

MID WALES OPERA LTD
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



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 2023**

Trustees	Gareth Williams, Chair Sara Clutton Alun Jones Njabulo Madlala Avriel Reader Prof. David Roberts FEA John Stephenson Suzanne Wardell Prof. Lynda Warren (appointed 25 October 2022) Paul Wingfield
Company registered number	03001101
Charity registered number	1043391
Registered office	Bryn Wgan Trefeglwys Powys SY17 5QU
Company secretary	Alun Jones
Chief executive officer	Lydia Bassett (resigned June 2023)
Accountants	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

MID WALES OPERA LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the Charitable Company for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 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 2023 and includes a SmallStages tour in October 2022 and MainStages tour in March 2023.

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, temporarily revised in view of the time lost to the pandemic to under 32 and/or within 5 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 programme of work has reflected that ambition with a continued focus on reconnecting with audiences and partner venues following the disruptive effect of the pandemic which is still being felt particularly by the classical music sector.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

Financial review

a. Going concern

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

The Trustees have a reasonable expectation that the company can continue to meet all liabilities for the foreseeable future. However, since the end of the reporting period, the Arts Council for Wales have notified the company of a provisional decision to cease core funding from 1 April 2024, though this is subject to appeal. Should this decision be confirmed, the company will have to undertake a fundamental reappraisal of its future plans.

b. Reserves policy

The free reserves of the company are £151,367 (2022: £194,549), being the total unrestricted funds of £215,159 less depreciated fixed assets of £31,055 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.

c. Principal funding

The majority of the charity's income is derived from the grants received from Arts Council Wales, Trusts and other awarding bodies with a contribution from box office sales for the performances of the productions during the year. Details of the grants received are shown on page 18 of the accounts. In addition the charity is also grateful for the donations received from individual supporters during the year. Details of the donations received can be seen on page 17 of these accounts.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

d. Review of activities

Total number audience for live performances 3,209

Total number of children involved in workshops/performances 428

Total number of live performances 24

Total number of performers, both singers and instrumentalists employed 40

Our work from April 2022 to March 2023, under the season title of Fairy Tales, included:

1. 13 performance of Montsalvatge's Puss in Boots (El Gato con Botas) October and November 2022 reaching an audience of 1234, including 77 pupils of Penygloddfa school who were able to come to Hafren to see the dress rehearsal.
2. 9 performances of Humperdinck's Hansel & Gretel in partnership with Ensemble Cymru reaching an audience of 1555, and including children's choruses in each venue with a total of 83 participants.
3. 10 school workshops in Powys, delivered during the Hansel & Gretel tour and working with 225 primary school age children, plus a week-long residency at Penygloddfa Primary School in May.
4. MWO's Friends Garden concert at Gregynog Hall in Powys in July 2022, performed in the Music Room as it rained, featuring three talented Welsh singers and with an audience of 165.
5. A celebratory Gala concert at Ludlow Assembly Rooms in May with an audience of 205 and featuring 4 singers, a harpist and pianist.

The year to March 2023 saw the consolidation of our work since the pandemic to reconnect with audiences and fulfil our mission to engage a wide range of people with opera.

In May a team of 4 was able to deliver the delayed residency in Penygloddfa Primary School where 43 Year 3 and 4s spent the whole week creating their own opera, including developing stories, writing songs, creating costumes and rehearsing for a performance on the last day for their parents – the first time parents had been able to see their children's work in school since the pandemic. This work was generously supported by a donor.

Also in May, MWO presented a Gala celebratory concert at Ludlow Assembly Rooms, curated and accompanied by MWO's Music Director Jonathan Lyness, and featuring four singers and a harpist to raise funds for both organisations.

In July our annual Friends of MWO Gala at Gregynog was planned as an outdoor event as the previous year, with an earlier start and picnic interval. The weather having been dry all week let us down but the 165 audience members still enjoyed an entertaining evening in Gregynog's Music Room.

MWO's Fairy Tales season was designed to help us reconnect with audiences post-covid – telling simple and familiar stories and taking two brand new, live productions to a mixture of small and mid-scale theatres across Wales and the borders, returning to a more normal pattern after the restrictions of last year. Our SmallStages production of Montsalvatge's Puss in Boots visited 13 small theatres and community halls across Wales and the borders in October and September and our MainStages tour of Hansel and Gretel visited our nine long-term partner venues in March, returning to the Courtyard in Hereford after a covid related break of four years. While audiences are still below pre-pandemic levels (around 78%) we are still above the UK average of 65% of pre-pandemic audiences for classical music and opera.

Both our Fairy Tales season tours were very well received by audiences and critics alike. David Truslove wrote of Puss in Boots in Opera Today : "Mid Wales Opera has virtually created an instruction manual for the performance of community-based opera in rural areas, shrink-wrapping works into spaces that rarely enjoy professional presentation... MWO has come up with a scintillating gem"

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Nigel Jarrett, reviewing Hansel and Gretel for Wales Arts Review, said "The singing is a delight, in both its adult and teenage (chorus) manifestations, and the final chorus is co-operatively heartfelt and moving. Lyness conducts the orchestra with the kind of aplomb essential for a story that is both in the mind and in the flesh, and both bleak and, finally, triumphant"

One audience member in Newtown summed up Hansel and Gretel perfectly: "An evening of darkness conquered by light with a few sweet treats thrown in – a delight of a performance"

Our Hansel and Gretel tour involved a different group of young people as our children's chorus, in each venue. The chorus sang in Welsh in a new translation by Robyn Lyn Evans, while tenor Huw Ynyr visited each group on the night before the show in order to check they had the Welsh correct, teach them the choreography, run through the staging and give the groups extra confidence ready for the performance. We made some great connections with youth theatres and dance groups during the tour which will be very useful for the future and the feedback from the children and their leaders was wonderful.

"I am receiving rave reviews from the families of ALL of the children! Everyone has had a wonderful time, enjoyed all the rehearsals and the performance itself! Audience members whom I talked to were leaving the theatre having thoroughly enjoyed the production from farmers to teachers to fellow musicians. Bravo MWO!! Manon (Bangor, Blas)

"Just to say thank you all so much for the opportunity to perform on Saturday. Please pass on my thanks to Richard and the cast. They were so kind, patient and welcoming, really put the kids at ease. It's so wonderful for them to have chance to perform (there aren't always that many opportunities in Brecon). Cheers Rosie (Ghost Light, Brecon)

We are committed to supporting young artists (50% of our performers are under the age of 32/less than five years out of training.) Our five young artists for Puss in Boots were all Welsh or Wales-based performers. Our bassoonist Alanna Pennar-Macfarlane explained : "It has given me experience of what it is like to tour and be on a long patch of work doing the same thing multiple times. I learned a lot about chamber music and playing in such a small ensemble gave me the opportunity to explore how to better communicate and work with others musically."

Our production of Hansel and Gretel included three young artists. Soprano Sian Roberts who performed the role of Sandman and Dew Fairy, as well as covering the role of Gretel, told us: "I wouldn't have had the opportunity to sing these roles and work with this calibre of artists without MWO. Working with other young performers meant having colleagues it was easy to relate to, but working with the more experienced members was a real learning experience. The biggest lesson for me was to speak up when finding something difficult/something is not working onstage and ask if it can be changed. I had a props meltdown that was handled by everyone with real kindness and understanding, and in future I know to just say "this isn't working" I had never been on tour before, and I feel I got better as the tour went on at adjusting my position on each stage."

Jodi Voyle, our Marketing Officer, left to join the team at Wales Millenium Centre in the autumn and Lydia Bassett the executive director took on the marketing for Hansel & Gretel. We employed a project officer to manage the spring term education work and children's choruses. This education work saw tenor Huw Ynyr and composer/music teacher Ian Morgan-Williams deliver 10 participatory bilingual sessions in 5 schools across Powys to 225 children, introducing them to the world of opera and giving them the opportunity to write their own recitative.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

a. Constitution

Mid Wales Opera Ltd is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

The management of the Charitable Company is the responsibility of the Trustees who are elected and co-opted 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. Professor Lynda Warren, Emeritus Professor of Environmental Law, joined the Board, following attendance at our events where she felt inspired by our work to offer her services and expertise.

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 Tittley the Chair of the Friends' Committee for co-ordinating this effort. Friends' activities are reflected in the Company's accounts.

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 2023

Plans for future periods

Our plans for 2023/24 are in place thanks to a successful Create application which will help fund our Shakespeare Season.

We will run a week's residency in Llanidloes Primary School to create an opera from scratch. This work is supported by funds from our reserves.

Our Friends of MWO concert on 23 July 2023 will once again be led by Charlotte Forrest and will be Shakespearean themed to tie in with our new Season and the 400th anniversary of the publication of the First Folio.

In addition, we are planning a collaborative event with Shakespeare Link at the Willow Globe near Newbridge-on-Wye in August, to explore Much Ado About Nothing in words and music and tie into the coming season.

In October and November 2023 our Shakespeare season begins with our SmallStages tour of Berlioz's Beatrice and Benedict which will visit 13 small theatres and community halls across Wales and the borders, performed by six singers and four musicians in a new chamber arrangement by Jonathan Lyness. Unlike previous years there will be no concert in the second half as the opera will fill the whole evening.

In March 2024 we will be visiting our nine core MainStages venues, with Verdi's Macbeth, though as Theatr Clwyd's building is closed we will be promoted by Theatr Clwyd in William Aston Hall in Wrexham, once again in partnership with Ensemble Cymru and with opportunities for young artist's to play the numerous small roles and chorus, and with a community chorus joining us on stage in all our venues.

We are delighted to have been awarded £10,000 per year by the Colwinston Charitable Trust to support the creation of new chamber arrangements for the next three SmallStages productions, starting with Puss in Boots in October 2022 and followed in October 2023 by Berlioz's Beatrice and Benedict and in October 2024 by Dvorak's The Stubborn Lovers.

Autumn 2023 sees the results of the long-delayed Investment Review by Arts Council Wales. We have applied for consolidation our annual lottery application of just under £100,000 into our revenue funding, with an uplift to account for the rise in prices and to help achieve our ambition into the future. If successful, this would drastically improve MWO's prospects for sustainability and we believe we have made a strong case for our ability to tour high quality, accessible and affordable operatic productions to the heart of communities across Wales and the borders, whilst supporting freelance artists and staff.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 Trustees)

Date: 1/11/2023

MID WALES OPERA LTD
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

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 2023.

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 2023

Independent Examiner's Statement

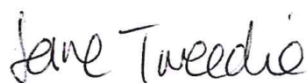
Since the Charitable Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 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: 22 November 2023

S J Tweedie

BSc FCA DChA

WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
SY2 6LG

MID WALES OPERA LTD
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

		Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
	Note				
Income from:					
Donations and legacies	3	1,800	12,269	14,069	21,209
Charitable activities	4	119,238	144,923	264,161	252,772
Other trading activities	5	-	4,958	4,958	3,601
Investments	6	-	1,246	1,246	33
Other income	7	-	44,226	44,226	15
Total income		121,038	207,622	328,660	277,630
Expenditure on:					
Raising funds	8	362	25,769	26,131	22,468
Charitable activities	9	128,983	185,231	314,214	295,018
Total expenditure		129,345	211,000	340,345	317,486
Net movement in funds		(8,307)	(3,378)	(11,685)	(39,856)
Reconciliation of funds:					
Total funds brought forward		8,978	218,537	227,515	267,371
Net movement in funds		(8,307)	(3,378)	(11,685)	(39,856)
Total funds carried forward		671	215,159	215,830	227,515

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

The notes on pages 14 to 29 form part of these financial statements.

MID WALES OPERA LTD
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REGISTERED NUMBER: 03001101

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	<i>As restated</i> <i>2022</i> <i>£</i>
Fixed assets			
Tangible assets	14	31,055	28,976
		31,055	28,976
Current assets			
Debtors	15	108,570	78,913
Cash at bank and in hand		158,356	189,406
		266,926	268,319
Creditors: amounts falling due within one year	16	(82,151)	(69,780)
Net current assets		184,775	198,539
Total assets less current liabilities		215,830	227,515
Total net assets		215,830	227,515

MID WALES OPERA LTD
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REGISTERED NUMBER: 03001101

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	<i>As restated</i> 2022 £
Charity funds			
Restricted funds	18	671	8,978
Unrestricted funds	18	215,159	218,537
Total funds		215,830	227,515

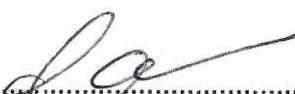
The Charitable Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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 Trustees)

Date:

11/11/2023

The notes on pages 14 to 29 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 2023

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 enquiries, 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.

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.

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

2. Accounting policies (continued)

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.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are accounted for in the Statement of Financial Activities when the conditions of income recognition (entitlement, probability of receipt and measurement of amount receivable) are met.

2.6 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, .

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 opera production and 20% reducing balance thereafter

2.7 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.

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

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

Investment income, gains and losses are allocated to the appropriate fund.

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3. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	-	7,736	7,736	5,881
Patrons Circle	-	1,975	1,975	3,000
Friends donations	-	2,558	2,558	3,336
Government grants	-	-	-	8,992
Similar incoming resources	1,800	-	1,800	-
	<u>1,800</u>	<u>12,269</u>	<u>14,069</u>	<u>21,209</u>
<i>Total 2022</i>	<u>-</u>	<u>21,209</u>	<u>21,209</u>	

The 'other similar income' consists of a grant received to operate the Opera Forum Cymru, shown with the restricted funds note.

4. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Ticket sales and fees	-	33,048	33,048	41,102
Trust funds received	20,000	1,500	21,500	19,000
Government grants received	99,238	110,375	209,613	192,670
	<u>119,238</u>	<u>144,923</u>	<u>264,161</u>	<u>252,772</u>
<i>Total 2022</i>	<u>138,445</u>	<u>114,327</u>	<u>252,772</u>	

Government grant income consists of grants allocated by the Arts Council for Wales. Of this £99,238 relates to money given to the Arts Council to disperse on behalf of the National Lottery.

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Grants and Trust funds receivable

	2023 £
Arts Council Wales	110,375
Arts Council Wales - National Lottery funding	99,238
Colwinston Charitable Trust	10,000
Gwendoline and Margaret Davies Charity	5,000
John Lewis Partnership Chairman's Fund	2,000
The Oakdale Trust	1,500
Garrick Charitable Trust	1,500
Millichope Foundation	1,500
	231,113

5. Income from other trading activities

Income from fundraising events

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other sales	-	4,958	4,958	3,601
<i>Total 2022</i>	<i>2,820</i>	<i>781</i>	<i>3,601</i>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	1,246	1,246	33
<i>Total 2022</i>	<i>33</i>	<i>33</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Theatre Tax Relief	44,226	44,226	15
	<hr/>	<hr/>	<hr/>
<i>Total 2022</i>	15	15	
	<hr/>	<hr/>	

8. Expenditure on raising funds

Costs of raising voluntary income

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Programmes and other fundraising communication	362	3,621	3,983	4,253
Wages and salaries	-	20,750	20,750	18,215
Employers NI	-	705	705	-
Employers pension costs	-	693	693	-
	<hr/>	<hr/>	<hr/>	<hr/>
	362	25,769	26,131	22,468
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2022</i>	1,485	20,983	22,468	
	<hr/>	<hr/>	<hr/>	

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

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	<i>As restated Total 2022 £</i>
Charitable activity	128,983	185,231	314,214	295,018
<i>Total 2022 as restated</i>	<i>166,217</i>	<i>128,801</i>	<i>295,018</i>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Charitable activity	253,983	60,231	314,214	295,018
<i>Total 2022 as restated</i>	<i>245,425</i>	<i>49,593</i>	<i>295,018</i>	

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

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activity 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Staff costs	55,372	55,372	45,537
Depreciation	26,021	26,021	19,677
Orchestra	57,324	57,324	51,057
Singers	50,875	50,875	72,824
Production crew	9,298	9,298	8,923
Tour transport	17,582	17,582	20,951
Travel expenses and accommodation	10,607	10,607	7,461
Other production costs	19,396	19,396	9,351
Directorial team	2,500	2,500	2,638
Costume, props and lighting	2,750	2,750	4,659
Governance costs	2,258	2,258	2,347
	<u>253,983</u>	<u>253,983</u>	<u>245,425</u>
<i>Total 2022 as restated</i>	<u>245,425</u>	<u>245,425</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activity 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	33,226	33,226	33,385
Depreciation	500	500	500
Trustee meeting expenses	261	261	-
Sundry expenses	5,520	5,520	3,983
Postage and stationery	280	280	372
Advertising and marketing	10,044	10,044	3,251
Bank charges	194	194	592
Telephone	1,655	1,655	1,246
Insurance	2,712	2,712	2,669
General travel expenses	2,656	2,656	1,507
Light and heat	126	126	144
Fees for admin services	2,237	2,237	1,626
Maintenance	820	820	318
	<u>60,231</u>	<u>60,231</u>	<u>49,593</u>
<i>Total 2022</i>	<u>49,593</u>	<u>49,593</u>	

11. Independent examiner's remuneration

	2023 £	2022 £
Fees payable to the Charitable Company's independent examiner for the independent examination of the Charitable Company's annual accounts	2,000	1,750
Fees payable to the Charitable Company's independent examiner in respect of:		
All taxation advisory services not included above	<u>850</u>	<u>750</u>

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NOTES TO THE FINANCIAL STATEMENTS
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12. Staff costs

	2023 £	<i>2022</i> <i>£</i>
Wages and salaries	103,753	<i>91,075</i>
Social security costs	3,526	<i>2,951</i>
Contribution to defined contribution pension schemes	3,467	<i>3,111</i>
	110,746	<i>97,137</i>

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

	2023 No.	<i>2022</i> <i>No.</i>
Employees	5	<i>4</i>

The average headcount expressed as full-time equivalents was:

	2023 No.	<i>2022</i> <i>No.</i>
Employees	3	<i>3</i>

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

Total employee benefits relating to key management personnel amounted to £34,593 during the year (2022: £30,688).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Freehold property £	Office equipment £	Other fixed assets £	Total £
Cost or valuation				
At 1 April 2022	25,000	46,125	432,782	503,907
Additions	-	-	28,600	28,600
At 31 March 2023	25,000	46,125	461,382	532,507
Depreciation				
At 1 April 2022	11,625	46,125	417,181	474,931
Charge for the year	500	-	26,021	26,521
At 31 March 2023	12,125	46,125	443,202	501,452
Net book value				
At 31 March 2023	12,875	-	18,180	31,055
At 31 March 2022	13,375	-	15,601	28,976

15. Debtors

	2023 £	As restated 2022 £
Due within one year		
Trade debtors	350	8,080
Other debtors	44,225	-
Prepayments and accrued income	58,846	67,386
Tax recoverable	5,149	3,447
	108,570	78,913

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NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2023	<i>As restated</i> 2022
	£	£
Other taxation and social security	3,888	2,244
Other creditors	3,126	-
Accruals and deferred income	75,137	67,536
	<hr/> 82,151 <hr/>	<hr/> 69,780 <hr/>

17. Prior year adjustments

During the prior year expenditure of £37,725 on La Bohème tour was incurred but not accounted for. A prior year adjustment has therefore been made to correct this error. This led to an increase in expenditure and creditors of £37,725 with a corresponding fall in reserves.

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

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds				
Designated funds				
Redundancy liability	17,737	-	-	17,737
Roof repairs	15,000	-	-	15,000
	<u>32,737</u>	<u>-</u>	<u>-</u>	<u>32,737</u>
General funds				
General Funds	<u>185,800</u>	<u>207,622</u>	<u>(211,000)</u>	<u>182,422</u>
Total Unrestricted funds	<u>218,537</u>	<u>207,622</u>	<u>(211,000)</u>	<u>215,159</u>
Restricted funds				
La Bohème	5,478	9,688	(15,166)	-
Hansel & Gretel	3,500	53,178	(56,678)	-
Puss in Boots	-	56,372	(56,372)	-
Beatrice & Benedict	-	-	(303)	(303)
Macbeth	-	-	(542)	(542)
Opera Forum Cymru	-	1,800	(284)	1,516
	<u>8,978</u>	<u>121,038</u>	<u>(129,345)</u>	<u>671</u>
Total of funds	<u>227,515</u>	<u>328,660</u>	<u>(340,345)</u>	<u>215,830</u>

Restricted funds at year end related to:

- **Beatrice & Benedict** - income and expenditure relating to the Beatrice & Benedict performances for the 2023 season.
- **Macbeth** - income and expenditure relating to the Macbeth performances for the 2023 season.
- **Opera Forum Cymru** - funds received for networking and sharing within a group of opera colleagues and companies.

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

Prior year funds

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>As restated Expenditure</i>	<i>Transfers in/out</i>	<i>As restated Balance at 31 March 2022</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Redundancy liability	17,737	-	-	-	17,737
Roof repairs	15,000	-	-	-	15,000
	<u>32,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,737</u>
General funds					
General Funds	199,644	136,365	(149,784)	(425)	185,800
	<u>232,381</u>	<u>136,365</u>	<u>(149,784)</u>	<u>(425)</u>	<u>218,537</u>
Total Unrestricted funds					
	<u>232,381</u>	<u>136,365</u>	<u>(149,784)</u>	<u>(425)</u>	<u>218,537</u>
Restricted funds					
The Marriage of Figaro	-	-	(425)	425	-
Il Tabarro	24,990	29,671	(54,661)	-	-
La Bohème	10,000	108,094	(112,616)	-	5,478
Hansel & Gretel	-	3,500	-	-	3,500
	<u>34,990</u>	<u>141,265</u>	<u>(167,702)</u>	<u>425</u>	<u>8,978</u>
Total of funds	<u>267,371</u>	<u>277,630</u>	<u>(317,486)</u>	<u>-</u>	<u>227,515</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	31,055	31,055
Current assets	671	230,255	230,926
Creditors due within one year	-	(46,151)	(46,151)
Total	671	215,159	215,830

Analysis of net assets between funds - prior year

	<i>Endowment funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	28,976	28,976
Current assets	-	35,138	233,181	268,319
Creditors due within one year	(37,725)	(26,160)	(5,895)	(69,780)
Total	(37,725)	8,978	256,262	227,515

20. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £3,467 (2022 £3,111). These were fully paid with no contributions outstanding at the balance sheet date.

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21. Related party transactions

There were three persons during the year with related party transactions (prior year three persons with transactions).

Mid Wales Opera had income of £7,995 from working with the Theatre of which the Trustee S Clutton is Theatre Manager (2022: £5,714). B Wallbank hired equipment from Mid Wales Opera at a cost of £132 (2022: £370). A family member of B Wallbank has earned £3,567 during the year (2022: £2,104). The Trustee G Williams is involved with a venue that hosted a Mid Wales Opera performance, resulting in £2,278 income to Mid Wales Opera (2022: £1,393).

There were no outstanding balances at the year end relating to these transactions.