend fully professional performances of opera. It also wishes to develop new audiences for opera by creating accessible productions which are original, exciting and ambitious

In shaping the Company's objectives, the Trustees have given consideration to the Charity Commission's guidance on public benefit and in drawing up and revising our business plan have given a high priority to extending engagement with our audiences through outreach focussed on education and community-based activities alongside our core touring programme.

b. Strategies for achieving objectives

In order to adapt to the majority of the venues that it visits the company makes use of a reduced orchestra and a limited chorus. It also designs sets which are convincing while remaining adaptable to the extremely varied range of stages in the venues. Considerable extra activity has been generated in recent years around work with young and developing artists and this is integrated into both productions and the audience engagement work that goes alongside the touring activity.

2016 saw the introduction of our new Young Artists' Policy – whereby at least 50% of singers employed by the company will be under 30 and/or within 4 years of leaving education.

c. Activities undertaken to achieve objectives

Mid Wales Opera is committed to making its productions available to all and in particular the Trustees make conscious efforts to ensure that we perform at a range of venues and that tickets are available at prices which will, as far as possible, enable everyone to receive the benefit of experiencing the charity's work.

This year's revised programme of work has reflected that ambition with free but ticketed outdoor concerts, open access online concerts and artist led community projects across Wales, keeping live music and performers in touch with their communities throughout this extraordinary year when the Covid-19 pandemic has made our usual programme of live touring work impossible to deliver.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

d. Overview

MISSION - a passion for opera across Wales and beyond.

VISION - To be a company that inspires and excites audiences, connects and engages with communities, challenges perceptions of opera and reaches places where others do not perform. We deliver a vibrant and engaging portfolio of outstanding creative work and create a supportive and nurturing environment for company members and performers with a commitment to the development of young artists.

VALUES - Innovation, Excellence, Engagement, Collaboration and Accessibility.

Achievements and performance

a. Investment policy and performance

The investment policy has been to balance liquidity and availability of funds whilst ensuring an appropriate level of return on the investment; though no short term investments with reasonable rates of return have been available in the market in recent years.

a. Going concern

After making appropriate enquiries the Trustees have carried out a review of the going concern basis and is pleased to report a strengthening of the Company's reserves position during the year.

The Trustees have a reasonable expectation that the company has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The free reserves of the company are £171,268 (2020: £132,099), being the total unrestricted funds of £232,381 less depreciated fixed assets of £28,376 and designated funds of £32,737.

The trustees' reserves policy was reviewed in January 2011 and it was agreed to aspire to have 20% of the annual income in free reserve.

The detailed result is set out on page 11 in the Statement of Financial Activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

c. Review of activities

Total audience for filmed performances	1,129
Total number audience for live performances	180
Total number of children involved in workshops	321
Total number of adult involved in workshops	84

The year to March 2021 was originally branded under the umbrella title of MWO's Puccini in Paris season. It would have featured:

- 1 Our second OpenStages production – John Blow's *Venus and Adonis* in Presteigne at Easter 2020
- 2 A school residency week supported by an individual donor
- 3 MWO's Friends Gala concert in Gregynog Hall in Powys in July
- 4 15 performances of Puccini's *Il tabarro* on our SmallStages Autumn Tour 2020
- 5 23 schools' workshops in Montgomeryshire and Pembrokeshire in Spring 2021
- 6 Nine performances of Puccini's *La bohème* on tour Spring 2021

This programme had to be abandoned in Spring 2020 because of the Covid-19 pandemic and our immediate response was to furlough staff and postpone our touring with the assistance of an extension to our lottery funding for our Puccini in Paris season.

Once it became clear the restrictions on live working were likely to continue, and once it was possible to flexibly furlough our staff, we redesigned our year's work and devised *Cerddoriaeth Eich Miltir Sgwâr* in partnership with Ensemble Cymru. This open-call commissioning programme was designed to support singers, musicians and composers, whose work had been cancelled due to the pandemic, to work in partnership with their own home communities.

The initial stage of the application process invited artists to submit a single A4 page outlining their idea, who they would like to work with and a rough budget – the maximum commission being £5,000. MWO and Ensemble Cymru's staff then worked with the applicants whose proposals we wanted to take forward to make fuller applications, and seven projects were selected for this pilot phase of the programme.

We worked with:

- Composer Gareth Churchill to co-create new pieces with Headway Cardiff and South East Wales, telling the stories of people with head injuries and their experience of the pandemic.
- Musicians Julia Plaut and Judith Souter to run live sessions with 172 nursery and reception age pupils at Albany Road Primary School, Cardiff based on using movement and music to explore Mozart's concerto for cello and bassoon.
- The Victoria Salon Band to create a live streamed concert for St David's Day with their supporters from Llandaff 50 plus – seen by 108 people.
- Composer Ian Morgan-Williams and poet Pat Edwards to create a series of ballads with 37 children at Montgomery Church in Wales School via live lessons on MS Teams with children both in school and at home.
- Singer/Songwriter Eve Goodman to write songs with isolated members of her community in Y Felinheli, Gwynedd.
- Musicians Dan Perkin and Zoë Milton-Brown to create a series of YouTube lessons for 112 children at Portfield Special School in Haverfordwest, telling the story of Y Ddraig Goch in English and Makaton and with new songs for the children to learn and sing along with.

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FOR THE YEAR ENDED 31 MARCH 2021

We had planned to create a filmed version of our SmallStages production of *Mrs Peachum's Guide to Love and Marriage* in January 2021. A set was built for this but we were not able to go ahead as it was not possible to accommodate singers and musicians locally in Wales under the regulations at the time.

Cattle market concerts – December 2020

In addition to the *Milltir Sgwâr* work we worked with singer Robyn Lyn Evans and his wife Aneira to plan two days of live concerts for Christmas 2020 at Machynlleth Market. The performances took place on 12th and 19th December 2020, with audiences limited by the Covid-19 regulations to 30 people stood in their family groups in cattle pens under the stock market's tin roof. Each performance involved four singers and our Music Director Jonathan Lyness on the piano. Tickets were free, with donations collected after the performances and all the tickets went quickly in advance. The concerts were hugely appreciated by the audience, despite the sleet and cold weather, and gave us a sense of the public appetite for a return to live shows when possible.

Friends of MWO Gala 2020

Our annual Gala concert at Gregynog Hall in July was cancelled due to pandemic restrictions but replaced by a digital concert with two singers led by Charlotte Forrest and recorded in Presteigne in August 2020. The recordings were distributed in three parts to MWO's Friends before they were shared on our website and YouTube channel and have been viewed 1119 times to date.

Bhekizizwe

We worked with our friends at Opera'r Ddraig to support their production of *Bhekizizwe*, an operatic monodrama about the life of a young South African man struggling to make his way in the racist London of the 1960s. The proposed tour of the work was cancelled but a filmed version was created and shared as part of the Spring 2021 edition of The Festival of Voice.

Emergency funding

While the Coronavirus Job Retention Scheme has been a lifeline to our company, allowing us to flexibly furlough our staff during the pandemic, the nature of our funding means that we would not have been able to pay staff from revenue budgets without additional support because elements of their wages are attached to the delivery of projects which had been postponed due to the pandemic. We have been hugely grateful for the support of Arts Council Wales' Cultural Recovery Fund which made up a shortfall of £20,855 in our wages from September 2020 to March 2021.

d. Principal funding

The majority of the charity's income is derived from the grants received from Arts Councils, Trusts and other awarding bodies with a contribution from box office sales for the performances of the production during the year. Details of the grants received are shown on page 17 of the accounts. In addition the charity is also grateful for the donations received from individual and corporate supporters during the year. Details of the donations received can be seen on page 16 of these accounts. We worked during the year to March 2021 with Arts and Business Cymru to increase individual giving by our supporters and with their support we have also purchased a GoodBox system allowing us to take contactless donations at performances.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

Mid Wales Opera Ltd is a company limited by guarantee (No. 03001101) and a registered charity (No. 1043391). It is constituted under a Memorandum and Articles of Association which were reviewed by the Trustees in 2015/16 and found to remain fit for purpose. There have been no changes in the objectives since the last annual report.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are co-opted and elected under the terms of the Trust deed. The company invites new trustees who have an appreciation and understanding of the arts, and particularly of opera. Ideally, they will have regularly attended performances given by the company prior to their appointment. Kingsley George left the Board this year after many years' service as a Trustee and Board Director. Njabulo Madlala officially joined the Board in March 2021 having been a Board adviser. As a black South African singer who benefited from Mid Wales Opera's policy of supporting young artists, he has subsequently founded a successful singing competition in South Africa to encourage young black singers to pursue a similar path.

c. Policies adopted for the induction and training of Trustees

Potential trustees will be identified, brought to the attention of the existing Board members and invited to one of their meetings. The Chair and Chief Executive Officer will identify any particular skills that they would bring to the company and ensure that they understand the company's financial position and budget process. They are invited to rehearsals as well as performances of company productions, and will be given detailed information regarding the overall preparation of the performances.

d. Related party relationships

The Friends of Mid Wales Opera is run by a small group of volunteers who manage a number of fundraising events during the year. The trustees want to particularly acknowledge the contribution of Jackie Titley the Chair of the Friends' Committee for co-ordinating this effort. Friends' activities are reflected in the Company's accounts and it is very pleasing to note the ongoing support, both financial and verbal from the Friends despite the circumstances this year which precluded live events such as the annual Gregynog Gala concert.

e. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks – a risk register is maintained and reviewed regularly as part of the business planning cycle which is part of the funding agreement with Arts Council Wales.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

While restrictions are beginning to lift, the way ahead for 2021/22 is still not entirely clear and we will continue to need to be flexible and responsive in our planning.

In May and June 2021, we will be hosting a series of open-air pop-up performances for a restricted-number, socially-distanced audience and based on three performances per day. These shows will allow us to support singers whose work has been cancelled over the past 12 months and to reconnect with our core audience across Wales and the Borders. We will begin with Presteigne in mid-May and are working on performances for North and West as well as Mid Wales.

We postponed our Autumn 2020/Spring 2021 season themed around 'Puccini in Paris'. We are now planning up to 15 SmallStages performances in September/October 2021 of a new arrangement of Puccini's *Il tabarro* for four musicians and six singers. Our Spring 2022 production will be a MainStages tour of *La bohème* with Ensemble Cymru joining us once again for a nine-venue tour of Wales and the Borders.

We have funding in place from Arts Council of Wales Lottery Fund at £96,884 towards the costs of touring *Il tabarro* and *La bohème*, in addition to £20,000 towards the costs of that season from the Garfield Weston Foundation and £15,400 from the Ashley Family Foundation towards the costs of our SmallStages tour.

In the longer term, while we are working from the basis of a solid reserve, the lack of clarity around the future of lottery funding means we are not currently confident to plan for MainStages productions beyond Spring 2022. We plan to apply for an uplift in our revenue funding as part of ACW's postponed Investment Review – consolidating our current lottery and revenue funded work. We are aware that our fellow revenue funded companies Music Theatre Wales and Welsh National Opera have switched their focus away from live touring in the short to medium term, and that touring is a high-risk proposition in the current climate. However, as a company we remain committed to bringing high quality performances to the heart of communities who would not otherwise have the opportunity to see live opera and we aim to return to live touring as soon as it is safe and legal to do so.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

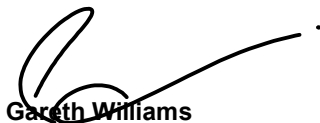
The Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Gareth Williams
Chair of the Board of Trustees

Date:

22/12/2021

MID WALES OPERA LTD
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Report to the Trustees of Mid Wales Opera Ltd ('the Charitable Company')

I report to the charity Trustees on my examination of the accounts of the Charitable Company for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Trustees of the Charitable Company (and 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 Charitable 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 the Charitable Company's accounts 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.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Statement

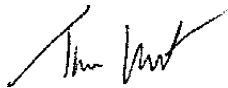
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable 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.

This report is made solely to the Charitable Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charitable Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's Trustees as a body, for my work or for this report.

Signed:



Dated: 23/12/2021

Mr T Lunt

BA FCCA MIRPM

WR Partners
Chartered Accountants
Hafren House
5 St Giles Business Park
Newtown
Powys

MID WALES OPERA LTD
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	50,972	50,972	27,262
Charitable activities	4	9,103	143,329	152,432	302,391
Other trading activities	5	-	15	15	5,091
Investments	6	-	69	69	260
Other income		-	19,902	19,902	22,857
Total income		9,103	214,287	223,390	357,861
Expenditure on:					
Raising funds		-	17,949	17,949	30,327
Charitable activities	7	23,142	134,170	157,312	257,313
Other expenditure	8	-	13,332	13,332	14,695
Total expenditure		23,142	165,451	188,593	302,335
Net (expenditure)/income		(14,039)	48,836	34,797	55,526
Transfers between funds	16	4,017	(4,017)	-	-
Net movement in funds		(10,022)	44,819	34,797	55,526
Reconciliation of funds:					
Total funds brought forward		45,012	187,562	232,574	177,049
Net movement in funds		(10,022)	44,819	34,797	55,526
Total funds carried forward		34,990	232,381	267,371	232,574

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 28 form part of these financial statements.

MID WALES OPERA LTD
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REGISTERED NUMBER: 03001101

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	28,153	31,749
		<u>28,153</u>	<u>31,749</u>
Current assets			
Debtors	14	26,855	68,245
Cash at bank and in hand		219,028	137,164
		<u>245,883</u>	<u>205,409</u>
Creditors: amounts falling due within one year	15	(6,665)	(4,584)
Net current assets		<u>239,218</u>	<u>200,825</u>
Total assets less current liabilities		<u>267,371</u>	<u>232,574</u>
Total net assets		<u><u>267,371</u></u>	<u><u>232,574</u></u>
Charity funds			
Restricted funds	16	34,990	45,012
Unrestricted funds	16	232,381	187,562
Total funds		<u><u>267,371</u></u>	<u><u>232,574</u></u>

The Charitable Company was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Gareth Williams
Chair of the Board of Trustees

Date: 22/12/2021

The notes on pages 13 to 28 form part of these financial statements.

MID WALES OPERA LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Mid Wales Opera is a charitable company, limited by guarantee and incorporated in England and Wales. The members of the charity are the trustees named on page 1 of these accounts. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Mid Wales Opera Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

After making enquires, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

The Trustees have also assessed the potential impact on the future operations of the Company with regard to the Covid-19 outbreak. The Company is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charitable Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charitable Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charitable Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Company's objectives, as well as any associated support costs.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Office equipment	-	15% straight line
Sets, props and costumes	-	80% in year of production and 20% RB thereafter

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.11 Financial instruments

The Charitable Company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Other donations	-	4,760	4,760	22,994
Patrons Circle	-	2,565	2,565	2,113
Friends of Mid Wales Opera	-	2,602	2,602	2,155
Government grants	-	41,045	41,045	-
Total 2021	-	50,972	50,972	27,262
<i>Total 2020</i>	975	26,287	27,262	

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4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Ticket sales and fees	-	-	-	66,903
Grants receivable	9,103	136,329	145,432	190,588
Trust funds received	-	7,000	7,000	44,900
Total 2021	9,103	143,329	152,432	302,391
<i>Total 2020</i>	<i>102,219</i>	<i>200,172</i>	<i>302,391</i>	

Grants and Trust funds receivable

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
The Arts Council of Wales	9,103	126,329	135,432	190,588
Powys County Council Covid Business Grant	-	10,000	10,000	-
Millichope Foundation	-	1,500	1,500	1,500
G&M Davies Charitable Trust	-	5,000	5,000	-
Arts and Business Cymru Community Fund	-	500	500	-
John Lewis Chairman's Fund	-	-	-	2,000
Fenton Arts	-	-	-	3,000
Oakdale Trust	-	-	-	1,500
Garfield Weston	-	-	-	20,000
Ashley Foundation	-	-	-	15,400
Gibbs Trust	-	-	-	1,500
	9,103	143,329	152,432	235,488

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5. Income from other trading activities

Income from fundraising events

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Other sales	-	15	15	3,508
Sponsorship	-	-	-	1,583
Total 2021	-	15	15	5,091
<i>Total 2020</i>	<i>4,050</i>	<i>1,041</i>	<i>5,091</i>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment income	69	69	260
<i>Total 2020</i>	<i>260</i>	<i>260</i>	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Direct costs	23,142	134,170	157,312	257,313
<i>Total 2020</i>	<i>144,366</i>	<i>112,947</i>	<i>257,313</i>	

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8. Governance costs

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Professional fees	678	678	-
Trustee meetings	-	-	785
Strategic development	1,410	1,410	1,148
Salaries	-	-	989
Other resources expended - wages and salaries	8,260	8,260	8,504
Other resources expended - pension costs	2,984	2,984	3,269
Total 2021	<u>13,332</u>	<u>13,332</u>	<u>14,695</u>
<i>Total 2020</i>	<u>14,695</u>	<u>14,695</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Direct costs - Activities	<u>76,519</u>	<u>80,793</u>	<u>157,312</u>	<u>257,313</u>
<i>Total 2020</i>	<u>209,245</u>	<u>48,068</u>	<u>257,313</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	<i>Total</i> <i>funds</i> <i>2020</i> £
Staff costs	42,584	42,584	37,976
Depreciation	5,096	5,096	18,971
Orchestra	4,492	4,492	49,359
Singers	2,257	2,257	49,277
Production crew	2,600	2,600	8,537
Set transport	4,192	4,192	15,786
Travel expenses and accomodation	5,918	5,918	7,286
Other production costs	4,880	4,880	17,285
Design Team	-	-	4,243
Governance costs	4,500	4,500	525
Total 2021	<u>76,519</u>	<u>76,519</u>	<u>209,245</u>
<i>Total 2020</i>	<u>209,245</u>	<u>209,245</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	16,518	16,518	18,988
Depreciation	500	500	550
Sundry expenses	3,884	3,884	6,117
Postage and stationery	552	552	588
Advertising and marketing	27,175	27,175	12,475
Bank charges	240	240	274
Telephone	968	968	615
Insurance	2,660	2,660	2,661
General travel expenses	730	730	3,468
Light and heat	102	102	107
Fees for admin services	1,449	1,449	2,184
Repairs and maintenance	-	-	41
Write off for bad debt and accrued income not received	26,015	26,015	-
Total 2021	<u>80,793</u>	<u>80,793</u>	<u>48,068</u>
<i>Total 2020</i>	<u>48,068</u>	<u>48,068</u>	

10. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,575 (2020 - £1,550).

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11. Staff costs

	2021	<i>2020</i>
	£	£
Wages and salaries	83,342	<i>91,670</i>
Social security costs	1,288	<i>-</i>
Operating costs of defined benefit pension schemes	2,984	<i>3,269</i>
	87,614	<i>94,939</i>

The average number of persons employed by the Charitable Company during the year was as follows:

	2021	<i>2020</i>
	No.	No.
Employees	4	<i>4</i>

The average headcount expressed as full-time equivalents was:

	2021	<i>2020</i>
	No.	No.
Employees	3	<i>3</i>

No employee received remuneration amounting to more than £60,000 in either year.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2020 - £NIL*).

During the year ended 31 March 2021, no Trustee expenses have been incurred (*2020 - £NIL*).

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13. Tangible fixed assets

	Freehold property £	Office equipment £	Other fixed assets £	Total £
Cost or valuation				
At 1 April 2020	25,000	46,125	409,782	480,907
Additions	-	-	2,000	2,000
At 31 March 2021	<u>25,000</u>	<u>46,125</u>	<u>411,782</u>	<u>482,907</u>
Depreciation				
At 1 April 2020	10,625	46,125	392,408	449,158
Charge for the year	500	-	5,096	5,596
At 31 March 2021	<u>11,125</u>	<u>46,125</u>	<u>397,504</u>	<u>454,754</u>
Net book value				
At 31 March 2021	<u>13,875</u>	<u>-</u>	<u>14,278</u>	<u>28,153</u>
At 31 March 2020	<u>14,375</u>	<u>-</u>	<u>17,374</u>	<u>31,749</u>

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14. Debtors

	2021	<i>2020</i>
	£	£
Due within one year		
Trade debtors	101	29,306
Theatre Tax credits	20,987	21,460
Prepayments and accrued income	5,767	17,479
	26,855	68,245

15. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	£
Trade creditors	3,687	-
Other taxation and social security	1,328	3,007
Accruals and deferred income	1,650	1,577
	6,665	4,584

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Figaro	5,977	-	(7)	(5,970)	-
Redundancy liability	17,737	-	-	-	17,737
Roof repairs	-	-	-	15,000	15,000
	<u>23,714</u>	<u>-</u>	<u>(7)</u>	<u>9,030</u>	<u>32,737</u>
General funds					
General Funds - all funds	<u>163,848</u>	<u>214,287</u>	<u>(165,444)</u>	<u>(13,047)</u>	<u>199,644</u>
Total Unrestricted funds	<u>187,562</u>	<u>214,287</u>	<u>(165,451)</u>	<u>(4,017)</u>	<u>232,381</u>
Restricted funds					
Dido and Aeneas	-	-	(602)	602	-
Mrs Peachum's Guide to Love and Marriage	-	-	(2,155)	2,155	-
The Marriage of Figaro	9,525	9,103	(20,335)	1,707	-
Venus & Adonis	447	-	-	(447)	-
Il Tabarro	25,040	-	(50)	-	24,990
La Boheme	10,000	-	-	-	10,000
	<u>45,012</u>	<u>9,103</u>	<u>(23,142)</u>	<u>4,017</u>	<u>34,990</u>
Total of funds	<u>232,574</u>	<u>223,390</u>	<u>(188,593)</u>	<u>-</u>	<u>267,371</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds					
Designated funds					
Tosca	19,492	14,300	(26,990)	(825)	5,977
Redundancy Liability	15,543	-	-	2,194	17,737
	<u>35,035</u>	<u>14,300</u>	<u>(26,990)</u>	<u>1,369</u>	<u>23,714</u>
General funds					
General Funds - all funds	<u>129,202</u>	<u>233,959</u>	<u>(130,979)</u>	<u>(68,334)</u>	<u>163,848</u>
Total Unrestricted funds	<u>164,237</u>	<u>248,259</u>	<u>(157,969)</u>	<u>(66,965)</u>	<u>187,562</u>
Restricted funds					
L'Heure Espagnole	-	350	(1,183)	833	-
CC19	6,795	755	(3,771)	(3,779)	-
Dido and Aeneas	1,049	5,270	(3,123)	(3,196)	-
Mrs Peachum's Guide	4,990	18,322	(37,691)	14,379	-
Venus & Adonis	-	1,383	(936)	-	447
The marriage of Figaro	(23)	48,122	(97,302)	58,728	9,525
Il Tabarro	-	25,400	(360)	-	25,040
La Boheme	-	10,000	-	-	10,000
	<u>12,811</u>	<u>109,602</u>	<u>(144,366)</u>	<u>66,965</u>	<u>45,012</u>
Total of funds	<u>177,048</u>	<u>357,861</u>	<u>(302,335)</u>	<u>-</u>	<u>232,574</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	23,714	-	(7)	9,030	32,737
General funds	163,848	214,287	(165,444)	(13,047)	199,644
Restricted funds	45,012	9,103	(23,142)	4,017	34,990
	<u>232,574</u>	<u>223,390</u>	<u>(188,593)</u>	<u>-</u>	<u>267,371</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	35,035	14,300	(26,990)	1,369	23,714
General funds	129,202	233,959	(130,979)	(68,334)	163,848
Restricted funds	12,811	109,602	(144,366)	66,965	45,012
	<u>177,048</u>	<u>357,861</u>	<u>(302,335)</u>	<u>-</u>	<u>232,574</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	28,153	28,153
Current assets	34,990	210,893	245,883
Creditors due within one year	-	(6,665)	(6,665)
Total	<u>34,990</u>	<u>232,381</u>	<u>267,371</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	31,749	31,749
Current assets	45,012	160,395	205,407
Creditors due within one year	-	(4,582)	(4,582)
Total	<u>45,012</u>	<u>187,563</u>	<u>232,574</u>

19. Pension commitments

The pension cost charge represents contributions payable by the company to employees pension funds and amounted to £2,984 (2020: £3,269), these were fully paid with no contributions outstanding at the balance sheet date.

20. Related party transactions

The Charitable Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charitable Company at 31 March 2021.