

# BIRMINGHAM ROYAL BALLET

England & Wales · Charity number 1061012

## Details

|                |                                                         |
|----------------|---------------------------------------------------------|
| Status         | Registered                                              |
| Legal form     | Charitable company                                      |
| Company number | <a href="#">03320538</a>                                |
| Registered     | 1997-02-28                                              |
| Register       | <a href="#">View on the Charity Commission register</a> |

## Contact

|         |                                                                 |
|---------|-----------------------------------------------------------------|
| Address | Birmingham Royal Ballet<br>Thorp Street<br>Birmingham<br>B5 4AU |
| Phone   | 01212453525                                                     |
| Email   | <a href="mailto:info@brb.org.uk">info@brb.org.uk</a>            |
| Website | <a href="http://www.brb.org.uk">www.brb.org.uk</a>              |

## Activities

**Objects:** TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE ARTS AND SCIENCES OF BALLET, DANCE, MUSIC AND DRAMA

**Activities:** Birmingham Royal Ballet seeks to be the UK's foremost international ballet company, enriching people's lives through dance, and aspiring to excellence in all that it does

## Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

## Geography

- Throughout England And Wales

## Finances

| Period end | Income      | Expenditure | Assets      | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2025-03-31 | £17,643,267 | £18,666,076 | £6,972,771  | 223       |
| 2024-03-31 | £16,114,695 | £16,476,856 | £7,962,503  | 192       |
| 2023-03-31 | £16,576,030 | £16,757,233 | £8,067,627  | 208       |
| 2022-03-31 | £13,392,366 | £15,216,594 | £8,512,408  | 188       |
| 2021-03-31 | £14,423,341 | £10,801,110 | £10,263,618 | 182       |

## Trustees

| Name                                 | Role  | Appointed  |
|--------------------------------------|-------|------------|
| <b>SIR DAVID JOHN NORMINGTON GCB</b> | Chair | 2018-07-25 |
| Barry Allen                          |       | 2019-12-16 |
| Christine Ondimu                     |       | 2021-06-01 |
| Clare Richards                       |       | 2025-12-02 |
| Eleanor Lucy Pinnells                |       | 2025-12-02 |
| HELEN JANE HACKETT                   |       | 2025-07-04 |
| Harminder Randhawa                   |       | 2025-12-02 |
| Isabel McMeekan                      |       | 2026-03-17 |
| Maverine Duffy                       |       | 2021-06-01 |
| Shireenah Ingram                     |       | 2021-06-01 |
| Stephen Paul Currie                  |       | 2025-12-02 |

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# Accounts

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**Company Registered Number 03320538**

**Charity Registered Number 1061012**

**Birmingham Royal Ballet**  
**(A Company Limited by Guarantee)**

**Report and Consolidated Financial Statements**

**For the year ended 31 March 2025**

# **BIRMINGHAM ROYAL BALLET**

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# **BIRMINGHAM ROYAL BALLET**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS & TRUSTEES**

Sir David Normington (Chair)  
Mr Ian Squires - Resigned 23 February 2025  
Mr Michael Elliott  
Ms Deborah Spence  
Ms Hemma Patel - Resigned 23 February 2025  
Mr Anthony Coombs  
Mr Barry Allen  
Ms Sandra Crossley  
Mrs Marverine Duffy  
Ms Shireenah Ingram  
Mrs Christine Ondimu  
Councillor Jamie Tennant - Appointed 23 February 2025  
Sir Luke Rittner  
Ms Jane Hackett - Appointed 4 July 2025  
Councillor Desmond Hughes - Resigned 23 February 2025

### **SECRETARY**

Mr Christopher Rogriguez FCCA - Resigned 20 June 2025

### **REGISTERED IN ENGLAND & WALES**

Company Number: 03320538

Registered Charity Number: 1061012

### **REGISTERED OFFICE**

Thorp Street  
Birmingham  
B5 4AU

### **BANKERS**

HSBC Bank plc  
130 New Street  
Birmingham  
B2 4JU

### **SOLICITORS**

Veale Wasborough Vizards LLP  
Second Floor, 3 Brindley Place  
Birmingham  
B1 2JB

Level Law  
The Deck  
8-14 Meard Street  
London W1F 0EQ

## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **INVESTMENT MANAGERS**

Evelyn Partners (formerly Smith and Williamson)  
9 Colmore Row  
Birmingham  
B3 2BJ

#### **AUDITOR**

Azets Audit Services  
1<sup>st</sup> Floor Capital House  
8 Pittman Court  
Pittman Way  
Fulwood  
Preston  
PR2 9ZG

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

There is only one place to start this Foreword and that is with the very sad death of our CEO, Caroline Miller in December 2024.

One of Caroline's many ambitions for Birmingham Royal Ballet was to see the company perform at Glastonbury. When that ambition was realised in June 2024 and she stood alongside Carlos bursting with pride as she watched the company perform *Interlinked* on the Pyramid stage, none of us knew this would be the last time she would see the company she loved performing live. We hoped and prayed that she would fight off this latest return of cancer as she had previous ones, but, to our shock, she died a day short of her 53rd birthday on 15 December, just a few hours after we closed our pre Christmas run of the *Nutcracker* at the Birmingham Hippodrome. The company and the wider dance and theatre community joined in celebrating her extraordinary life and contribution to the world of dance. At BRB we came together to share our grief and to try to understand our loss. We will never forget her positivity, her commitment, her wonderful partnership with Carlos and her sheer joie de vivre. The year 2024/5 stands as a tribute to the way BRB has been transformed under her and Carlos's leadership.

We began the year in April 2024 with the final performances of our spring season of Sir Peter Wright's *The Sleeping Beauty*. As I will comment later it is hard to know how long we can continue to tour productions of this scale with live music around the UK. So we should celebrate the fact that 53,000 people from Southampton to Sunderland saw this wonderful and enduring ballet, cheering the dancers and musicians in equal measure at every performance.

The summer of 2024 saw the company's first ever performances in Iceland and the taking of *Black Sabbath – The Ballet* on a near-sell out tour of Europe. Just as there had been in Birmingham, there were frequent standing ovations in Rotterdam, Luxembourg and Hamburg, proving that this extraordinary fusion of heavy metal and classical ballet really does transcend borders. Closer to home there was a packed fortnight of events and activities celebrating the reopening of the Birmingham Museum and Art Gallery's exhibition spaces and showcasing the many talents of our company, including the world premiere of a new work by BRB Artist and emerging choreographer, Olivia Chang-Clarke. BRB's summer ended with that thrilling performance of *Interlinked* at Glastonbury, something never to be forgotten.

The autumn saw BRB return with the third part of Carlos's 'Birmingham Trilogy', *Luna*, which was inspired by the women of Birmingham whose lives have had a global impact and gave opportunities to no less than five gifted women choreographers. Although the critical reaction was mixed, *Luna* was the most successful new work launched in Birmingham in terms of audience size for many years – second only in fact to its immediate predecessor in the trilogy, *Black Sabbath – The Ballet*. *Luna* was paired in our September season with the return of *La fille mal gardée* in which the company reminded us of its extraordinary versatility. To be able to perform a contemporary work like *Luna* alongside one of the great ballets of the classical canon – and to perform both to such a high standard – tells us how far the company has come under Carlos Acosta's leadership. Beatrice Parma, our new Principal, was the epitome of that versatility. She danced unforgettably in leading roles in both ballets and later became BRB's first ever recipient of the Best Female dancer in a classical role award for her portrayal of Lise in *Fille*.

BRB2 also had another successful year and goes from strength to strength. With a new cohort of dancers joining the first six, it went on the road again to some smaller venues with the second year of Carlos's Classical Selection. Audiences have really warmed to the young talent on show and our young dancers have risen to the challenge of some demanding choreography. The great thing about BRB2 is that it is giving a new generation of young dancers the chance not only to train and perform as a junior company, but also to participate in classes and to perform with the main company. It, therefore, provides a great entry point into a career in ballet.

Of course the company is more than its dancers and musicians. Nothing would be possible without those behind the scenes – the ballet staff, stage crew, the costume department, the lighting and sound engineers, the development team, the digital team, the finance and HR departments, indeed everyone in the offices and behind the scenes who make possible what happens so wonderfully on stage.

BRB also continues to deliver remarkable opportunities through its LEAP (Learning, Engagement, Access & Participation) team. Whether through Dance Track or inspiring projects like the curtain-raiser for *Luna* the team introduces generations of children (and often their parents) to the transformative power of dance. Through *Freefall*, our company for people with learning disabilities, they also continue to demonstrate how dance really can transform lives. LEAP has relied over the years on some exceptionally dedicated individuals for its success. One is Pearl Chesterman who retired this year after many years of dedicated leadership of the LEAP team. The other is Lee Fisher, *Freefall*'s artistic director, who received the MBE in the King's Birthday Honours for his services to dance and the learning disabled community. We thank and celebrate them both.

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

Birmingham Royal Ballet is a remarkable company. It produces work of amazing diversity. It performs live music and dance to over 140,000 people a year in the UK and around the world. It inspires thousands of children and young people with a love of dance. It takes ballet and a live orchestra to people and places in the UK that would otherwise not see dance or hear music of this scale and quality. That is only possible because of the public funding we receive from national and local Government and from our loyal friends and supporters. But, sad to say, that public funding is in long term decline, while our costs continue to rise. The Arts Council has kept our annual grant largely flat for over eight years: if it had been increased simply for inflation over this period we would now be receiving over £2million more in income. Meanwhile Birmingham City Council, which was so instrumental in bringing us to Birmingham in the first place 35 years ago, have their own financial difficulties and have withdrawn our funding altogether. Fifteen years ago our City Council grant was £1 million a year: now it is nil.

We know there are many calls on the public finances, many of them more urgent than ours. We know too that many arts organisations, large and small, face the same difficulties as BRB. We continue to do everything we can to contain our costs and to bridge the growing gap between costs and income through donations from our generous donors and ticket sales. But the accounts, which follow this Foreword, demonstrate that our deficits are growing and we are currently losing the financial battle. We will face these financial challenges with fortitude and creativity, as befits a company like ours, but that will almost certainly mean decisions about our programming, our touring and our outreach, which will be painful and unwelcome. We will survive to celebrate our centenary in 2031. However, we need our public funders, not only to understand the pressures that most arts organisations are facing, but to face up to the consequences of these pressures and to take some action.

As the financial outlook grows darker, it gets harder to lead this company. As Chair my overriding responsibility is to ensure a financially sustainable future so that we can continue to put on stage ballet of brilliance and creativity – and that is what I intend to continue doing. Fortunately I am supported by a dedicated board of directors, one of the great Artistic Directors in Carlos Acosta, our excellent new CEO, Paul James, a wonderful company of talented people and a loyal and generous band of friends, donors and supporters. I am very grateful to them all for their dedication, their loyalty and their friendship.

Sir David Normington

Chair of the Board

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT)**

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2025, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

The Directors of the charitable company who are also trustees for the purpose of charity law, are referred to in this report as "Directors" or "the Board of Directors".

### **OUR PURPOSES, STRATEGY AND ACTIVITIES**

Birmingham Royal Ballet (BRB), a registered charity, is incorporated as a company limited by guarantee, not having a share capital.

BRB Production Services Limited is a wholly owned subsidiary of Birmingham Royal Ballet. The principal activity of the company is theatrical production. BRB Trading is a wholly owned subsidiary of BRB, the principal activity of the company is responsible for commercial services including commercial sponsorships. There was no activity for the financial year

Our purposes are the objects of Birmingham Royal Ballet in accordance with the Articles of Association are to advance the education of the public in the arts and sciences of ballet, dance, music and drama.

We are driven by our vision to take Ballet Everywhere! Our mission is to reach out and move people with great ballet and music. To achieve this mission, we will tour world-class classical ballet to the widest possible audience in the UK and internationally; create new works that reflect the world we live in; and release the creative potential in people of all ages and backgrounds.

To meet our aims and objectives we will:

- Be bold and inspiring in our artistic vision; performing the great classical ballets alongside new works telling stories reflecting today's society
- Bring exceptional artists and creatives together, creating work of scale and ambition which both entertains and helps us reflect on our own lives and those around us
- Provide opportunities for young people to realise their creative potential and pursue careers in the performing arts
- Explore new ways to connect and engage with new audiences on-line and globally
- Pursue diversity, equity and inclusiveness in every thought and action
- Invest in the creativity and wellbeing of our talented and passionate team
- Be ambassadors for our home city of Birmingham

To put these strategies into action we have the following major areas of activity:

#### **Touring of classical and new ballets to large and medium-sized venues**

The Birmingham Royal Ballet group of companies (Birmingham Royal Ballet and its subsidiaries BRB Production Services and BRB Trading) produce and perform ballet dance and music of the highest quality ensuring access to world class performances to audiences throughout the United Kingdom as well as internationally.

Creating new ballet is an essential part of ensuring that the art form remains vibrant and relevant. Birmingham Royal Ballet creates new one act and full-length narrative ballets and regularly commissions new music for these works, adding richness to the national cultural ecology. Birmingham Royal Ballet plays an important role in preserving the classical and heritage repertoire, in particular those works associated with the English tradition of classical ballet, ensuring their continued existence for future generations to enjoy.

With the support of its major funder, Arts Council England, Birmingham Royal Ballet presents world-class performances of the widest possible range of repertory throughout the United Kingdom in both large scale and middle scale venues. The company also tours internationally.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **Participation, education and development**

Birmingham Royal Ballet offers free talks, open classes and activity days to support performances and membership schemes such as Birmingham Royal Ballet Friends and The Dancers' Circle give opportunities to attend talks, rehearsals and other special events that help to give a greater insight into and understanding of the work of the company.

Birmingham Royal Ballet extends its reach and accessibility through learning, engagement, access and participation (LEAP) work. Through LEAP, BRB plays a pivotal role, particularly in Birmingham, in introducing children and young people from diverse backgrounds to ballet and developing their talent.

Programmes include Dance Track - a free ballet training programme for talented individuals age 6 upwards, Repertory based programmes for dance students, schools and community groups, disability led work and continuing professional development for professional dancers and teachers. Many projects include free access to a Birmingham Royal Ballet performance. Birmingham Royal Ballet continues to expand and develop how it takes work into the community, presenting it in new and unusual settings and co-creating works and performances with community groups.

#### **Digital**

Access to performance, engagement and participation activity is amplified through Birmingham Royal Ballet's growing digital offer which includes both free and paid for content which can range from brilliant still images to made for digital films. Whatever the format, BRB's digital content shares the same production values and striving for excellence that drives all of BRB's artistic work. Digital production is no longer limited to 'show marketing' but is part of the artistic and cultural aims of the Company and based on fundamental principles to 'Entertain, Educate or Inspire'

#### **Our volunteers**

We are grateful to our volunteers who support the delivery of our major activities. In return, we offer career development opportunities and experience with a large arts organisation to over 35 volunteers including LEAP ambassadors.

#### **Our values**

Above all, Birmingham Royal Ballet believes in the importance of taking the arts to everyone and will work hard, through ballet, dance and music, to break down barriers perceived or real that prevent people from the pleasure of experiencing or engaging with the arts in its many and varied forms.

#### **PUBLIC BENEFIT**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2) and the guidance on fee-charging'. We rely on Arts Council England and other significant grants, major and membership donations, and income from performances and hires to cover our operating costs.

Birmingham Royal Ballet is one of the UK's most creative and exciting ballet companies and aims to inspire audiences with work that is entertaining, relevant, exciting and technically excellent. It is committed to inclusion and access as ballet, dance and music are art forms for everyone to experience, participate in and enjoy.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### Economic Impact

Arts Council England's research suggests that "For every £1 of Gross Value Added (GVA) generated by the arts and culture industry, an additional £1.30 of GVA is generated in the wider economy through indirect and induced multiplier impacts of the industry."

Using this multiplier on BRB's spend, the charity can be seen to generate significant economic impact in the UK and outside London.

| Regional Income  | 2024/25           | ACE Multiplier    | Total GVA          |
|------------------|-------------------|-------------------|--------------------|
| Birmingham       | £2,784,533        | £3,452,821        | £4,256,470         |
| London           | £1,482,956        | £1,838,865        | £3,321,821         |
| BRB2 North       | £69,496           | £86,175           | £155,671           |
| BRB2 South       | £130,569          | £161,906          | £292,475           |
| Plymouth         | £224,210          | £278,020          | £502,230           |
| Southampton      | £244,017          | £302,581          | £546,598           |
| Salford          | £213,440          | £264,666          | £478,106           |
| Sunderland       | £202,911          | £251,610          | £454,521           |
| Bristol          | £406,342          | £503,864          | £910,206           |
|                  | <b>£5,758,474</b> | <b>£7,140,508</b> | <b>£12,898,982</b> |
|                  |                   |                   |                    |
| Birmingham Spend | £16,821,000       | £20,858,040       | £37,679,040        |

Our research by external consultants found that in communities where BRB tour their main productions, they account for 41% of all ballet. In communities where BRB2 perform in smaller venues, they account for 65% of all ballet.

Birmingham Royal Ballet is committed to the principle that cost should not prohibit access to performances. Tickets for performances in the UK are priced across affordable ranges (between £15 and £95), which reflect the regional economies where the company performs. A wide range of concessions and special offers are available on tickets including discounts for school groups. Access to live performances is supported through a programme of children's performances, touch tours, audio description and relaxed performances.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **STRATEGIC REPORT**

#### **Achievements and Performance – Performance and Productions**

##### *Overview*

- BRB's artistic and performance related objectives for the 2024/25 period were to:
- BRB2: Successfully identify and hire BRB~2 intake, promoting BRB~1 to senior roles within the junior company and expand upon the commercial success of Tour~1 with additional UK venues
- Return to post-pandemic international touring programme with BRB's first European tour in over ten-years, including the Company's first ever performances in Iceland.
- Continue to raise the quality and profile of BRB by working with new choreographers that artistically stretch our dancers and offer contemporary themes for audiences and securing world-class teachers and performers to extend the quality of dance within our classical and heritage work through workshops and classes.
- To deliver the third part of Carlos Acosta's 'Birmingham Trilogy' Luna – a new work in 5 movements developed by a diverse, wholly female creative team, including commissioning a complete new orchestral score.
- Continue to expand BRB's educational outreach with additional schools being able to access the Dance Track programme and building on the legacy of Freefall @ 21 to extend the work of our second company of dancers with severe learning difficulties.
- Progress the integration of digital culture through a cost-effective production to deliver both show-promotional content and innovative creative content to 'Entertain, Educate and Inspire' actively seeking to extend digital reach into opportunities to engage with new audiences 'in real life' with a parallel 'off main stage' programme of activities.

In 2024/25, BRB continued to build income and presence beyond pre-pandemic levels. Audiences and critics have responded positively to Carlos Acosta's vision for a 21st Century ballet company, re-establishing Birmingham Royal Ballet as one of the world's leading touring ballet companies.

##### **Classical/Heritage**

The financial year opened with the conclusion of the Spring 2024 The Sleeping Beauty tour. Now in its fortieth year, Sir Peter Wright's masterful retelling of this classic work continues to wow audiences. The autumn revival of Ashton's La Fille mal gardée as part of the Ashton Worldwide 2024-2028 celebration saw BRB expand its relationship with the Sir Frederick Ashton Foundation through a series of Masterclasses and the 2025 Evening of Music and Dance performance showcasing his legacy. This event at Birmingham Symphony Hall was dedicated to BRB's late CEO, Caroline Miller OBE. In December, BRB returned to the Royal Albert Hall with The Nutcracker, which in a record year between Birmingham and London saw over 64,000 people see this peerless production. The financial year closed with the start of the spring UK tour with a revival of Sir David Bintley's masterpiece, Cinderella

##### **New Work**

In development since the pandemic, Carlos Acosta's 'Birmingham Trilogy' (City of a Thousand Trades, Black Sabbath – The Ballet) concluded with the autumn presentation of Luna. Five female choreographers (Iratxe Ansa, Wubkje Kuindersman, Seeta Patel, Arielle Smith and Thais Suarez) composer Kate Whitley and designers Imaan Ashraf (costumes), Emma Jones (lighting) and Hayley Egan (video) took inspiration from stories of the pioneering women of Birmingham to create a new work in six movements over two acts. With incredible highlights of a 30-strong children's choir and professional singers on stage, the production drew standing ovations in both Birmingham and London and (after Black Sabbath – The Ballet) was BRB's second most successful ever autumn premiere in ticket sales. Black Sabbath – The Ballet itself continued to break new ground with sell out performances in Rotterdam, Luxembourg and Hamburg during summer 2024.

##### **BRB2**

In April 2024 BRB announced that the first five inaugural members of BRB2 (Jack Easton, Frieda Kaden, Mailene Katoch, Mason King and BRB Dance Track graduate Oscar Kempsey-Fagg) would be offered permanent positions in the main Company. Joined by the new intake of five dancers, BRB2 toured to 5 venues in May 24, performing 11 shows to an audience of over 7,200. The tour saw revenue increase by 98% and ticket sales by 139% on the previous year's inaugural tour.

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

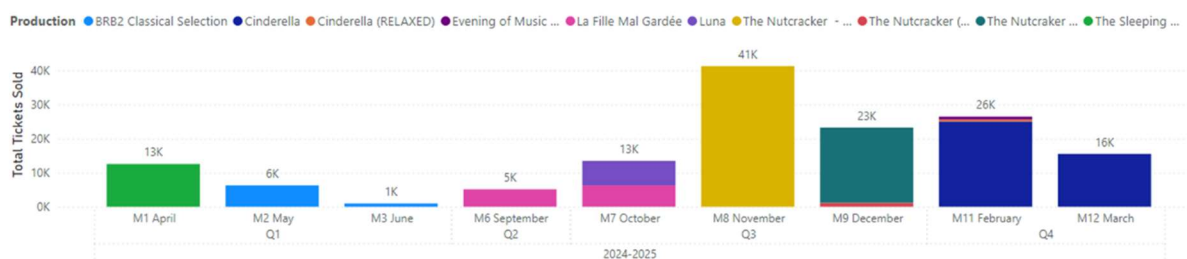
### Beyond Main Stage

A busy ancillary season saw BRB perform on Glastonbury's legendary Pyramid Stage (with Juliano Nunes's Interlinked – THE DANCING WAS EXQUISITE – POISED... ALIVE TO THE POSSIBILITY OF HUMAN CONNECTION: THE GUARDIAN) a series of events in partnership with the reopening of Birmingham Museum and Art Gallery, including the debut of new technology and dance interface with Holosphere and the debut of a new choreographic work by BRB Artist Olivia Chang Clarke. All events were sold out. Over 1,110 people attended an introduction to BRB at Bristol Cathedral ahead of The Sleeping Beauty's return to Bristol Hippodrome.

### Performance & Impact

In 2024-25 the Company gave 106 performances; 51 in Birmingham and 55 on tour across the UK. Live audiences were approximately 145,000. In addition, there were 10 international performances in Rotterdam, Reykjavik, Hamburg and Luxembourg, with over 10,000 tickets sold.

Total Tickets Sold by Fiscal Period



### National Dance Awards 2024/25:

Outstanding Creative Contribution: WINNER – Carlos Acosta for the concept of Black Sabbath: **Best Female Classical Performance: WINNER – Beatrice Parma for Lise in La Fille mal gardée**

### Reviews:

The Sleeping Beauty: Bristol Post ★★★★★ “Not to be missed”

BRB2: Northampton (Chris Sparkle) ★★★★★ “Very well worth catching”

Black Sabbath – The Ballet: Luxembourg Times ★★★★★ “Pushes dance & music to the limits”

La Fille mal gardée: Bachtrack ★★★★★ “Lovingly cherished”

Luna: What's On ★★★★★ “Creative and thought-provoking”

The Nutcracker: Brum Hour ★★★★★ “A delight”

Cinderella: The Times ★★★★★ “Sumptuous & Satisfying”

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Key leadership staff changes**

2023/24 saw an unprecedented 'changing of the guard' with the retirement of three senior members of the Company with collectively over 120 years of BRB/Sadlers Wells Royal Ballet experience between them. 2024/25 continued with Koen Kessels stepping down as Music Director and both Cesar Morales and Ty Singleton's final seasons as Principals.

The profound loss however fell in December 2024, when BRB's inspirational CEO Caroline Miller OBE passed away. Caroline had successfully fought cancer on two previous occasions, but in late summer discovered it had returned. She worked on, stepping back only temporarily in late autumn. Her sudden death shortly before her 53rd birthday in December 2024 came shockingly unexpectedly. The Company dedicated the performance of The Nutcracker at the Royal Albert Hall and the special Ashton Celebration (Music & Dance) at Birmingham Symphony Hall to her memory. On 1st April over 400 people (and a further 100 on-line) gathered at Birmingham Cathedral for a celebration of Caroline's life.

Paul James (Chief Commercial Officer at BRB since 2018) who had acted as Interim CEO in Caroline's absence, was appointed formally to the role in May 2025 after an extensive international search. The management team was further enhanced with Rachel Nowak joining as Director of Planning and Production (a role vacant since the departure of former COO Anna Williams) responsible for the Company's touring and production planning.

### **LEAP (Learning, Engagement, Access and Participation)**

In 2024/25 BRB's learning, engagement, access and participation (LEAP) programme delivered 794 learning, engagement, access and participation (LEAP) sessions to well over 14,000 participants from a broad variety of ages, backgrounds and levels of experience with regard to ballet, music and the arts.

Playing a central role in realising BRB's mission to reach out and move people with great ballet and music, the programme aimed to widen BRB's engagement with its communities, increase understanding and appreciation of its artform, and achieve positive outcomes for participants that enriched their lives and learning.

Highlights included:

- A record number of primary schools across Birmingham engaged in the first phase of the Dance Track programme, enabling more than 2,500 pupils to participate in dance workshops, accompanied by live music.
- 200 children aged 7-11 participated in Dance Track's year-round programme of weekly classes, which are free-of-charge, in order that high-quality dance training can be accessed regardless of financial circumstances. Several Dance Track children received the exciting opportunity to appear alongside BRB's professional dancers in the Company's productions of The Nutcracker and Cinderella.
- A major residency project took place at Dowdales Secondary School in Cumbria (linked to the Company's tour to the Lowry). Working with BRB's dance artists, Dowdales pupils, along with those from three feeder Primary schools and a local dance school, participated in creative activities that developed their dance and wider life skills, and supported their curricular learning.
- Freefall Dance Company, an ensemble of exceptionally talented dancers with severe and complex learning disabilities, gave public performances in Birmingham Hippodrome's Patrick Studio, to packed houses. Freefall's show was preceded by a short performance by pupils from Fox Hollies School, an inclusive special school in Birmingham, with which the LEAP team had been working over the course of a term.
- The LEAP Ambassadors Programme, a free professional development initiative for individuals aged 16-25, provided participants considering a 'behind the scenes' career in the arts with a range of experiences that helped to develop knowledge and essential workplace skills. Over a nine-month period, the programme offered both individual and group training sessions across various disciplines, including stage management, costume design and digital marketing. Each ambassador was also placed in a BRB department with a mentor, to provide 'frontline' work experience and maximise their learning.
- Public workshops and classes took place in both Birmingham and across its touring venues. Choreography adapted from the current Company repertoire was taught in graded classes that catered for dancers from pre-Primary up to Advanced plus. This strand of work was enhanced by BRB's participation in the nationwide Let's Dance campaign, which involved a day of fully booked and enthusiastically received dance classes for all abilities, experience and age levels.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

- The Company delivered a range of initiatives designed to remove barriers to accessing and enjoying its performances. This included BRB's first ever Relaxed Performances of The Nutcracker and Cinderella, created for people with access needs who may find the theatre challenging. Audio Described performances and Touch Tours for people with visual impairments were offered at the Birmingham Hippodrome, Lowry and Sadler's Wells.

### **Fundraising**

We continue to experience reductions to public funding for the arts. During this year:

- Arts Council England remained at standstill (as in recent years) with revenue funding of £8,036,194 (23/24: £8,036,194). This contributes towards Birmingham Royal Ballet's core operating costs, in line with an agreed delivery plan against the Arts Council's 'Let's Create' strategy as a National Portfolio Organisation.
- Birmingham City Council halved our funding during this year, with BRB receiving £78,925 (23/24: £157,850). This contributes towards Birmingham Royal Ballet's core operating costs. This also came with the announcement that funding to Birmingham Royal Ballet – along with all other core funded cultural organisations in the city – would cease entirely in 25/26.

Core revenue funding from our major revenue funders, Arts Council England and Birmingham City Council, totalled £8,115, 119, or 46% of total income (23/24: 50%).

We were successful in securing the extension of our National Portfolio Investment from Arts Council England as part of a simple, non-competitive application process, meaning the NPO period will extend until 31 March 2027. Since then, we have heard that the Arts Council will also run a similar extension process for NPO status for 2027/2028. The application process is to follow in due course.

Total income from donations, supporter schemes and other fundraising activity during the year was £1,832,490 (23/24: £2,140,489) of which donations (excluding legacies) from private individuals were £1,094,240 (23/24: £1,258,924). Income from trusts and foundations for the year was £731,750 (23/24: £880,970).

### **Our Approach to Fundraising**

We have primarily focused our fundraising activity on:

- Securing donations from private individual donors
- Raising income through our Dancers Circle and Friends Supporter Schemes
- Applying for support from Trusts, Foundations and other grant sources
- Support through Corporate Sponsorship, Membership and Donations
- Grateful receiving gifts left in wills and promoting our legacy programme.

We do not undertake door to door, street fundraising or community fundraising.

Our fundraising is undertaken by employed fundraising staff in our development team and freelance fundraisers, if and when required.

We have not engaged any third party, professional fundraising, commercial participators or volunteers in fundraising during this financial year.

### **Fundraising Standards**

BRB is registered with the Fundraising Regulator (and pays the associated levy fee). We comply with the Code of Fundraising Practice and use this in the training of our staff and have a Supporters Promise which is published on our website. During the year we also reviewed all fundraising policies, which were approved by our board of trustees.

During this year we engaged Rosendale Partnerships on a contract to support corporate fundraising.

There were no complaints received by the company or our freelance fundraisers for our fundraising activities during the year.

We would like to thank all individual donors, Dancers Circle and Friends Supporters, Corporate Supporters Trusts and Foundations and those that left gifts in wills during 24/25. Your support is more vital than ever to Birmingham Royal Ballet as an arts charity.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Financial Review**

The group results for the period are set out in the financial statements on page 26 onwards.

Income from charitable activities in 2024/25 was £7,410,954 (2023/24: £5,609,566).

Birmingham Royal Ballet group received Theatre Tax Credit income of £2,174,536 in respect of 2024/25 (£1,673,200 in respect of 2023/24). The Theatre Tax Credit regime remains a vital contribution to BRB's income mix and a positive recognition of the contribution that both commercial and subsidised theatre makes to the economy. Theatre Tax Credit enables BRB to continue its commitment to investment in both new works and major revivals.

Expenditure on charitable activities in the year was £17,982,816 equivalent to 96% of total expenditure (2023/24: £15,888,816 equivalent to 96% of total expenditure).

The period to 31 March 2025 ended with a deficit on activities of £989,732 (2023-24 deficit £105,124) giving total accumulated reserves of £6,972,771 (2023-24 £7,962,503).

The deficit analysed across funds was as follows:

- General unrestricted funds – Deficit – £(459,628)
- Designated funds - Deficit £(108,830)
- Restricted funds – Deficit – £(336,231)
- Endowment funds – Deficit – £(85,043)

Unrestricted revenue reserves excluding designated funds presently stand at £780,561 (2023/24 £1,240,189). Our strategy for the period from 2025 – 2027 will be to rebuild these reserves back towards £2.3m in line with our stated reserve policy.

Key performance indicators for the charity are the following:

- Income – £17,643,267 (2023/24: £16,088,972)
- Deficit – £989,732 (2023/24: £105,124)
- Funds – £6,972,771 (2023/24: £7,962,503)
- Free reserves – £780,561 (2023/24: £1,240,189)

### **Reserves policy**

The reserves policy was reviewed and approved by the Board in March 2021.

The covid pandemic has brought renewed consideration to the level of reserves held by arts organisations such that the Culture Recovery Funding programme included a criteria that funding could be used for reflatting reserves up to the equivalent of up to eight weeks'.

It was agreed that BRB's reserves policy be revised to increase our target for general, undesignated reserves to the equivalent of eight weeks turnover which is approximately £2.3m.

Other designated funds include:

- Thorp Street Refurbishment - being the funds relating to the Thorp Street refurbishment works. This fund is expended over 25 years from 2014/15. This fund could only be realised by disposal of the BRB Thorp Street premises which is leased by Birmingham Royal Ballet from Birmingham Hippodrome on a 125 year lease from 2001
- Community Engagement Fund – represents funds received from the sale of investments by Birmingham Royal Ballet Trust prior to the winding up of the Trust on 31 March 2005 to support educational activities particularly in association with dance and choreographic training. The use of these funds has been widened and re-designated to support further development of our community engagement activity in accordance with our 2015-18 Business Plan. This fund will be used to support the development of our participation and engagement programmes in Birmingham and on tour particularly in support of open access opportunities with the intention that the fund will be expended by 2025

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

- New Productions Fund - to support investment in new productions that will increase the repertory available for performances where funding is not available from private philanthropic sources. This fund will be used to support productions of new one act ballets in the NPO period to 2026.

Restricted funds - Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor.

Endowment funds - Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. There is presently one endowment fund.

The Catalyst/Cadbury Family Expendable Endowment Fund for the purpose of funding dance fellowships (The Robin Cadbury Dance Fellowships) to support young dancers with teaching, training and mentoring in perpetuity. The donations received are matched by funding from Arts Council Catalyst Endowment Scheme. This endowment period is 25 years until 1 November 2037 after which the fund is expendable.

### **Investments**

General objectives - The cash and other investments of Birmingham Royal Ballet must be managed in such a way as to safeguard the capital value of those assets to enable Birmingham Royal Ballet to carry out its charitable purposes effectively in both the short term and over the longer term. Where possible, the value of invested assets should be enhanced so as to at least keep pace with inflation.

Short-term cash and cash contingency funds - To retain flexibility and availability of these funds, current account monies in excess of monthly operating requirements are transferred to higher rate call accounts or short-term fixed interest money market deposit accounts to maximise interest rates received. Cash investments mature on a rolling basis to ensure availability of funds and no cash investment is invested for notice periods exceeding 12 months.

Medium-term investments - Where there are surplus cash funds available for investment in excess of one year but likely to be required for expenditure within a three to five year time frame fixed interest vehicles such as gilts, bonds including index linked bonds can be considered. Investment in such vehicles should be assessed for:

- Financial return;
- Protection against inflation in addition to offering a financial return;
- Risk of default; and
- Tradability in the event of the need to liquidate assets.

There are no medium term investments held by Birmingham Royal Ballet at present.

Long-term investments and endowment funds - Funds held for the long term (a minimum of three years but more likely to be in excess of five years) or as expendable endowment funds are held for the purpose of securing a financial return which can be applied in the furtherance of Birmingham Royal Ballet's charitable objects and cannot be used in a way which would erode the capital of the fund, subject to any special provisions which would allow the expenditure of capital in certain circumstances.

Acceptable risk - Funds invested for the short to medium term will be held in low risk deposit accounts or fixed interest investments in order to avoid significant reductions in capital value and will be available to liquidate over a maximum of 12 months. Long term investments and endowments will be held across a mixed portfolio of investments to achieve both capital growth and return over the long term (minimum of five to seven years). It is accepted that some investments within the portfolio may be higher risk but overall the portfolio should not be exposed to more than a medium risk profile to balance the opportunity for increased investment returns against the risk of capital loss. It is accepted that the investments held for the long term are likely to see volatility over the short to medium term and may even have periods of negative return for certain asset classes.

Funds are managed in accordance with the investment strategy agreed with Smith and Williamson and the performance of the fund to date is in line with our policy of achieving a balance between income and capital growth in accordance with the investment policy for endowment funds.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Principal risks and risk management**

Birmingham Royal Ballet has a comprehensive strategic business plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Directors review the plans regularly. As part of this process, the Directors have implemented a risk management strategy, which comprises:

- biannual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The primary risks during 2024/25 were identified as

- key person dependency
- cost and pay pressure
- inflationary cost increases against standstill funding from Arts Council England

During 2024/25 BRB has successfully managed risk through a combination of:

- Prioritising pay-awards and finding compensating savings elsewhere across BRB budgets
- Adapting performances to manage cost and reduce labour requirements
- Focussing our marketing and communications activities to raise awareness of forthcoming performances and maximise sales and strengthening of fundraising strategies and processes.

### **FUTURE PLANS**

The Artistic Plan for the upcoming financial year 2025/26 includes:

April The conclusion of the Cinderella UK Tour

May A new BRB2 programme Carlos Acosta's Ballet Celebration – The birth of modern ballet will include the junior company's premiere performances at Birmingham Hippodrome and at the new Sadler's Wells East

June Black Sabbath – The Ballet will tour to the US (Norfolk, Va & The Kennedy Center,

+July Washington DC) and in Japan (Tokyo, Osaka & Nagoya) with Cinderella and The Sleeping Beauty

Sep The UK revival tour of Black Sabbath – The Ballet including premieres at The Lowry

+Oct Salford and the Capital Theatre Edinburgh

Nov The Nutcracker at Birmingham Hippodrome and the Royal Albert Hall

+ Dec

Feb The UK revival of Carlos Acosta's Don Quixote (Birmingham Hippodrome, The

+ Mar. Salford, Theatre Royal Plymouth – and in 26/27 Mayflower

Southampton and Sadler's Wells Theatre London). Plus a special 1-night only celebration in honour of BRB Founder Director Laureate, Sir Peter Wright's centenary year, featuring a gala presentation of his work and the Company's revival of Green Table, Sir Peter's favourite ballet.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Birmingham Royal Ballet, as a company limited by guarantee, is governed by a board of non-executive directors (charitable trustees). In accordance with the Articles of Association the Directors are also the members of the company.

The Governors of the Royal Ballet have the right to nominate one of their members to be a member of the Board of Directors; Birmingham City Council nominate one representative (usually a Councillor) to be a member of the Board of Directors. All such nominations are approved and appointed by the Board of Directors. The Board of Directors is responsible for the appointment of a Chair.

#### **Appointment, induction and training**

The Board of Directors' membership includes those with appropriate professional experience of dance, education, arts and culture, fundraising, marketing and communications, general management and financial management.

Directors at the time the Articles were revised and approved 3rd December 2020 may serve a first term of 5 years and second term of 3 years. Directors after that date may serve up to two concurrent 4-year periods. After a board member has served two consecutive terms in office, they are eligible for re-appointment only after a year has elapsed since they retired as a board member, unless the board considers it would be in the best interests of the company for a board member to be eligible for re-appointment on his or her retirement for such number of further terms as the board shall resolve.

All new Directors receive a comprehensive information pack, a tour of the company and opportunities to meet with The Director, Chief Executive, Director of Finance/Company Secretary and other senior members of staff. All Directors have regular access to performances, other events and activities so that they are familiar with the work of the company.

#### **Organisation and Governance**

The Board of Directors are responsible for decisions covering the significant areas of Birmingham Royal Ballet's affairs including:

- strategic decision-making including setting strategy and plans to respond to Arts Council England's National Portfolio Organisation funding programme.
- appointment of the key management personnel the Chief Executive and 'The Director'. The day-to-day management of the affairs of Birmingham Royal Ballet is delegated to the Chief Executive, Paul James, who is responsible for overall organisational management. The Director, Carlos Acosta, is responsible for artistic vision and strategy and for managing artistic activities.
- approval of budgets, approval of major capital expenditure projects, and development of key policies including general treasury and risk management policies.

To enable the Directors to perform their duties all directors have full access to relevant information and to services of the Company Secretary and the Officers of the Company. If necessary, the Directors may take independent professional advice at the Company's expense.

The primary governance and organisational objectives for the period were to:

- Formally constitute the Audit & Risk Committee (May 2023) and implement an annual meeting cycle.
- Implement best practice and measurement techniques presented the external consultants to better measure, monitor and report on the social, economic and environmental impact of BRB's activities.
- Continue to review and plan for BRB's medium and long-term sustainability against standstill ACE funding and Cost of Living increases.

In 2024/25, the Board of Directors met 5 times, including an extended Board meeting on 28 February 2025 to discuss the strategic outlook and future artistic plans to March 2028.

In 2024/25, the company undertook a UK Charity Governance Code Audit and Board Effectiveness Review by Prue Skene. The findings of her report were approved by the board in September 2024 and an action plan instigated to address adopting of suggested best practice.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Sub-committees**

In order to carry out their duties as effectively as possible the Board of Directors is assisted by a number of sub committees including:

- The Finance and General Purposes Committee - responsible for detailed review of financial reports, planning documents, budgets and policies prior to recommendation for approval.
- The Audit and Risk Committee – responsible for the oversight of the external audit and auditors including agreeing scope and fees and receiving auditors report and annual report and accounts. Advising the Board on any actions required to ensure that the organisations risk profile and risk management procedures remain effective. Advising the Board on any actions to maintain the effective governance of the organisation in line with statutory, funders and Charity Commission requirements.
- The Nominations and Governance Committee – is responsible for the review of general governance including BRB's response to the recommendations of the Charity Governance code as well as recommendation of candidates for appointment as Directors bearing in mind the particular needs of the Board at the time as well as the future needs of the Board (succession planning). The Nominations Committee is also responsible for ensuring the appropriate induction and training of new directors. It is the responsibility of the Board of Directors as a whole to approve candidates for appointment.
- The Appointments and Remuneration Committee - responsible and overseeing the appointment of The Chair of the Board, senior officers and for reviewing their remuneration and making appropriate recommendations for the Board of Directors as a whole to approve.
- The Investment Committee - responsible for overseeing implementation of the investment policy and monitoring performance of invested funds.

In 2024/25, the F&GP and Audit & Risk Committee held three quorate meetings and the Audit & Risk Committee:

- Met with Auditors to receive the Auditors' report and annual report and accounts
- Reviewed BRB's Risk Register and key policies for further enquiry or recommended to Board for approval

### **Directors' Interests in Related Bodies**

| Body                          | Director                                 |
|-------------------------------|------------------------------------------|
| Governors of the Royal Ballet | Sir David Normington<br>Sir Luke Rittner |
| Birmingham City Councillors   | Councillor Jamie Tennant                 |

### **KEY POLICIES**

#### **Equality, Diversity and Inclusion**

The BRB Equality, Diversity and Inclusion Staff Group started in early 2023. The group is supported at a senior level by Board member Christine Ondimu an expert on diversity and inclusion in the workplace through her role at HSBC, Director of Finance Christopher Rodriguez and HR Director Claire Owen. The group has set its own mandate to look at:

- What current data say about how diverse we are
- Action plans for addressing gaps and changes in recruitment strategy
- Updating BRB's EDI policy
- The transparency of BRB's EDI journey including stats on website and plans, progress on plans
- Training & education for staff on EDI

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Environmental Responsibility**

BRB monitors its environmental performance through Julie's Bicycle creative green tools. BRB has reduced its carbon footprint by reducing the office space it occupies and through adapting performances to reduce their scale for transport. The refurbished Nutcracker sets are made of lighter more durable materials which means they will outlast the 30-year life of the original sets and are easier to transport. BRB is a founding member of University of Birmingham's Culture Forward group and supported the development of that group's environmental policies.

### **Financial Management:**

- Board authority - the Board is responsible for agreement of Birmingham Royal Ballet's overall strategy including agreement of business plans and approval of key organisational policies to meet Birmingham Royal Ballet's legal obligations, operational requirements and/or strategy implementation. This includes approval of the Annual Budget prepared in accordance with agreed activity plans, approval of proposals for significant capital investment projects over £50,000, approval of fundraising programmes, significant changes in financial procedures and other internal controls, approval of the Annual Report, the appointment of Bankers and investment managers, approval of changes to banking arrangements and approval of the reserves, investment and remuneration policies.
- Budget setting and control – the Senior Leadership Team is responsible for proposing their departmental budgets based on the planned activity for the year. These departmental budgets are reviewed and combined to build a master budget for Birmingham Royal Ballet as a whole. The Director of Finance and Resources and Chief Executive are responsible for proposing a final balanced budget for approval by the Board of Directors. Senior Managers are authorised to commit expenditure in accordance with their final approved budgets unless these are subject to further revision during the course of a financial year in the light of prevailing circumstances (see under financial reporting and review). All expenditure is reviewed and approved for payment by the Finance Director or Director of Finance and Resources.
- Financial reporting and review – A company finance report and forecast to the year-end is presented at each Board and Finance and General Purposes Committee meeting. All Senior Managers receive a copy of this finance report in addition to their individual monthly budget reports. Where significant variances against budget are identified, compensating actions are identified and agreed by the Senior Management Team. This will usually involve identifying cost savings as performing activity for the year is fixed at least a year in advance and our major sources of income are also fixed. The major financial risk that faces the organisation is a shortfall in earned income sources such as box office income and fundraising income. Both these income sources can be highly variable and are subject to a number of influences that are outside the direct control of Birmingham Royal Ballet. As a result the key to financial stability is careful cost control in conjunction with growing existing income and identifying and developing new income streams.

### **Management Remuneration**

BRB is committed to paying staff fairly and in a way to attract and retain the right skills to deliver its charitable objectives.

The Board is responsible for agreeing the annual pay award for the staff as a whole and a sub-committee of the Board will be convened as necessary to consider the remuneration of the Chief Executive and The Director.

The main responsibilities of the Board in respect of remuneration are to:

- Determine the remuneration package of the key management personnel - the Chief Executive and 'The Director';
- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account prevailing inflation rates and recommendations from the Chief Executive; and
- Approve pension arrangements and pension policy.

In determining BRB's remuneration, the Board takes into account all factors which are deemed necessary and remuneration policy, benefits and rewards strategy is reviewed as part of the strategic planning process. Investing in skills and employment is a priority as delivery of BRB's charitable objectives is dependent on our highly skilled performers and staff.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **EXECUTIVE TEAM**

|                       |                                                                       |
|-----------------------|-----------------------------------------------------------------------|
| Carlos Acosta         | Director                                                              |
| Paul James            | Chief Executive                                                       |
| Christopher Rodriguez | Director of Finance and Resources<br>(resigned May 2025)              |
| Judith Patrickson     | Deputy Finance Director<br>(acting Finance Director from June 2025)   |
| Paul Murphy           | Music Director                                                        |
| Dominic Antonucci     | Assistant Director                                                    |
| Rachael Magson        | Director of Income Generation<br>(Director of Fundraising 2024/5)     |
| Rachel Nowak          | Director of Planning & Production                                     |
| Claire Owen           | Director of People                                                    |
| Paul Reeve            | Director of Engagement & Impact<br>(Interim Director of LEAP 2024/25) |

#### **GOING CONCERN**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

BRB has successfully applied for NPO funding for 2023-2026 period for funding of £8,036,194 per annum which means that BRB has confirmed funding through to 31 March 2026, and will meet the extended application for 2026/27. BRB is well placed to respond to the expectations of Arts Council England's 10 year strategy, 'Let's Create'. Carlos Acosta's programming is gaining UK and international recognition.

Budgets for the period through to 31 March 2026 have been approved and outline financial modelling to 2027 has been included in our Business Plan.

The financial strategy for the NPO funding period 2023-26 comprised three elements to ensure cost effective, flexible and efficient delivery of BRB's complex and ambitious artistic and creative skills programme. These plans are set in a financial context of real terms funding erosion, soaring inflation and uncertain box office making 2023-26 the most financially challenging period the company has faced.

- Stabilise – establish an affordable cost base and a leaner infrastructure by balancing fixed and variable costs to deliver BRB's response to 'Let's Create'.
- Consolidate – deliver core activity within agreed cost base. Driving accountability through improved financial management information systems to drive financial awareness and collective management responsibility.
- Grow - Enhancement and amplification of activity through partnerships, co-production and fundraising. Improving return on investment by growing earned income from performances through a combination of audience growth and strategic pricing.

BRB's Box Office sales for 2024/25 exceeded targets and advance sales for 2025/26 are strong, particularly for the autumn revival of Black Sabbath – The Ballet along with additional income with the return of The Nutcracker to Royal Albert Hall. Successful grants in 2024/25, 2025/26 and other funding will significantly contribute to BRB's 2024/25 new work and international touring costs and wholly meet BRB2 costs in 2025/26.

The Directors continue to take all available steps to maintain sufficient resources in order that Birmingham Royal Ballet can continue. Based on projections and available information, the Directors have a reasonable expectation that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of signing these financial statements and therefore have prepared the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **TAXATION**

The Company is a charity for tax purposes and is entitled to claim charitable tax exemptions. The Company has no liability to tax on its charitable activities.

This Directors Report (including the Strategic Report) was approved and authorised for issue by the Directors on:

Sir David Normington

Date: 15 October 2025

Chair of the Board

# **BIRMINGHAM ROYAL BALLET**

## **TRUSTEES' RESPONSIBILITIES STATEMENT**

The directors (who are also trustees of Birmingham Royal Ballet for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

### **Auditor**

We have been appointed under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

### **Disclosure of information to auditor**

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Opinion**

We have audited the financial statements of Birmingham Royal Ballet (the “parent charitable company”) and its subsidiaries (the “group”) for the year ended 31 March 2025 which comprise of the Group and Charity Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and parent charitable company’s affairs as at 31 March 2025 and of its incoming resources and application of resources loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Material uncertainty related to going concern**

We draw attention to Accounting Policies Note 1 in the financial statements, which indicate that the charitable company incurred a net loss of £989,732 during the year ended 31 March 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the charitable company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

## **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charitable Company and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## **Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Extent to which the audit was capable of identifying irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Julie Flintoff (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services Limited**

Date: 17 October 2025

**Chartered Accountants**  
**Statutory Auditor**

8 Pittman Court  
Pittman Way  
Preston  
United Kingdom  
PR2 9ZG

# BIRMINGHAM ROYAL BALLET

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including consolidated income and expenditure account)

Year ended 31 March 2025

|                                                                    | Notes | Unrestricted<br>2025<br>£ | Restricted<br>2025<br>£ | Endowment<br>2025<br>£ | Total<br>2025<br>£ | Total<br>2024<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 8,863,078                 | 1,229,159               | -                      | 10,092,237         | 10,349,822         |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 7,410,594                 | -                       | -                      | 7,410,594          | 5,609,566          |
| Other trading activities                                           | 5     | 46,447                    | -                       | -                      | 46,447             | 45,351             |
| Investments                                                        | 6     | 10,782                    | -                       | 83,207                 | 93,989             | 84,233             |
| <b>Total income</b>                                                |       | <b>16,330,901</b>         | <b>1,229,159</b>        | <b>83,207</b>          | <b>17,643,267</b>  | <b>16,088,972</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 683,260                   | -                       | -                      | 683,260            | 588,040            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 15,539,917                | 1,442,909               | -                      | 16,982,826         | 14,774,471         |
| Orchestra Projects                                                 | 8     | 254,869                   | -                       | -                      | 254,869            | 391,565            |
| Education Projects                                                 | 8     | 604,300                   | 122,481                 | -                      | 726,781            | 706,452            |
| Other expenditure                                                  |       | -                         | -                       | 18,340                 | 18,340             | 16,328             |
| <b>Total expenditure</b>                                           |       | <b>17,082,346</b>         | <b>1,565,390</b>        | <b>18,340</b>          | <b>18,666,076</b>  | <b>16,476,856</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(751,445)</b>          | <b>(336,231)</b>        | <b>64,867</b>          | <b>(1,022,809)</b> | <b>(387,884)</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 33,077                 | 33,077             | 282,760            |
| <b>Net (loss) for the year</b>                                     |       | <b>(751,445)</b>          | <b>(336,231)</b>        | <b>97,944</b>          | <b>(989,732)</b>   | <b>(105,124)</b>   |
| Transfers between funds                                            | 18    | 182,987                   | -                       | (182,987)              | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(568,458)</b>          | <b>(336,231)</b>        | <b>(85,043)</b>        | <b>(989,732)</b>   | <b>(105,124)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 3,549,903                 | 1,298,731               | 3,113,869              | 7,962,503          | 8,067,627          |
| Net movement in funds for the year                                 |       | (568,458)                 | (336,231)               | (85,043)               | (989,732)          | (105,124)          |
| <b>Total funds carried forward</b>                                 | 18    | <b>2,981,445</b>          | <b>962,500</b>          | <b>3,028,826</b>       | <b>6,972,771</b>   | <b>7,962,503</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

See note 12 for comparative Statement of Financial Activities for the period ended 31 March 2025

# BIRMINGHAM ROYAL BALLET

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Including charity income and expenditure account)

Year ended 31 March 2025

|                                                                    | Notes | Unrestricted<br>2025<br>£ | Restricted<br>2025<br>£ | Endowment<br>2025<br>£ | Total<br>2025<br>£ | Total<br>2024<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 8,863,078                 | 1,229,159               | -                      | 10,092,237         | 10,375,545         |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 6,795,499                 | -                       | -                      | 6,795,499          | 5,609,566          |
| Other trading activities                                           | 5     | 46,447                    | -                       | -                      | 46,447             | 45,351             |
| Investments                                                        | 6     | 10,078                    | -                       | 83,207                 | 93,285             | 84,233             |
| <b>Total income</b>                                                |       | <b>15,715,102</b>         | <b>1,229,159</b>        | <b>83,207</b>          | <b>17,027,468</b>  | <b>16,114,695</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 683,260                   | -                       | -                      | 683,260            | 588,040            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 14,924,118                | 1,442,909               | -                      | 16,367,027         | 14,774,471         |
| Orchestra Projects                                                 | 8     | 254,869                   | -                       | -                      | 254,869            | 391,565            |
| Education Projects                                                 | 8     | 604,300                   | 122,481                 | -                      | 726,781            | 706,452            |
| Other expenditure                                                  |       | -                         | -                       | 18,340                 | 18,340             | 16,328             |
| <b>Total expenditure</b>                                           |       | <b>16,466,547</b>         | <b>1,565,390</b>        | <b>18,340</b>          | <b>18,050,277</b>  | <b>16,476,856</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(751,445)</b>          | <b>(336,231)</b>        | <b>64,867</b>          | <b>(1,022,809)</b> | <b>(362,161)</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 33,077                 | 33,077             | 282,760            |
| <b>Net (loss) for the year</b>                                     |       | <b>(751,445)</b>          | <b>(336,231)</b>        | <b>97,944</b>          | <b>(989,732)</b>   | <b>(79,401)</b>    |
| Transfers between funds                                            | 18    | 182,987                   | -                       | (182,987)              | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(568,458)</b>          | <b>(336,231)</b>        | <b>(85,043)</b>        | <b>(989,732)</b>   | <b>(79,401)</b>    |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 3,549,903                 | 1,298,731               | 3,113,871              | 7,962,505          | 8,041,906          |
| Net movement in funds for the year                                 |       | (568,458)                 | (336,231)               | (85,043)               | (989,732)          | (79,401)           |
| <b>Total funds carried forward</b>                                 | 18    | <b>2,981,445</b>          | <b>962,500</b>          | <b>3,028,828</b>       | <b>6,972,773</b>   | <b>7,962,505</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

# BIRMINGHAM ROYAL BALLET

## BALANCE SHEET As at 31 March 2025

|                                                       | Note | 2025<br>Group<br>£      | 2024<br>Group<br>£      | 2025<br>Charity<br>£    | 2024<br>Charity<br>£    |
|-------------------------------------------------------|------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                                   |      |                         |                         |                         |                         |
| Tangible assets                                       | 13   | 2,446,261               | 2,617,796               | 2,446,261               | 2,617,796               |
| Investment assets                                     | 14   | 3,028,826               | 3,113,869               | 3,028,828               | 3,113,871               |
|                                                       |      | <u>5,475,087</u>        | <u>5,731,665</u>        | <u>5,475,089</u>        | <u>5,731,667</u>        |
| <b>CURRENT ASSETS</b>                                 |      |                         |                         |                         |                         |
| Stocks                                                | 15   | 170,414                 | 106,757                 | 170,414                 | 106,757                 |
| Debtors                                               | 16   | 3,111,553               | 2,562,016               | 3,111,553               | 2,562,016               |
| Cash at bank and in hand                              |      | 368,432                 | 1,426,912               | 368,432                 | 1,426,912               |
|                                                       |      | <u>3,650,399</u>        | <u>4,095,685</u>        | <u>3,650,399</u>        | <u>4,095,685</u>        |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>(2,152,715)</u>      | <u>(1,864,847)</u>      | <u>(2,152,715)</u>      | <u>(1,864,847)</u>      |
| <b>Net Current Assets</b>                             |      | <u>1,497,684</u>        | <u>2,230,838</u>        | <u>1,497,684</u>        | <u>2,230,838</u>        |
| <b>Total Assets Less Current Liabilities</b>          |      | <u>6,972,771</u>        | <u>7,962,503</u>        | <u>6,972,773</u>        | <u>7,962,505</u>        |
| Creditors: amounts falling after one year             |      | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                |
| <b>NET ASSETS</b>                                     |      | <u><u>6,972,771</u></u> | <u><u>7,962,503</u></u> | <u><u>6,972,773</u></u> | <u><u>7,962,505</u></u> |
| <b>FUNDS</b>                                          |      |                         |                         |                         |                         |
| Unrestricted funds:                                   |      |                         |                         |                         |                         |
| General Funds                                         | 18   | 780,561                 | 1,240,189               | 780,561                 | 1,240,189               |
| Designated funds                                      | 18   | 2,200,884               | 2,309,714               | 2,200,884               | 2,309,714               |
| Restricted funds                                      | 18   | 962,500                 | 1,298,731               | 962,500                 | 1,298,731               |
| Endowment funds                                       | 18   | 3,028,826               | 3,113,869               | 3,028,828               | 3,113,871               |
|                                                       |      | <u>6,972,771</u>        | <u>7,962,503</u>        | <u>6,972,773</u>        | <u>7,962,505</u>        |

These financial statements of Birmingham Royal Ballet registered number 03320538 were approved by the Board of Directors and authorised for issue on 15 October 2025 They were signed on its behalf by:

Sir David Normington  
Chair of the Board

**Company Registration Number: 03320538**

# BIRMINGHAM ROYAL BALLET

## CONSOLIDATED CASH FLOW STATEMENT Year ended 31 March 2025

|                                                             | Notes | Total<br>2025<br>£ | Total<br>2024<br>£ |
|-------------------------------------------------------------|-------|--------------------|--------------------|
| <b>Cash flows from operating activities:</b>                |       |                    |                    |
| <i>Net cash (used in)/provided by operating activities</i>  | 22    | (1,095,556)        | 1,361,031          |
| <b>Cash flows from investing activities:</b>                |       |                    |                    |
| Dividends, interest and rents from investments              |       | 93,989             | 84,233             |
| Proceeds from the sale of fixed assets                      |       | -                  | -                  |
| Purchase of fixed assets                                    |       | (187,033)          | (235,333)          |
| Proceeds from the sale of fixed assets                      |       | 12,000             | -                  |
| Proceeds from the sale of investments                       |       | 538,033            | 134,259            |
| Purchase of investments                                     |       | (419,913)          | (199,249)          |
| <i>Net cash flows (used in) by investing activities</i>     |       | 37,076             | (216,090)          |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       | (1,058,480)        | 1,144,941          |
| <b>Cash and cash equivalents at beginning of year</b>       |       | 1,426,912          | 281,971            |
| <b>Cash and cash equivalents at the end of the year</b>     |       | 368,432            | 1,426,912          |
| <b>Reconciliation to cash at bank and in hand:</b>          |       |                    |                    |
| Cash at bank and in hand                                    |       | 368,432            | 1,426,912          |
| Cash equivalents                                            |       | -                  | -                  |
| Cash and cash equivalents                                   |       | 368,432            | 1,426,912          |

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are set out below.

#### **Company and charitable status**

Birmingham Royal Ballet, a public benefit entity, is incorporated in the UK and registered in England and Wales as a company limited by guarantee not having a share capital. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

BRB Production Services Limited and BRB Trading Limited are a wholly owned subsidiaries of Birmingham Royal Ballet.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP 2019)” applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2019 and the Companies Act 2006.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 ‘Statement of Cash Flows’: Presentation of a statement of cash flow and related notes and disclosures;

#### **Basis of Consolidation**

Group financial statements have been prepared in respect of the company and its wholly owned subsidiaries BRB Production Services Limited and BRB Trading Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 14.

#### **Preparation of financial statements - going concern basis**

These accounts have been prepared on the going concern basis.

The group and company’s activities and future plans are set out in the directors’ report.

The company has made a net loss of £989,732. The company’s forecasts and projections are cautious with the option to withdraw funding from the Endowment Fund if required. The continued rate of Theatre Tax Relief shows that the company should be able to continue to operate on this basis.

Revenue grant funding represents the company’s largest income stream and Birmingham Royal Ballet is dependent on the continuing financial support of Arts Council England which has confirmed its commitment to fund Birmingham Royal Ballet to 31 March 2027; committing revenue funding of £8,036,000 per annum for the period.

The directors review and manage short-term fluctuations in our other income streams: box office, commercial and development income.

The company also relies on support from other funders including individuals, trusts, foundations and corporate bodies for maintaining the high standards and diversity of its output.

Based on the above, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

### **1. ACCOUNTING POLICIES (continued)**

#### **Income**

##### *Box office income, performance related fees and programmes*

Box office income, performance related fees and income generated from the sale of programmes are recognised in the period of the related performances which is the point at which the charity is considered to meet the income recognition criteria (probable, entitlement and measurement) as per the accounting standards.

##### *Donations and legacies*

Donations and legacies are credited to the statement of financial activities when entitlement has passed and the income is probable to be received unless donated for a specific future period by the donor in which case income will be deferred to the relevant period.

##### *Deferred income*

Amounts invoiced in advance and other income, which is subject to conditions imposed by the donor relating to the charity's entitlement to the funds, are carried forward as deferred income in the balance sheet. Amounts are recognised as income when the services are performed or the conditions imposed by the donor are satisfied.

##### *Grants receivable*

Capital grants receivable are recognised in the year of receipt. Revenue grants receivable are recognised in the year to which the grants relate. Revenue grants received in advance of the year to which they relate are carried forward as a creditor in the balance sheet.

Capital funds comprise grants/donations towards the cost of fixed assets to be used by the company for its charitable purposes. Such income may not be treated as a deduction from the capital cost.

##### *Investment income*

Investment income is recognised on an accruals basis.

#### **Expenditure**

All expenditure is accounted for on an accruals basis. Expenditure categories include salaries, depreciation and other costs as analysed in note 9.

Expenditure on raising funds is the costs associated with generating core funding grants, legacies and donations. These include any direct costs associated with these activities as well as an appropriate proportion of relevant staff costs, support costs, premises costs and depreciation.

Costs of activities for generating funds are the direct costs of our membership schemes, sponsorship and merchandising activities including direct staff costs and an appropriate proportion of support costs, premises costs and depreciation.

Costs of charitable activities include all costs relating to delivering the charitable objectives of the company as stated in the Directors' report plus an appropriate proportion of support costs, premises costs and depreciation.

Support costs include general administration, management and governance costs including allocations of Chief Executive and Chief Operating Officer salaries, HR functions, finance, IT, audit fees, certain legal fees meetings and appropriate proportion of premises costs and depreciation. These costs are necessary for delivering activities but do not directly produce or constitute the activity.

Costs (including support and governance costs) have been allocated on a direct basis whenever possible and on an appropriate alternative basis primarily based on staff numbers or relevant head count. Chief Executive and Chief Operating officer salaries have been allocated based on an estimate of time spent in relation to governance of the organisation.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

### **1. ACCOUNTING POLICIES (continued)**

#### **New production and revivals**

The costs to the company of sets and wardrobe for new productions are charged in full to the relevant production's initial performance season. Where the performance season spans more than one financial year the costs are amortised evenly over the total number of performances of the tour.

Revival costs are written off on the first night of the relevant production's performance.

Costs incurred in the transport and set up of a production are assigned to the appropriate tour, in the year in which the tour occurred.

Prepayments for the next season are made in respect of productions to be presented in the next financial year.

#### **Fund accounting**

##### ***Unrestricted funds***

Unrestricted funds are those which are expendable at the discretion of the Directors in furtherance of the objects of the charity.

##### ***Restricted funds***

Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

##### ***Designated funds***

Designated funds are amounts which have been put aside at the discretion of the Directors and comprise funds for specific projects.

##### ***Expendable endowment fund***

Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

#### **Taxation**

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

### **1. ACCOUNTING POLICIES (continued)**

#### **Tangible fixed assets and depreciation**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                                  |                                    |
|----------------------------------|------------------------------------|
| Fixtures, fittings and equipment | 10 – 50% Straight Line             |
| Computer equipment               | 25% Straight Line                  |
| Leasehold property               | 4% Straight Line/Life of the lease |

#### **Investments**

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals on a quarterly basis.

Investments in subsidiary undertakings are measured at cost less impairment.

#### **Stocks**

Stock consists of ballet shoes and merchandise for sale and are stated at the lower of cost and net realisable value.

#### **Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

#### **Employee benefits**

All permanent employees of the group and company are eligible to be members of one of the following defined contribution pension schemes:

- Birmingham Royal Ballet Pension Scheme; and
- Musicians' Union Pension Scheme.

The pension costs charged to the statement of financial activities represents the amount of contributions payable by the company to the pension schemes in respect of the accounting year.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the group and company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash 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. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2025

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group and company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

### 3. INCOME FROM GRANTS, DONATIONS & LEGACIES

|                                       | 2025<br>Unrestricted<br>Funds<br>£ | 2025<br>Restricted<br>Funds<br>£ | 2025<br>Total<br>Funds<br>£ | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Restricted<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ |
|---------------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>                        |                                    |                                  |                             |                                    |                                  |                             |
| <i><b>Arts Council England</b></i>    |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                       | 8,036,194                          | 68,165                           | 8,104,359                   | 8,036,194                          | -                                | 8,036,194                   |
| Digital Transformation Project        | -                                  | -                                | -                           | -                                  | -                                | -                           |
| Culture Recovery Fund                 | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <i><b>Birmingham City Council</b></i> |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                       | 78,925                             | -                                | 78,925                      | 157,850                            | -                                | 157,850                     |
| <i><b>Donations</b></i>               |                                    |                                  |                             |                                    |                                  |                             |
| Grants – Trusts and Foundations       | 8,225                              | 723,525                          | 731,750                     | 2,895                              | 878,075                          | 880,970                     |
| Donations                             | 616,824                            | 437,469                          | 1,054,293                   | 668,729                            | 545,439                          | 1,214,168                   |
| Legacies                              | 122,910                            | -                                | 122,910                     | 60,640                             | -                                | 60,640                      |
| BRB Trading Limited                   | -                                  | -                                | -                           | 25,723                             | -                                | 25,723                      |
| <b>Group</b>                          |                                    |                                  |                             |                                    |                                  |                             |
| <i><b>Arts Council England</b></i>    |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                       | 8,036,194                          | 68,165                           | 8,104,359                   | 8,036,194                          | -                                | 8,036,194                   |
| Digital Transformation Project        | -                                  | -                                | -                           | -                                  | -                                | -                           |
| Culture Recovery Fund                 | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <i><b>Birmingham City Council</b></i> |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                       | 78,925                             | -                                | 78,925                      | 157,850                            | -                                | 157,850                     |
| <i><b>Donations</b></i>               |                                    |                                  |                             |                                    |                                  |                             |
| Grants – Trusts and Foundations       | 8,225                              | 723,525                          | 731,750                     | 2,895                              | 878,075                          | 880,970                     |
| Donations                             | 616,824                            | 437,469                          | 1,054,293                   | 668,729                            | 545,439                          | 1,214,168                   |
| Legacies                              | 122,910                            | -                                | 122,910                     | 60,640                             | -                                | 60,640                      |
| <b>Charity</b>                        | 8,863,078                          | 1,229,159                        | 10,092,237                  | 8,952,031                          | 1,423,514                        | 10,375,545                  |
| <b>Group</b>                          | 8,863,078                          | 1,229,159                        | 10,092,237                  | 8,926,308                          | 1,423,514                        | 10,349,822                  |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 4. INCOME FROM PERFORMANCE AND RELATED ACTIVITIES

|                            | 2025<br>Unrestricted<br>Funds<br>£ | 2025<br>Restricted<br>Funds<br>£ | 2025<br>Total<br>Funds<br>£ | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Restricted<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ |
|----------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>             |                                    |                                  |                             |                                    |                                  |                             |
| Box office income          | 3,666,709                          | -                                | 3,666,709                   | 3,145,416                          | -                                | 3,145,416                   |
| Foreign tours              | 462,280                            | -                                | 462,280                     | -                                  | -                                | -                           |
| Production sales and hires | 214,035                            | -                                | 214,035                     | 103,292                            | -                                | 103,292                     |
| Programmes                 | 98,895                             | -                                | 98,895                      | 172,368                            | -                                | 172,368                     |
| Orchestra projects         | 235,760                            | -                                | 235,760                     | 259,727                            | -                                | 259,727                     |
| Education                  | 109,995                            | -                                | 109,995                     | 192,692                            | -                                | 192,692                     |
| Other fees and services    | 30,774                             | -                                | 30,774                      | 62,871                             | -                                | 62,871                      |
| Theatre tax credit         | 1,977,051                          | -                                | 1,977,051                   | 1,673,200                          | -                                | 1,673,200                   |
| <b>Group</b>               |                                    |                                  |                             |                                    |                                  |                             |
| Box office income          | 3,666,709                          | -                                | 3,666,709                   | 3,145,416                          | -                                | 3,145,416                   |
| Foreign tours              | 462,280                            | -                                | 462,280                     | -                                  | -                                | -                           |
| Royal Albert Hall          | 417,610                            | -                                | 417,610                     | -                                  | -                                | -                           |
| Production sales and hires | 214,035                            | -                                | 214,035                     | 103,292                            | -                                | 103,292                     |
| Programmes                 | 98,895                             | -                                | 98,895                      | 172,368                            | -                                | 172,368                     |
| Orchestra projects         | 235,760                            | -                                | 235,760                     | 259,727                            | -                                | 259,727                     |
| Education                  | 109,995                            | -                                | 109,995                     | 192,692                            | -                                | 192,692                     |
| Other fees and services    | 30,774                             | -                                | 30,774                      | 62,871                             | -                                | 62,871                      |
| Theatre tax credit         | 2,174,536                          | -                                | 2,174,536                   | 1,673,200                          | -                                | 1,673,200                   |
| <b>Charity</b>             | 6,795,499                          | -                                | 6,795,499                   | 5,609,566                          | -                                | 5,609,566                   |
| <b>Group</b>               | 7,410,594                          | -                                | 7,410,594                   | 5,609,566                          | -                                | 5,609,566                   |

### 5. OTHER TRADING ACTIVITIES

|                   | 2025<br>Unrestricted<br>Funds<br>£ | 2025<br>Restricted<br>Funds<br>£ | 2025<br>Total<br>Funds<br>£ | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Restricted<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>    |                                    |                                  |                             |                                    |                                  |                             |
| Memberships       | 40,947                             | -                                | 40,947                      | 44,756                             | -                                | 44,756                      |
| Sponsorship       | 5,500                              | -                                | 5,500                       | 595                                | -                                | 595                         |
| Royal Albert Hall | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <b>Group</b>      |                                    |                                  |                             |                                    |                                  |                             |
| Memberships       | 40,947                             | -                                | 40,947                      | 44,756                             | -                                | 44,756                      |
| Sponsorship       | 5,500                              | -                                | 5,500                       | 595                                | -                                | 595                         |
| Royal Albert Hall | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <b>Charity</b>    | 46,447                             | -                                | 46,447                      | 45,351                             | -                                | 45,351                      |
| <b>Group</b>      | 46,447                             | -                                | 46,447                      | 45,351                             | -                                | 45,351                      |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 6. ANALYSIS OF INCOME FROM INVESTMENTS

|                | 2025<br>Unrestricted<br>Funds<br>£ | 2025<br>Endowment<br>Funds<br>£ | 2025<br>Total<br>Funds<br>£ | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Endowment<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ |
|----------------|------------------------------------|---------------------------------|-----------------------------|------------------------------------|---------------------------------|-----------------------------|
| <b>Charity</b> |                                    |                                 |                             |                                    |                                 |                             |
| Bank interest  | 10,078                             | -                               | 10,078                      | 2,915                              | -                               | 2,915                       |
| Dividends      | -                                  | 83,207                          | 83,207                      | -                                  | 81,318                          | 81,318                      |
| <b>Group</b>   |                                    |                                 |                             |                                    |                                 |                             |
| Bank interest  | 10,078                             | -                               | 10,078                      | 2,915                              | -                               | 2,915                       |
| Other interest | 704                                | -                               | 704                         | -                                  | -                               | -                           |
| Dividends      | -                                  | 83,207                          | 83,207                      | -                                  | 81,318                          | 81,318                      |
| <b>Charity</b> | 10,078                             | 83,207                          | 93,285                      | 2,915                              | 81,318                          | 84,233                      |
| <b>Group</b>   | 10,782                             | 83,207                          | 93,989                      | 2,915                              | 81,318                          | 84,233                      |

### 7. ANALYSIS OF EXPENDIRE ON RAISING FUNDS

|                                        | 2025<br>Activities<br>Undertaken<br>Directly<br>£ | 2025<br>Support<br>Costs<br>£ | 2025<br>Total<br>£ | 2024<br>Activities<br>Undertaken<br>Directly<br>£ | 2024<br>Support<br>Costs<br>£ | 2024<br>Total<br>£ |
|----------------------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity and group</b>               |                                                   |                               |                    |                                                   |                               |                    |
| Raising donations, grants and legacies | 355,199                                           | 328,061                       | 683,260            | 295,591                                           | 268,513                       | 564,104            |
| Memberships and subscription schemes   | -                                                 | -                             | -                  | 23,936                                            | -                             | 23,936             |
| <b>Total</b>                           | 355,199                                           | 328,061                       | 683,260            | 319,527                                           | 268,513                       | 588,040            |

All expenditure relates to unrestricted funds.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

#### *Unrestricted*

|                            | 2025<br>Activities<br>Undertaken<br>Directly<br>£ | 2025<br>Support<br>Costs<br>£ | 2025<br>Total<br>£ | 2024<br>Activities<br>Undertaken<br>Directly<br>£ | 2024<br>Support<br>Costs<br>£ | 2024<br>Total<br>£ |
|----------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity</b>             |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 11,814,280                                        | 3,109,838                     | 14,924,118         | 11,183,602                                        | 2,548,036                     | 13,731,638         |
| Orchestra projects         | 194,760                                           | 60,109                        | 254,869            | 378,690                                           | 12,875                        | 391,565            |
| Education projects         | 514,143                                           | 90,157                        | 604,300            | 548,847                                           | 81,390                        | 630,237            |
| <b>Group</b>               |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 12,430,079                                        | 3,109,838                     | 15,539,917         | 11,183,602                                        | 2,548,036                     | 13,731,638         |
| Orchestra projects         | 194,760                                           | 60,109                        | 254,869            | 378,690                                           | 12,875                        | 391,565            |
| Education projects         | 514,143                                           | 90,157                        | 604,300            | 548,847                                           | 81,390                        | 630,237            |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |
| <b>Charity</b>             | 12,523,183                                        | 3,260,104                     | 15,783,287         | 12,111,139                                        | 2,642,301                     | 14,753,440         |
| <b>Group</b>               | 13,138,982                                        | 3,260,104                     | 16,399,086         | 12,111,139                                        | 2,642,301                     | 14,753,440         |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |

#### *Restricted*

|                            | 2025<br>Activities<br>Undertaken<br>Directly<br>£ | 2025<br>Support<br>Costs<br>£ | 2025<br>Total<br>£ | 2024<br>Activities<br>Undertaken<br>Directly<br>£ | 2024<br>Support<br>Costs<br>£ | 2024<br>Total<br>£ |
|----------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity and group</b>   |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 1,381,194                                         | 61,715                        | 1,442,909          | 981,118                                           | 61,715                        | 1,042,833          |
| Orchestra projects         | -                                                 | -                             | -                  | -                                                 | -                             | -                  |
| Education projects         | 122,481                                           | -                             | 122,481            | 76,215                                            | -                             | 76,215             |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |
| <b>Total</b>               | 1,503,675                                         | 61,715                        | 1,565,390          | 1,057,333                                         | 61,715                        | 1,119,048          |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 9. ANALYSIS OF SUPPORT COSTS

|                                       | 2025           | 2025             | 2025          | 2025          | 2025             |
|---------------------------------------|----------------|------------------|---------------|---------------|------------------|
|                                       | Raising        | Production       | Orchestra     | Education     | Total            |
|                                       | Funds          | And              | Projects      | Projects      |                  |
|                                       | £              | Performance      | £             | £             | £                |
| Overheads                             | 61,958         | 585,768          | 47,351        | 9,498         | 704,575          |
| Staff costs                           | 91,873         | 833,869          | 4,405         | 27,848        | 957,995          |
| Recruitment, training and development | 16,522         | 149,960          | 792           | 5,008         | 172,282          |
| Office infrastructure                 | 51,836         | 470,485          | 2,485         | 15,712        | 540,518          |
| Insurance                             | 15,082         | 136,889          | 723           | 4,571         | 157,265          |
| Premises costs                        | 72,758         | 660,375          | 3,489         | 22,055        | 758,677          |
| Depreciation                          | 18,032         | 334,207          | 864           | 5,465         | 358,568          |
|                                       | <u>328,061</u> | <u>3,171,553</u> | <u>60,109</u> | <u>90,157</u> | <u>3,649,880</u> |

Governance costs included in the above amount to £48,425.

|                                       | 2024           | 2024             | 2024          | 2024          | 2024             |
|---------------------------------------|----------------|------------------|---------------|---------------|------------------|
|                                       | Raising        | Production       | Orchestra     | Education     | Total            |
|                                       | Funds          | And              | Projects      | Projects      |                  |
|                                       | £              | Performance      | £             | £             | £                |
| Staff costs                           | 92,421         | 838,848          | 4,432         | 28,014        | 963,715          |
| Recruitment, training and development | 7,389          | 67,064           | 354           | 2,240         | 77,047           |
| Office infrastructure                 | 46,473         | 421,804          | 2,228         | 14,086        | 484,591          |
| Insurance                             | 15,545         | 141,089          | 745           | 4,712         | 162,091          |
| Premises costs                        | 91,535         | 830,804          | 4,389         | 27,745        | 954,473          |
| Depreciation                          | 15,151         | 310,143          | 726           | 4,592         | 330,612          |
|                                       | <u>268,514</u> | <u>2,609,752</u> | <u>12,874</u> | <u>81,389</u> | <u>2,972,529</u> |

Governance costs included in the above amount to £47,175.

### 10. NET INCOME/(EXPENDITURE) FOR THE YEAR

|                                                          | 2025           | 2024           |
|----------------------------------------------------------|----------------|----------------|
|                                                          | £              | £              |
| Income (Expenditure) is stated after charging:           |                |                |
| Depreciation of owned assets                             | 358,568        | 330,612        |
| Rentals under operating leases                           | 228,751        | 224,293        |
| Auditor's remuneration:                                  |                |                |
| - Fees payable for the audit of the parent charity       | 27,500         | 26,850         |
| - Fees payable for the audit of the charity subsidiaries | 4,000          | 5,000          |
| - Fees payable for the provision of accountancy services | 500            | -              |
| - Fees payable for tax compliance for the group          | 8,500          | -              |
|                                                          | <u>268,751</u> | <u>224,293</u> |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 11. ANALYSIS OF GROUP AND CHARITY STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

The average monthly number of employees for the Group and Charity was:

|                       | 2025<br>No. | 2024<br>No. |
|-----------------------|-------------|-------------|
| Raising funds         | 7           | 7           |
| Charitable activities | 197         | 171         |
| Support               | 19          | 14          |
|                       | <u>223</u>  | <u>192</u>  |

Their aggregate remuneration comprised:

|                                                           | 2025<br>£         | 2024<br>£        |
|-----------------------------------------------------------|-------------------|------------------|
| Wages and salaries                                        | 8,731,646         | 8,291,050        |
| Social security costs                                     | 786,520           | 739,060          |
| Pension costs (including Dancers Career Development fund) | 890,717           | 776,079          |
|                                                           | <u>10,408,883</u> | <u>9,806,189</u> |

The aggregate remuneration above includes termination payments of £239,680 (2023-24: £133,443) including £nil additional pension contributions (2023-24 £nil). All amounts were fully paid in cash during the year.

The number of employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

|                     | 2025<br>No. | 2024<br>No. |
|---------------------|-------------|-------------|
| £60,001 - £70,000   | 9           | 6           |
| £70,001 - £80,000   | 3           | 5           |
| £80,001 - £90,000   | 8           | 7           |
| £90,001 - £100,000  | -           | 1           |
| £100,001 - £110,000 | 2           | -           |
| £110,001 - £120,000 | -           | -           |
| £120,001 - £130,000 | -           | -           |
| £130,001 - £140,000 | -           | 1           |
| £250,001 - £260,000 | -           | -           |
| £290,001 - £300,000 | 1           | 1           |

The total remuneration (including pension contributions and social security costs) of the key management personnel of the Group and Charity for the year totalled £468,444 (2023-24: £488,889).

#### Directors' Remuneration

No directors received remuneration during the current or prior year. Total travel and subsistence expenses of £710 (2023-24: £715) were paid to 5 directors (2023-24: 4).

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2025

### 12. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2024

|                                                             | Notes | Unrestricted<br>2024<br>£ | Restricted<br>2024<br>£ | Endowment<br>2024<br>£ | Total<br>2024<br>£ |
|-------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|
| <b>Income from:</b>                                         |       |                           |                         |                        |                    |
| Grants, Donations and Legacies                              | 3     | 8,926,308                 | 1,423,514               | -                      | 10,349,822         |
| Charitable activities:                                      |       |                           |                         |                        |                    |
| Performance and related activities                          | 4     | 5,609,566                 | -                       | -                      | 5,609,566          |
| Other trading activities                                    | 5     | 45,351                    | -                       | -                      | 45,351             |
| Investments                                                 | 6     | 2,915                     | -                       | 81,318                 | 84,233             |
| <b>Total income</b>                                         |       | <b>14,584,140</b>         | <b>1,423,514</b>        | <b>81,318</b>          | <b>16,088,972</b>  |
| <b>Expenditure on:</b>                                      |       |                           |                         |                        |                    |
| Raising funds                                               | 7     | 588,040                   | -                       | -                      | 588,040            |
| <b>Charitable activities</b>                                |       |                           |                         |                        |                    |
| Production and Performance                                  | 8     | 13,731,638                | 1,042,833               | -                      | 14,774,471         |
| Orchestra Projects                                          | 8     | 391,565                   | -                       | -                      | 391,565            |
| Education Projects                                          | 8     | 630,237                   | 76,215                  | -                      | 706,452            |
| Other expenditure                                           |       | -                         | -                       | 16,328                 | 16,328             |
| <b>Total expenditure</b>                                    |       | <b>15,341,480</b>         | <b>1,119,048</b>        | <b>16,328</b>          | <b>16,476,856</b>  |
| <b>Net (expenditure) before investment gains and losses</b> | 10    | <b>(757,340)</b>          | <b>304,466</b>          | <b>64,990</b>          | <b>(387,884)</b>   |
| Net gain/(loss) on investments                              |       | -                         | -                       | 282,760                | 282,760            |
| <b>Net (loss) for the year</b>                              |       | <b>(757,340)</b>          | <b>304,466</b>          | <b>347,750</b>         | <b>(105,124)</b>   |
| Transfers between funds                                     | 18    | -                         | -                       | -                      | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                |       | <b>(757,340)</b>          | <b>304,466</b>          | <b>347,750</b>         | <b>(105,124)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                             |       |                           |                         |                        |                    |
| Total funds brought forward                                 |       | 4,307,243                 | 994,265                 | 2,766,119              | 8,067,627          |
| Net movement in funds for the year                          |       | (757,340)                 | 304,466                 | 347,750                | (105,124)          |
| <b>Total funds carried forward</b>                          | 18    | <b>3,549,903</b>          | <b>1,298,731</b>        | <b>3,113,869</b>       | <b>7,962,503</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

|                       | Leasehold<br>property<br>£ | Computers<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Total<br>£       |
|-----------------------|----------------------------|----------------|---------------------------------------------|------------------|
| <b>Cost</b>           |                            |                |                                             |                  |
| At 1 April 2024       | 3,011,066                  | 731,605        | 2,110,682                                   | 5,853,353        |
| Additions             | -                          | 66,663         | 120,370                                     | 187,033          |
| Disposals             | -                          | (321,108)      | (182,767)                                   | (503,875)        |
|                       | <u>3,011,066</u>           | <u>477,160</u> | <u>2,048,285</u>                            | <u>5,536,511</u> |
| At 31 March 2025      | <u>3,011,066</u>           | <u>477,160</u> | <u>2,048,285</u>                            | <u>5,536,511</u> |
| <b>Depreciation</b>   |                            |                |                                             |                  |
| At 1 April 2024       | 1,301,760                  | 524,605        | 1,409,192                                   | 3,235,557        |
| Charge for the year   | 120,497                    | 85,255         | 152,816                                     | 358,568          |
| Disposals             | -                          | (321,108)      | (182,767)                                   | (503,875)        |
|                       | <u>1,422,257</u>           | <u>288,752</u> | <u>1,379,241</u>                            | <u>3,090,250</u> |
| At 31 March 2025      | <u>1,422,257</u>           | <u>288,752</u> | <u>1,379,241</u>                            | <u>3,090,250</u> |
| <b>Net book value</b> |                            |                |                                             |                  |
| At 31 March 2025      | <u>1,588,809</u>           | <u>188,408</u> | <u>669,044</u>                              | <u>2,446,261</u> |
| At 31 March 2024      | <u>1,709,306</u>           | <u>207,000</u> | <u>701,490</u>                              | <u>2,617,796</u> |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

| 14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY             | 2025<br>Group<br>£ | 2024<br>Group<br>£ | 2025<br>Charity<br>£ | 2024<br>Charity<br>£ |
|-------------------------------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Investments listed or traded on a recognised stock exchange | 3,028,826          | 3,113,869          | 3,028,826            | 3,113,869            |
| Subsidiary undertakings                                     | -                  | -                  | 2                    | 2                    |
|                                                             | <u>3,028,826</u>   | <u>3,113,869</u>   | <u>3,028,828</u>     | <u>3,113,871</u>     |

|                                                                    | 2025<br>£        | 2024<br>£        |
|--------------------------------------------------------------------|------------------|------------------|
| <b>Investments listed or traded on a recognised stock exchange</b> |                  |                  |
| Market value at 1 April 2024                                       | 3,113,869        | 2,766,119        |
| Additions                                                          | 419,913          | 199,246          |
| Disposal proceeds                                                  | (467,730)        | (159,557)        |
| Unrealised/realised investment gains/(losses)                      | 33,077           | 282,761          |
| Movement in cash                                                   | (70,303)         | 25,300           |
| <b>Closing value at 31 March 2025</b>                              | <u>3,028,826</u> | <u>3,113,869</u> |

|                    | 2025<br>Market<br>value<br>£ | % of<br>portfolio | 2024<br>Market<br>value<br>£ | % of<br>portfolio |
|--------------------|------------------------------|-------------------|------------------------------|-------------------|
| UK equities        | 462,032                      | 15%               | 701,410                      | 23%               |
| Overseas equities  | 1,496,134                    | 49%               | 1,401,198                    | 44%               |
| Bonds              | 565,803                      | 19%               | 422,485                      | 14%               |
| Alternative assets | 484,417                      | 16%               | 498,033                      | 16%               |
| Cash               | 20,440                       | 1%                | 90,743                       | 3%                |
|                    | <u>3,028,826</u>             | <u>100%</u>       | <u>3,113,869</u>             | <u>100%</u>       |

The historical cost of the investments is £2,206,973 (2023-24: £2,289,194).

|                                   | 2025<br>Group<br>£ | 2024<br>Group<br>£ | 2025<br>Charity<br>£ | 2024<br>Charity<br>£ |
|-----------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Subsidiary undertakings</b>    |                    |                    |                      |                      |
| <b>Cost</b>                       |                    |                    |                      |                      |
| At 1 April 2023 and 31 March 2024 | -                  | -                  | 2                    | 2                    |
|                                   | <u>-</u>           | <u>-</u>           | <u>2</u>             | <u>2</u>             |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2025

#### 14. FIXED ASSET INVESTMENTS (continued)

The company owns the entire issued ordinary share capital of BRB Production Services Limited (Company number: 09170372), incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is theatrical production.

The company owns the entire issued ordinary share capital of BRB Trading Limited (Company number: 13641651), incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is raising funds for BRB through trading services including commercial sponsorship, retail sales and other trading activity which are associated with ballet, arts and culture would not be classed as primary purpose for the charity.

The results of the Company's trading activities through its subsidiary undertakings are detailed below:

| <b>BRB Production Services Limited</b> | <b>2025</b> | <b>2024</b> |
|----------------------------------------|-------------|-------------|
|                                        | <b>£</b>    | <b>£</b>    |
| Turnover                               | 760,606     | -           |
| Expenditure                            | (958,091)   | -           |
| Profit/(loss) before tax               | (197,485)   | -           |
| Profit/(loss) after tax                | -           | -           |
| Assets                                 | 197,486     | 168,061     |
| Liabilities                            | (197,485)   | (168,060)   |
| Equity                                 | 1           | 1           |
| <b>BRB Trading Limited</b>             | <b>2025</b> | <b>2024</b> |
|                                        | <b>£</b>    | <b>£</b>    |
| Turnover                               | -           | -           |
| Expenditure                            | -           | -           |
| Profit/(loss) before tax               | -           | -           |
| Profit/(loss) after tax                | -           | -           |
| Assets                                 | 1           | 1           |
| Liabilities                            | -           | -           |
| Equity                                 | 1           | 1           |

## **BIRMINGHAM ROYAL BALLET**

### **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

#### **15. STOCKS - GROUP AND CHARITY**

|             | <b>2025</b>    | <b>2024</b>    |
|-------------|----------------|----------------|
|             | <b>£</b>       | <b>£</b>       |
| Shoes       | 170,414        | 106,757        |
| Merchandise | -              | -              |
|             | <u>170,414</u> | <u>106,757</u> |

#### **16. DEBTORS**

|                                        | <b>2025</b>      | <b>2024</b>      | <b>2025</b>      | <b>2024</b>      |
|----------------------------------------|------------------|------------------|------------------|------------------|
|                                        | <b>Group</b>     | <b>Group</b>     | <b>Charity</b>   | <b>Charity</b>   |
|                                        | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Trade debtors                          | 469,184          | 375,435          | 469,184          | 375,435          |
| Other debtors                          | 2,230,474        | 1,919,154        | 2,032,989        | 1,751,094        |
| Amount owed by subsidiary undertakings | -                | -                | 197,485          | 168,060          |
| VAT                                    | 19,744           | 16,672           | 19,744           | 16,672           |
| Prepayments and accrued income         | 392,151          | 250,755          | 392,151          | 250,755          |
|                                        | <u>3,111,553</u> | <u>2,562,016</u> | <u>3,111,553</u> | <u>2,562,016</u> |

Other debtors include £63,375 (2023-24: £63,375) in respect of a rent deposit which is due in more than one year.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 17. CREDITORS: Amounts falling due within one year

|                                       | 2025<br>Group<br>£ | 2024<br>Group<br>£ | 2025<br>Charity<br>£ | 2024<br>Charity<br>£ |
|---------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade creditors                       | 651,677            | 286,850            | 651,677              | 286,850              |
| Other creditors                       | 449,981            | 512,452            | 449,981              | 512,452              |
| Amount due to subsidiary undertakings | -                  | -                  | -                    | -                    |
| Taxation and social security          | 188,350            | 182,450            | 188,350              | 182,450              |
| Accruals and deferred income          | 862,707            | 883,095            | 862,707              | 883,095              |
|                                       | <u>2,152,715</u>   | <u>1,864,847</u>   | <u>2,152,715</u>     | <u>1,864,847</u>     |

### Movements in deferred income:

|                                    | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Balance at 1 April                 | 156,989            | 23,817             | 156,989              | 23,817               |
| Amounts released during the period | (156,989)          | (23,817)           | (156,989)            | (23,817)             |
| Deferred in the current period     | <u>207,866</u>     | <u>156,989</u>     | <u>207,866</u>       | <u>156,989</u>       |
| <b>Balance at 31 March</b>         | <u>207,866</u>     | <u>156,989</u>     | <u>207,866</u>       | <u>156,989</u>       |

Deferred income at 1 April 2024 comprised grants, membership scheme income and donations and legacy income relating to activity in the periods to 31 March 2025.

Deferred income at 31 March 2025 comprised grants, membership scheme income, sponsorship and donations relating to activity in the periods to 31 March 2026.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 18. MOVEMENTS ON FUNDS

| Restricted Funds (Group and Charity) | At<br>1 April<br>2024<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2025<br>£ |
|--------------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| <i>Capital assets</i>                |                            |                              |                                   |                                |                             |
| Garfield Weston Foundation           | 414,854                    | -                            | (61,715)                          | -                              | 353,139                     |
| Jerwood Centre Equipment             | 17,323                     | -                            | (17,323)                          | -                              | -                           |
| <i>Other</i>                         |                            |                              |                                   |                                |                             |
| Carol Barrie Legacy                  | 162,738                    | -                            | (25,582)                          | -                              | 137,156                     |
| Bloomberg Philanthropies             | 34,942                     | -                            | (34,942)                          | -                              | -                           |
| Alan & Caroline Howard               | -                          | 100,000                      | -                                 | -                              | 100,000                     |
| Pointe Shoe Appeal                   | -                          | 31,628                       | (31,628)                          | -                              | -                           |
| Big Give – Cinderella                | -                          | 81,222                       | (81,222)                          | -                              | -                           |
| ROH Benevolent Fund                  | -                          | 60,000                       | (60,000)                          | -                              | -                           |
| ACE International Touring            | -                          | 68,165                       | (68,165)                          | -                              | -                           |
| Constance Lambert                    | -                          | 23,000                       | (23,000)                          | -                              | -                           |
| Dance Track                          | -                          | 75,650                       | (75,650)                          | -                              | -                           |
| Triple Bill                          | -                          | 19,527                       | -                                 | -                              | 19,527                      |
| Ballet unwrapped                     | -                          | 4,000                        | (1,456)                           | -                              | 2,544                       |
| Evening of Music & Dance             | -                          | 27,500                       | (27,500)                          | -                              | -                           |
| New work                             | -                          | 858                          | (858)                             | -                              | -                           |
| Restricted funds < £20,000 each      | 28,874                     | 12,000                       | (40,874)                          | -                              | -                           |
| <i>BRB2</i>                          |                            |                              |                                   |                                |                             |
| Oak Foundation 24-25                 | 240,000                    | -                            | (240,000)                         | -                              | -                           |
| Oak Foundation 25-26                 | -                          | 240,000                      | -                                 | -                              | 240,000                     |
| David Laing Foundation               | -                          | 50,000                       | (50,000)                          | -                              | -                           |
| Jerwood Foundation                   | -                          | 50,000                       | (50,000)                          | -                              | -                           |
| Linbury Trust                        | -                          | 30,000                       | (30,000)                          | -                              | -                           |
| Charles Holloway Charitable Trust    | -                          | 150,000                      | (150,000)                         | -                              | -                           |
| Restricted funds < £20,000 each      | -                          | 32,100                       | (32,100)                          | -                              | -                           |
| <i>Luna</i>                          |                            |                              |                                   |                                |                             |
| Oak Foundation 24-25                 | 400,000                    | -                            | (400,000)                         | -                              | -                           |
| Restricted funds < £20,000 each      | -                          | 18,000                       | (18,000)                          | -                              | -                           |
| <i>Freefall</i>                      |                            |                              |                                   |                                |                             |
| Anonymous Trust 25-26                | -                          | 25,000                       | -                                 | -                              | 25,000                      |
| Restricted funds < £20,000 each      | -                          | 49,375                       | (45,375)                          | -                              | 4,000                       |
| <i>Bayadere</i>                      |                            |                              |                                   |                                |                             |
| Oak Foundation 25-26                 | -                          | 24,500                       | -                                 | -                              | 24,500                      |
| Cockyane Foundation                  | -                          | 50,000                       | -                                 | -                              | 50,000                      |
| Restricted funds < £20,000 each      | -                          | 6,634                        | -                                 | -                              | 6,634                       |
|                                      | <u>1,298,731</u>           | <u>1,229,159</u>             | <u>(1,565,390)</u>                | <u>-</u>                       | <u>962,500</u>              |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 18. MOVEMENTS ON FUNDS (continued)

#### a) Restricted Funds (Group and Charity)

|                                   | At<br>1 April<br>2023<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|-----------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation        | 476,569                    | -                            | (61,715)                          | -                              | 414,854                     |
| Skills Development Projects       | 18,000                     | -                            | -                                 | -                              | 18,000                      |
| Jerwood Centre Equipment          | 17,323                     | -                            | -                                 | -                              | 17,323                      |
| Carol Barrie Legacy               | 188,373                    | -                            | (25,635)                          | -                              | 162,738                     |
| Bloomberg Philanthropies          | 100,000                    | 25,000                       | (90,058)                          | -                              | 34,942                      |
| David Laing Foundation            | 89,000                     | -                            | (89,000)                          | -                              | -                           |
| Kirby Laing Foundation            | -                          | 50,000                       | (50,000)                          | -                              | -                           |
| Linbury Trust                     | 75,000                     | 30,000                       | (105,000)                         | -                              | -                           |
| Calouste Gulbenkian Foundation    | 30,000                     | 30,000                       | (49,126)                          | -                              | 10,874                      |
| Oak Foundation 23-24              | -                          | 240,000                      | -                                 | -                              | 240,000                     |
| Oak Foundation 24-25              | -                          | 400,000                      | -                                 | -                              | 400,000                     |
| Oak Foundation – Black Sabbath    | -                          | 220,000                      | (220,000)                         | -                              | -                           |
| Big Give - Sleeping Beauty        | -                          | 57,469                       | (57,469)                          | -                              | -                           |
| Pointe Shoe Appeal                | -                          | 47,130                       | (47,130)                          | -                              | -                           |
| Charles Holloway Charitable Trust | -                          | 150,000                      | (150,000)                         | -                              | -                           |
| BRB2                              | -                          | 3,200                        | (3,200)                           | -                              | -                           |
| Alan & Caroline Howard            | -                          | 60,000                       | (60,000)                          | -                              | -                           |
| Restricted funds < £10,000 each   | -                          | 110,715                      | (110,715)                         | -                              | -                           |
|                                   | <u>994,265</u>             | <u>1,423,514</u>             | <u>(1,119,048)</u>                | <u>-</u>                       | <u>1,298,731</u>            |

There were a number of production and performance, engagement and education projects funded by restricted grants and donations:

**Garfield Weston Foundation** – Restricted funds are for the purchase and implementation of a new CRM system.

**Carol Barrie Legacy** – Funds received to support BRB Apprentice Dancer

**Alan & Caroline Howard** – Funds received for touring *Black Sabbath – The Ballet* to the United States of America.

**Oak Foundation** – The funds have been received for various purposes

- 240,000 – These funds were received to assist with the BRB2 productions and performances

- 400,000 - These funds were received to assist with the Luna productions and performances

**Charles Holloway Charitable Trust** – Funds received to support BRB2.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

b) Designated funds (Group and Charity) comprise amounts set aside by the Directors in respect of:

|                            | <b>At<br/>1 April<br/>2024<br/>£</b> | <b>Income in<br/>the period<br/>£</b> | <b>Expenditure<br/>in the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2025<br/>£</b> |
|----------------------------|--------------------------------------|---------------------------------------|--------------------------------------------|-----------------------------------------|---------------------------------------|
| Community Engagement Fund  | 177,276                              | -                                     | -                                          | -                                       | 177,276                               |
| New Productions Fund       | 500,000                              | -                                     | -                                          | -                                       | 500,000                               |
| Thorp Street Refurbishment | 1,632,438                            | -                                     | (108,830)                                  | -                                       | 1,523,608                             |
|                            | <u>2,309,714</u>                     | <u>-</u>                              | <u>(108,830)</u>                           | <u>-</u>                                | <u>2,200,884</u>                      |

|                            | <b>At<br/>1 April<br/>2023<br/>£</b> | <b>Income in<br/>the period<br/>£</b> | <b>Expenditure<br/>in the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2024<br/>£</b> |
|----------------------------|--------------------------------------|---------------------------------------|--------------------------------------------|-----------------------------------------|---------------------------------------|
| Community Engagement Fund  | 177,276                              | -                                     | -                                          | -                                       | 177,276                               |
| New Productions Fund       | 650,000                              | -                                     | (150,000)                                  | -                                       | 500,000                               |
| Thorp Street Refurbishment | 1,741,268                            | -                                     | (108,830)                                  | -                                       | 1,632,438                             |
|                            | <u>2,568,544</u>                     | <u>-</u>                              | <u>(258,830)</u>                           | <u>-</u>                                | <u>2,309,714</u>                      |

Community Engagement Fund – This designated fund represents amounts received following the decision to wind up Birmingham Royal Ballet Trust.

New Productions Fund – This designated fund represents income designated to support major new productions that will extend the repertory available for Birmingham Royal Ballet performances.

Thorp Street Refurbishment – This designated fund represents amounts spent on capital assets.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 18. MOVEMENTS ON FUNDS (continued)

#### c) Unrestricted, undesignated funds (Group):

|               | At<br>1 April<br>2024<br>£ | Net<br>outflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2025<br>£ |
|---------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,240,189                  | (642,615)                             | 182,987                        | 780,561                     |
|               | <u>1,240,189</u>           | <u>(642,615)</u>                      | <u>182,987</u>                 | <u>780,561</u>              |

|               | At<br>1 April<br>2023<br>£ | Net<br>outflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|---------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,738,699                  | (498,510)                             | -                              | 1,240,189                   |
|               | <u>1,738,699</u>           | <u>(498,510)</u>                      | <u>-</u>                       | <u>1,240,189</u>            |

#### c) Unrestricted, undesignated funds (Charity):

|               | At<br>1 April<br>2024<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2025<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,240,189                  | (642,615)                            | 182,987                        | 780,561                     |
|               | <u>1,240,189</u>           | <u>(642,615)</u>                     | <u>182,987</u>                 | <u>780,561</u>              |

|               | At<br>1 April<br>2023<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,712,976                  | (472,787)                            | -                              | 1,240,189                   |
|               | <u>1,712,976</u>           | <u>(472,787)</u>                     | <u>-</u>                       | <u>1,240,189</u>            |

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2025**

### **18. MOVEMENTS ON FUNDS (continued)**

#### **d) Endowment funds (Group):**

|                                        | <b>At<br/>1 April<br/>2024<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2025<br/>£</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 3,113,869                            | 97,944                                 | (182,987)                               | 3,028,826                             |
|                                        | <u>3,113,869</u>                     | <u>97,944</u>                          | <u>(182,987)</u>                        | <u>3,028,826</u>                      |

|                                        | <b>At<br/>1 April<br/>2023<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2024<br/>£</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 2,766,119                            | 347,750                                | -                                       | 3,113,869                             |
|                                        | <u>2,766,119</u>                     | <u>347,750</u>                         | <u>-</u>                                | <u>3,113,869</u>                      |

The Catalyst/Cadbury Family Endowment Fund represents donations received specifically for the purpose of funding dance fellowships to support young dancers with teaching, training and mentoring. The endowment period is 25 years until 1 November 2037 after which the fund is expendable.

Included within charity endowment funds are investments in subsidiaries totalling £2 (2023-24: £2)

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 18. MOVEMENTS ON FUNDS (continued)

e) Allocations of net assets between funds (Group):

|                          | 2025<br>Unrestricted<br>funds<br>£ | 2025<br>Restricted<br>funds<br>£ | 2025<br>Endowment<br>funds<br>£ | 2025<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,028,826                       | 3,028,826                   |
| Cash at Bank and in Hand | (223,606)                          | 592,038                          | -                               | 368,432                     |
| Debtors                  | 3,111,553                          | -                                | -                               | 3,111,553                   |
| Stocks                   | 170,414                            | -                                | -                               | 170,414                     |
| Fixed Assets             | 2,075,799                          | 370,462                          | -                               | 2,446,261                   |
| Creditors                | (2,152,715)                        | -                                | -                               | (2,152,715)                 |
|                          | <u>2,981,445</u>                   | <u>962,500</u>                   | <u>3,028,826</u>                | <u>6,972,771</u>            |

### 2024 Comparatives

|                          | 2024<br>Unrestricted<br>funds<br>£ | 2024<br>Restricted<br>funds<br>£ | 2024<br>Endowment<br>funds<br>£ | 2024<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,113,869                       | 3,113,869                   |
| Cash at Bank and in Hand | 560,358                            | 866,554                          | -                               | 1,426,912                   |
| Debtors                  | 2,562,016                          | -                                | -                               | 2,562,016                   |
| Stocks                   | 106,757                            | -                                | -                               | 106,757                     |
| Fixed Assets             | 2,185,619                          | 432,177                          | -                               | 2,617,796                   |
| Creditors                | (1,864,847)                        | -                                | -                               | (1,864,847)                 |
|                          | <u>3,549,903</u>                   | <u>1,298,731</u>                 | <u>3,113,869</u>                | <u>7,962,503</u>            |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 18. MOVEMENTS ON FUNDS (continued)

e) Allocations of net assets between funds (Charity):

|                          | 2025<br>Unrestricted<br>funds<br>£ | 2025<br>Restricted<br>funds<br>£ | 2025<br>Endowment<br>funds<br>£ | 2025<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,028,828                       | 3,028,828                   |
| Cash at Bank and in Hand | (223,606)                          | 592,038                          | -                               | 368,432                     |
| Debtors                  | 3,111,553                          | -                                | -                               | 3,111,553                   |
| Stocks                   | 170,414                            | -                                | -                               | 170,414                     |
| Fixed Assets             | 2,075,799                          | 370,462                          | -                               | 2,446,261                   |
| Creditors                | (2,152,715)                        | -                                | -                               | (2,152,715)                 |
|                          | <u>2,981,445</u>                   | <u>962,500</u>                   | <u>3,028,828</u>                | <u>6,972,773</u>            |

### 2024 Comparatives

|                          | 2024<br>Unrestricted<br>funds<br>£ | 2024<br>Restricted<br>funds<br>£ | 2024<br>Endowment<br>funds<br>£ | 2024<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,113,871                       | 3,113,871                   |
| Cash at Bank and in Hand | 560,358                            | 866,554                          | -                               | 1,426,912                   |
| Debtors                  | 2,562,016                          | -                                | -                               | 2,562,016                   |
| Stocks                   | 106,757                            | -                                | -                               | 106,757                     |
| Fixed Assets             | 2,185,619                          | 432,177                          | -                               | 2,617,796                   |
| Creditors                | (1,864,847)                        | -                                | -                               | (1,864,847)                 |
|                          | <u>3,549,903</u>                   | <u>1,298,731</u>                 | <u>3,113,871</u>                | <u>7,962,505</u>            |

### 19. EMPLOYEE RETIREMENT BENEFITS

The company contributes to two group personal pension schemes. The cost to the company for the period ended 31 March 2025 is equal to the amount of employer contributions paid in the period to each scheme, and is detailed below:

|                                        | 2025<br>£      | 2024<br>£      |
|----------------------------------------|----------------|----------------|
| Birmingham Royal Ballet Pension Scheme | 345,677        | 292,837        |
| Musicians' Union Pension Scheme        | 5,860          | 8,550          |
|                                        | <u>351,537</u> | <u>301,387</u> |

The company also contributes a fixed percentage of dancers' basic salaries to the Dancers' Career Development Fund. In 2024-25 the company contributed a total of £51,206 (2023-24: £51,521).

As of 31 March 2025, there were £67,143 outstanding contributions due in respect of the current reporting period (2023-24: £61,523).

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2025

### 20. FINANCIAL COMMITMENTS – GROUP AND CHARITY

#### Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

|                                       | 2025                       |              | 2024                       |               |
|---------------------------------------|----------------------------|--------------|----------------------------|---------------|
|                                       | Land and<br>buildings<br>£ | Other<br>£   | Land and<br>buildings<br>£ | Other<br>£    |
| <b>Charity</b>                        |                            |              |                            |               |
| - expiring within one year            | 218,000                    | 1,260        | 218,000                    | 10,751        |
| - expiring between one and five years | 872,000                    | 2,420        | 872,000                    | 29,437        |
| - expiring after five years           | 295,250                    | -            | 513,250                    | -             |
|                                       | <u>1,385,250</u>           | <u>3,680</u> | <u>1,603,250</u>           | <u>40,188</u> |

### 21. RELATED PARTY TRANSACTIONS

No Director received payment for professional or other services supplied to the charity during the year (2023-24: £Nil).

Total donations received from the directors without conditions during the year was £14,715 (2023-24: £12,198).

All transactions between charity and the subsidiary, BRB Production Services Limited and BRB Trading Limited, are eliminated on consolidation.

### 22. CASHFLOW STATEMENT

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

|                                                           | 2025<br>£                 | 2024<br>£               |
|-----------------------------------------------------------|---------------------------|-------------------------|
| Net (expenditure) for the year                            | (989,732)                 | (105,124)               |
| Adjustments for:                                          |                           |                         |
| Depreciation charges                                      | 358,568                   | 330,613                 |
| (Gains)/losses on investments                             | (33,077)                  | (282,760)               |
| Dividends, interest and rents from investments            | (93,989)                  | (84,233)                |
| Profit on the sale of fixed assets                        | (12,000)                  | -                       |
| Operating cash flow before movement in working capital    | <u>(770,230)</u>          | <u>(141,504)</u>        |
| (Increase)/decrease in stocks                             | (63,657)                  | (27,554)                |
| (Increase)/decrease in debtors                            | (549,537)                 | 1,921,366               |
| Increase/(decrease) in creditors                          | 287,868                   | (391,277)               |
| <b>Net cash (used) / provided by operating activities</b> | <u><u>(1,095,556)</u></u> | <u><u>1,361,031</u></u> |

All cash and cash equivalents in the current and prior year relate to cash in hand. There are no loans, overdrafts or finance leases.

**BIRMINGHAM ROYAL BALLET**

England & Wales - Charity number 1061012

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# Accounts

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**Company Registered Number 03320538**

**Charity Registered Number 1061012**

**Birmingham Royal Ballet**  
**(A Company Limited by Guarantee)**

**Report and Consolidated Financial Statements**

**For the year ended 31 March 2024**

# **BIRMINGHAM ROYAL BALLET**

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# **BIRMINGHAM ROYAL BALLET**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

Sir David Normington (Chair)  
Mr Ian Squires  
Mr Michael Elliott  
Ms Deborah Spence  
Ms Hemma Patel  
Mr Anthony Coombs  
Mr Barry Allen  
Ms Jeanetta Laurence OBE - Resigned 19 February 2024  
Ms Jane Hackett - Resigned 1 August 2023  
Ms Sandra Crossley  
Mrs Marverine Duffy  
Ms Shireenah Ingram  
Mrs Christine Ondimu  
Councillor J Tennant  
Sir Luke Rittner - Appointed 19 March 2024

### **SECRETARY**

Ms Anna Williams FCA, DChA - Resigned 1 September 2023  
Mr Christopher Rodriguez FCCA - Appointed 1 September 2023

### **REGISTERED IN ENGLAND & WALES**

Company Number: 3320538

Registered Charity Number: 1061012

### **REGISTERED OFFICE**

Thorp Street  
Birmingham  
B5 4AU

### **BANKERS**

HSBC Bank plc  
130 New Street  
Birmingham  
B2 4JU

### **SOLICITORS**

Veale Wasborough Vizards LLP  
Second Floor, 3 Brindley Place  
Birmingham  
B1 2JB

Level Law  
20-22 Sheldon Street  
London  
WC2H 9JJ

## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **INVESTMENT MANAGERS**

Evelyn Partners (formerly Smith and Williamson)  
9 Colmore Row  
Birmingham  
B3 2BJ

#### **AUDITOR**

Azets  
1<sup>st</sup> Floor Capital House  
8 Pittman Court  
Pittman Way  
Fulwood  
Preston  
PR2 9ZG

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

There were many highlights in the year 2023/24, but one stands out above all others: the opening night of Black Sabbath – the Ballet on 26 September 2023.

No one who was there that night will ever forget the excitement, the noise, the sheer exuberance of the music and dancing, the whole audience on its feet through much of the final act, the presence of rock royalty, including members of the original band. When Tony Iommi, Black Sabbath's great bass guitarist, made a special appearance on stage to play in the final moments of the ballet, the audience went totally wild.

It was, of course, our Director, Carlos Acosta's, idea to build a ballet around the music and life story of Birmingham's greatest heavy metal band. When he first floated the idea with me, my eyebrows shot to the ceiling and I wondered aloud whether anyone would come. However, within 24 hours of the tickets going on sale in Birmingham, they were sold out – eight months before the opening night. There was similar excitement when sales opened for the Plymouth Theatre Royal and Sadlers Wells Theatre in London.

Wherever we have taken it so far, the ballet has had standing ovations from both ballet lovers and Black Sabbath fans alike. It has brought people into the theatre who have never seen ballet before. It has won new admirers for the music of Black Sabbath, including yours truly. It reminded us also, if we needed it, that Carlos brings to the company not only great artistry and high standards, but fresh ideas and thinking, pushing at the boundaries of ballet and reaching audiences we have never reached before.

There were also of course traditional and classical moments in the year. It has always been part of Carlos's vision for the company that new works with new choreographers should be balanced with works from the classical canon and from the company's extensive back catalogue. As an example, in the early summer of 2023 he created another wonderfully varied triple bill: Balanchine's exquisite Apollo, an early return for the touching Interlinked and David Bintley's much loved Still Life at the Penguin Café. It was our most successful summer triple bill for many years, helped of course by the popularity of Penguin Café, which still looks ahead of its time 35 years after it was created.

After a highly successful run of the Nutcracker, the company embarked in the winter/spring of 2024 on a country-wide tour of Sir Peter Wright's Sleeping Beauty. If you are thinking that this 40 year old production may be showing its age, think again. Helped by some refurbishment it looked absolutely magnificent and from Manchester to Bristol, Sunderland to Southampton, it was enthusiastically received.

There were two other unforgettable highlights. April and May saw the first tour by our junior company, BRB2. The gives opportunities to train, develop and perform to young dancers straight out of ballet school and in the first years of their professional careers. There were only five dancers in the first cohort so they were helped out on tour by some dancers from the main company. But what a talented five they are, so talented that before long they were gracing our main productions. Needless to say, towards the end of the 2023/24 year, all were offered permanent contracts with the main company.

This was also the year of the 21st anniversary of Freefall, our company for dancers with learning disabilities. In November they gave two stunning performances in the Hippodrome's Patrick Centre of a double bill, comprising a new 'Still Life' at the Freefall Café, and the return of a Freefall favourite, the ever-popular Chairs. Many of the dancers in Freefall have been with the company from the start and their performances were as fresh and joyful as if they were just starting out. Our ambition for the future is to take what we have learned from Freefall about the possibilities for changing lives through dance to a much wider audience. With that in mind the Freefallers worked with students from Fox Hollies School, Hazel Oak Sixth Form, Uffculme School and All Saints Youth Group and Reddi Support to create and choreograph the new piece; and some of the students joined our dancers at the performance.

Freefall is, as the Dancing Times once described it "a Birmingham treasure... to be cherished and supported". I pay tribute to the dancers, their families, the supporters and our own remarkable LEAP team, led by Pearl Chesterman, without whom none of the last 21 years would have been possible. Most of all our thanks must go to Artistic Director, Lee Fisher, whose commitment and passion for this company has made it the undoubted treasure that it is today.

Freefall is but one example of how we continue to fulfill our mission to reach out and move people with great ballet and music. Despite financial pressures we continue to tour extensively around the UK; and BRB2 enables us to reach even more towns and cities, some of which would otherwise see no live ballet at all. At a time when many companies are using more recorded music, we cherish our orchestra, the Royal Ballet Sinfonia and know how much our audiences appreciate live music. We remain committed to expanding our community and outreach activities, where we can, and to providing more opportunities for young people to learn from the many skills the company has to offer. Of course, all this comes at a price and it is only possible because audiences come to see us in large numbers and because of the continuing generous support from donors, large and small, public and private. We are immensely grateful to all of them.

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

My final thanks go to Carlos Acosta and to our Chief Executive, Caroline Miller for their vision, ambition and leadership and to everyone who works with and for Birmingham Royal Ballet, whatever their role. I am constantly in awe of their skill, their professionalism and their hard work. It is a joy to be the Chair of a company with such a brilliant team of people.

Sir David Normington

Chair of the Board

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT)**

The Trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

The Directors of the charitable company who are also trustees for the purpose of charity law, are referred to in this report as "Directors" or "the Board of Directors".

### **OUR PURPOSES, STRATEGY AND ACTIVITIES**

Birmingham Royal Ballet (BRB), a registered charity, is incorporated as a company limited by guarantee, not having a share capital.

BRB Production Services Limited is a wholly owned subsidiary of Birmingham Royal Ballet. The principal activity of the company is theatrical production. BRB Trading is a wholly owned subsidiary of BRB, the principal activity of the company is responsible for commercial services including commercial sponsorships. There was no activity for the financial year

Our purposes are the objects of Birmingham Royal Ballet in accordance with the Articles of Association are to advance the education of the public in the arts and sciences of ballet, dance, music and drama.

We are driven by our vision to reach out and move people with great ballet and music everywhere. We will tour world-class classical ballet to the widest possible audience in the UK and internationally; create new works that reflect the world we live in; and release the creative potential in people of all ages and backgrounds.

To meet our aims and objectives we will:

- Be bold and inspiring in our artistic vision; performing the great classical ballets alongside new works telling stories reflecting today's society
- Bring exceptional artists and creatives together, creating work of scale and ambition which both entertains and helps us reflect on our own lives and those around us
- Provide opportunities for young people to realise their creative potential and pursue careers in the performing arts
- Build a "digital stage" to connect with new and global on-line audiences
- Pursue diversity, equity and inclusiveness in every thought and action
- Invest in the creativity and wellbeing of our talented and passionate team
- Be ambassadors for our home city of Birmingham

To put these strategies into action we have the following major areas of activity:

#### **Touring of classical and new ballets to large and medium-sized venues**

The Birmingham Royal Ballet group of companies (Birmingham Royal Ballet and its subsidiaries BRB Production Services and BRB Trading) produce and perform ballet dance and music of the highest quality ensuring access to world class performances to audiences throughout the United Kingdom as well as internationally.

Creating new ballet is an essential part of ensuring that the art form remains vibrant and relevant. Birmingham Royal Ballet creates new one act and full-length narrative ballets and regularly commissions new music for these works, adding richness to the national cultural ecology. Birmingham Royal Ballet plays an important role in preserving the classical and heritage repertoire, in particular those works associated with the English tradition of classical ballet, ensuring their continued existence for future generations to enjoy.

With the support of its major funder, Arts Council England, Birmingham Royal Ballet presents world-class performances of the widest possible range of repertory throughout the United Kingdom in both large scale and middle scale venues. The company also tours internationally.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Participation, education and development**

Birmingham Royal Ballet offers free talks, open classes and activity days to support performances and membership schemes such as Birmingham Royal Ballet Friends and The Dancers' Circle give opportunities to attend talks, rehearsals and other special events that help to give a greater insight into and understanding of the work of the company.

Birmingham Royal Ballet extends its reach and accessibility through learning, engagement, access and participation (LEAP) work. Through LEAP, BRB plays a pivotal role, particularly in Birmingham, in introducing children and young people from diverse backgrounds to ballet and developing their talent.

Programmes include Dance Track - a free ballet training programme for talented individuals age 6 upwards, Repertory based programmes for dance students, schools and community groups, disability led work and continuing professional development for professional dancers and teachers. Many projects include free access to a Birmingham Royal Ballet performance. Birmingham Royal Ballet continues to expand and develop how it takes work into the community, presenting it in new and unusual settings and co-creating works and performances with community groups.

### **Digital**

Access to performance, engagement and participation activity is amplified through Birmingham Royal Ballet's growing digital offer which includes both free and paid for content which can range from a brilliant still images to made for digital films like Empty Stage. Whatever the format, BRB's digital content shares the same production values and striving for excellence that drives all of BRB's artistic work. Digital production is no longer limited to 'show marketing' but is part of the artistic and cultural aims of the Company and based on fundamental principles to 'Entertain, Educate or Inspire'

### **Our volunteers**

We are grateful to our volunteers who support the delivery of our major activities. In return, we offer career development opportunities and experience with a large arts organisation to over 35 volunteers including LEAP ambassadors.

### **Our values**

Above all, Birmingham Royal Ballet believes in the importance of taking the arts to everyone and will work hard, through ballet, dance and music, to break down barriers perceived or real that prevent people from the pleasure of experiencing or engaging with the arts in its many and varied forms.

### **PUBLIC BENEFIT**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2) and the guidance on fee-charging'. We rely on Arts Council England and other significant grants, major and membership donations, and income from performances and hires to cover our operating costs.

Birmingham Royal Ballet is one of the UK's most creative and exciting ballet companies and aims to inspire audiences with work that is entertaining, relevant, exciting and technically excellent. It is committed to inclusion and access as ballet, dance and music are art forms for everyone to experience, participate in and enjoy.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### Economic Impact

Arts Council England's research suggests that *“For every £1 of GVA generated by the arts and culture industry, an additional £1.30 of GVA is generated in the wider economy through wider indirect and induced multiplier impacts of the industry.”*

Using this multiplier on BRB's spend, the charity can be seen to generate significant economic impact in the UK and outside London.

| Place              | GVA 2023/24 |
|--------------------|-------------|
| Birmingham         | £33,219,489 |
| London             | £860,131    |
| Northampton        | £25,036     |
| Peterborough       | £25,036     |
| Plymouth           | £808,908    |
| Southampton        | £502,838    |
| City of Salford    | £376,510    |
| Sunderland         | £329,050    |
| South West England | £190,900    |

Our research by external consultants found that in communities where BRB tour their main productions, they account for 41% of all ballet. In communities where BRB2 perform in smaller venues, they account for 65% of all ballet.

Birmingham Royal Ballet is committed to the principle that cost should not prohibit access to performances. Tickets for performances in the UK are priced across affordable ranges (between £10 and £85) which reflect the regional economies where the company performs. A wide range of concessions and special offers are available on tickets including discounts for school groups. Access to live performances is supported through a programme of children's performances, touch tours, audio description and relaxed performances.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Performance and Productions**

##### **Overview**

BRB's artistic and performance related objectives for the 2023/24 period were to:

- Deliver the inaugural BRB2 tour to medium size venues in the spring of 2023/24
- Prepare detailed programme plans to December 2026 and outline plans through to summer 2027, including post pandemic return to international touring
- Raise the quality and profile of BRB by working with different choreographers that artistically stretch our dancers and offer audiences programmes ranging from classical, heritage and contemporary repertoire
- Work with leading creative artists to create new work including commissioning new music or orchestral arrangements for ballet
- Develop our 'Music and Dance' programme as an accessible and varied showcase for our artform. This includes programmes aimed at schools and families.
- Progress the integration of digital culture through a cost-effective production to deliver both show-promotional content and innovative creative content to 'Entertain, Educate and Inspire'

In 2023/24, BRB continued to build post pandemic resilience and Carlos Acosta's vision for Birmingham Royal Ballet, engaging live audiences with a dynamic programme of classical canon and new work i.e. a successful *Black Sabbath - The Ballet* tour. We increased our UK presence and audiences through our inaugural BRB2 tour to medium scale venues.

New works were major investments in BRB productions, with the productions showing strong success and potential investment cost recovery in the medium term as they join the future cycle of programming.

We were disappointed that Royal Albert Hall's scheduling could not include BRB's *The Nutcracker* in December 2023. This negatively affected our projected plans, reduced budgeted net income, along with reduced audience reach. However, we are delighted that *The Nutcracker* will return to Royal Albert Hall in December 2024.

In 2023-24 the company gave 93 performances; 54 in Birmingham and 39 on tour across the UK (2022/23: 100 performances: 54 in Birmingham and 46 on tour). Live audiences are approximately 120,000 (2022/23: 139,000). The number of touring performances and live audiences were affected by *The Nutcracker* not appearing at Royal Albert Hall.

#### **BRB2 Inaugural tour**

We opened the year with BRB2's inaugural tour of *Carlos Acosta's Classical Selection* with a total of 11 performances and audiences of 5,200 persons in medium-scale venues across Northampton, Nottingham, Peterborough, Wolverhampton and the Linbury at the Royal Ballet and Opera (formerly Royal Opera House). The performances were very well received although technical changes were made during the tour to meet varying requirements of the venues. BRB2 is a company of some of the very best young ballet graduates from around the world. The company offers a two-year performance programme, providing vital employment for the next generation of exceptional ballet dancers (aged 18-22) to transition from training into jobs at BRB or other leading ballet companies, impacting the dance sector worldwide.

#### **Triple Bill – Still Life at the Penguin Cafe**

We delivered the summer triple bill at Birmingham Hippodrome from 8 – 10 June 2023. The programme included Balanchine's *Apollo*, David Bintley's *Still Life at the Penguin Café*, and Juliano Nunes' *Interlinked*, which we commissioned for the 2022 Commonwealth Games. It was the most successful summer triple bill for ten years, exceeding budget targets for income and tickets by 20% and 47% respectively.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### International tour to Orlando and New York

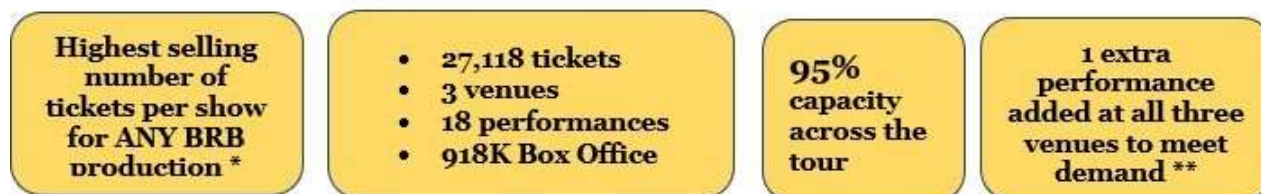
Twenty-one BRB dancers travelled to Orlando, Florida to perform an Evening of Music and Dance at the Steinmetz Hall. Repertoire included extracts from Interlinked, Carmen, Swan Lake, Rhapsody and Le Corsaire. Conducted by Paul Murphy, this performance was well danced and warmly received. The dancers then travelled to New York City heralding BRB's first return there in 20 years. There were two performances of Interlinked at the Fall for Dance Festival at New York's City Centre Theatre. Both performances received enthusiastic responses from the audience. Four dancers from the BRB touring group were invited to the Vice British Consulate to be part of the British Government's 10th anniversary of being involved in New York Pride. The US tour was an investment in raising the company's visibility towards our US touring plans in 2025. The tour was generously supported by a gift from a individual donor.

#### Black Sabbath – The Ballet

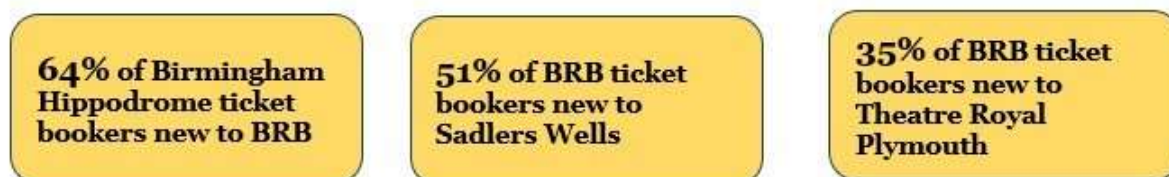
*Black Sabbath - The Ballet* premiered in September 2023 to sold out audiences in Birmingham, London and Plymouth. The ballet has been recognised as one of the most ambitious and exciting new works in the company's history – a ballet inspired by the origins of the heavy metal genre in Birmingham. An audacious new work, the ballet was artistically ambitious, with Black Sabbath's music reworked for the Royal Ballet Sinfonia and with the full approval and support from the original band members of Black Sabbath.

### 2023 Headlines

#### Ticket Sales Success



#### New Audiences for BRB and for venues



#### Survey Responses

- 77% of audiences surveyed at Birmingham Hippodrome would see another BRB production
- 92% of audiences surveyed at Theatre Royal Plymouth would see another BRB production

The ambitious size and international nature of the creative team that involved three choreographers, three composers, a dramaturg, designer and lighting designer helped to deliver BRB's ambition for diversity in terms of race and formative backgrounds. *Black Sabbath* demonstrated BRB's delivering on its goal to be a "laboratory for creativity".

*Naritional Dance Awards 2024: Outstanding Creative Contribution: WINNER – Carlos Acosta for the concept of Black Sabbath: The Ballet.*

*Reviews: The Telegraph ★★★★★ "a headbanging triumph" "a triumphant world premiere that celebrates Birmingham's local heroes". The Times ★★★★★ "a generous-spirited crowd pleaser" Evening Standard ★★★★★*

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### The Nutcracker

BRB's production of *The Nutcracker* at the Birmingham Hippodrome in early November to early December 2023 was one of our most successful. Income and ticket sales exceeded budget targets. The magnificent new rebuilt and reimagined sets done in the last financial year, designed by John McFarlane, continued to sparkle and dazzle with an intensity of colour that had faded after 30 years use of the original sets.

#### Sleeping Beauty tour

The Sleeping Beauty tour achieved BRB's mission to distribute high quality ballet and live music at the largest scale nationally, performing to 7 large scale venues (north east, north west, midlands, south-west, London). BRB played the full Tchaikovsky score, 62 players at all venues making BRB the only ballet company still touring England extensively with a large scale orchestra. The production continued to raise the technical and artistic standards of BRB's dancers. The Sleeping Beauty is one of the most technically challenging classical ballets giving opportunities for rising stars in the company to take on principal and solo roles, developing the talent pipeline in BRB. BRB2 dancers had multiple opportunities to gain experience with the main company, including Alyssa Garkavenko, performing featured fairies and Mason King performing the lead consort. We continued to bring famous artists to coach BRB's dancers, Darcey Bussell and guest, Matthew Ball. Darcey's masterclass was filmed and streamed in Plymouth. We also live streamed a rehearsal with Carlos and Darcey Bussell.

Headlines for the Sleeping Beauty tour include April 2024 performances at Bristol Hippodrome and London Sadler's Wells (2024/25 financial year).

- Total number of venues for the tour: seven
- Total number of tickets sold for the tour: 52,306 (target was 51,994)
- Total ticket income for the tour: £1,688,638.12 (budget target was £1,531,055.96)
- Total number of shows: 40
- Plus, one Sleeping Beauty Dreams at Birmingham Hippodrome (community project)

4 and 5 star reviews were received, including the Financial Times: "*Soloists shine in classic production. A revival in London of Birmingham Royal Ballet's classic production is always welcome*".

#### Music & Orchestra

BRB's orchestra, the Royal Ballet Sinfonia (RBS), had an extraordinary year of external projects in addition to its BRB performance schedule. It worked with the Royal Ballet And Opera (formerly Royal Opera House) on *Sleeping Beauty* May-June 2023 conducted by Jonathan Lo.

Australian Ballet engaged our orchestra for their production of *Jewels*, a full-length ballet with original choreography by George Balanchine at the Royal Ballet and Opera in August 2023. The programme also included a Triple bill.

RBS was the chosen orchestra for *Nureyev Legend and Legacy* performance at Dubai Opera – UAE, on 10 November 2023; a dazzling array of highlights from Nureyev's transformative career with each piece selected to represent different aspects of Nureyev's incredible life and work.

*An Evening of Music and Dance* featured Tchaikovsky classics at the beautiful Symphony Hall in Birmingham's Centenary Square. We fell short of our budget targets achieving 90% of our target tickets. However, we were delighted with the positive audience response.

Yi Wei was our Constant Lambert Conducting Fellow working on Tchaikovsky Classics at Symphony Hall and will make his debut with the company in the 2024-2025 season.

Previous Constant Lambert Conducting Fellows, Thomas Jung and Charlotte Politi continued to work with BRB during 2023-2024, Thomas on Nutcracker, Charlotte Sleeping Beauty and Nutcracker.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### ***Key leadership staff changes***

Anna Williams – outgoing Chief Operating Officer left BRB after a 30 year career with the company. Anna has been integral to shaping the charity's delivery over three decades.

John Beadle – outgoing Orchestra Director, November 2023. We cannot pay enough tributes to John Beadle who is a cornerstone to the growth, evolution and leadership of BRB and Royal Ballet Sinfonia for over 50 years, first playing with the Orchestra at Sadler's Wells in 1972.

Michael O'Hare left the company after 40 years in December 2023. Michael joined Sadlers Wells Ballet in 1980, rising from Principal dancer to senior repetiteur with the company.

Rachael Magson - Director of Development joined in November 2023. Rachael joins us from extensive work with arts organisations and the Birmingham 2022 Commonwealth Games in fundraising and development.

### **Digital**

Selected to participate in Bloomberg Philanthropies Digital Accelerator programme, BRB explored the use of immersive technology with the first project of a Swan Lake VR experience.

### **Engagement and Participation**

Offering opportunities to connect with Birmingham Royal Ballet through learning, engagement, access, and participation (LEAP) programmes is one of the ways in which the company can take ballet and associated activities out beyond the traditional theatre presentations making ballet, dance, drama and music accessible art forms for everyone.

In 2023/24 BRB has delivered 831 LEAP sessions to around 14,930 participants (2022/23 758 LEAP sessions, 13,072 participants).

Our LEAP objectives for the year were to:

- Continue to strengthen engagement and connections with participants and stakeholders across BRB's LEAP programme, aiming to enhance and expand the regular schedule of 'in-person' workshops and classes throughout the 2023/2024 year.
- Celebrate the graduation of another successful cohort of Dance Track Students. 24 of whom received places on the associate courses of either The Royal Ballet School Junior Associates, or Elmhurst Ballet School Young Dancers. Again highlighting the impact, the programme has had on the lives of the students and their families.
- Produce and direct Sleeping Beauty Dreams Ballet project in February 2024 to provide 60 dance students aged 8 – 60 the opportunity to dance an adapted version of Petipa's Sleeping Beauty, on the Birmingham Hippodrome stage in full costume alongside BRB dancers taking the principal roles. This gives an insight into the workings of life in a professional ballet company and is supported by 108 hours of intensive training and rehearsal time.
- Build on the success of the fully re-established 'wrap around' events, including pre-performance talks/discussions, class on stage, insight events, audio description, and touch tours, by expanding and enhancing these offerings throughout Birmingham, Sadler's Wells, and The Lowry in the 2023/2024 year.
- A celebration of Freefall Dance Company at 21 took place in November 2023, including an exhibition, performance opportunities and a collaboration with other SEND Schools and community groups, who were mentored by the Freefall artists, to also perform in the Anniversary event. Consultations with parents/guardians and other project stakeholders have been sought to help inform the future of the company and project.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

**Dance Track** - The Dance Track programme is a specialised initiative designed **to identify and nurture young dance talent** from diverse backgrounds. It typically targets children from local schools, offering them the opportunity to receive high-quality dance training regardless of their financial or social circumstances. The programme aims to develop their technical skills, artistic expression, and overall appreciation for dance. 2022 was the 25th anniversary of this programme and over the years Dance Track has touched the lives of some 42,000 primary school children in Birmingham. From relatively modest beginnings, Dance Track has now grown to operate in more than 40 Birmingham primary schools. The programme has nurtured raw dance talent in primary schools across Birmingham and had a positive, life-enriching impact on thousands of young people aged six to eight. The programme has also provided top-quality dance training to talented young people in Birmingham who might otherwise not have the opportunity to benefit from dance training.

The Dance Track programme exemplifies the transformative power of arts education, providing significant benefits to individuals and communities by fostering talent, promoting inclusivity, and enriching cultural life.

**Freefall Dance Company (talented adults with severe learning difficulties)** – Freefall Dance Company is an ensemble of exceptionally talented dancers with severe learning disabilities. Throughout 2022 and 2023, Freefall celebrated its 21st anniversary by actively engaging with the community and schools to promote arts inclusivity and attract newer members to the company. The highlight of the celebrations was a special event at Birmingham Hippodrome, hosted by Freefall's Artistic Director, Lee Fisher. Esteemed guests included Caroline Miller, Carlos Acosta, Sir David Normington, and other key funders. A memorable moment was Carlos Acosta joining a warm-up class during the rehearsal week, creating an inspiring experience for the dancers. There was an exhibition in residence at Birmingham Hippodrome, depicting the 21 years of the programme from November 2023 to March 2024. During the year Freefall reached: 10 core company members, 48 participants from 5 SEN schools & community groups (over 36 workshops = 1,728 engagements) trained 15 teachers, live audiences of 600+ and over 350,000 You Tube views

**LEAP Ambassadors** – The LEAP Ambassadors Programme is a free professional development initiative for individuals aged 16-25, designed to provide skills and experience for those with limited access to ballet, the arts, culture, and education. The programme aims to equip young people considering a career in the arts with essential workplace skills. Over a nine-month period, participants engage in both individual and group training sessions across various disciplines, including stage management, costume design, and digital marketing. Each ambassador is placed in a BRB department with a mentor to maximize their learning and productivity.

The 2023/24 cohort consisted of 10 ambassadors. They received group training sessions delivered by BRB staff, providing insights into various industry roles, with a particular focus on backstage and non-performing careers. Additionally, ambassadors participated in individual training, shadowing BRB staff to gain hands-on experience with BRB projects and productions. At the end of the year, ambassadors collaboratively curated a celebration event at the Patrick Studio, Birmingham Hippodrome, showcasing their learning and achievements throughout the programme.

**Ballet Repertoire** – Ballet Repertoire classes have taken place in Birmingham, Plymouth, Salford, Bristol, Sunderland, and Southampton during the 2023/24 season. The repertoire is delivered by a BRB professional, who teach dance students the adapted choreography of the current repertoire being performed by the company. The classes are graded from pre Primary up to Advanced plus and have been very well received in Birmingham and on tour. They are designed to strengthen students' passion for and enjoyment of dance.

**Unwrapped Schools Programme:** We have continued to develop our *Nutcracker* Unwrapped schools' workshop and now also have resources and have delivered *Still Life at The Penguin Café* schools workshops through the summer term (May/June 2023). These have been well received and alongside delivery in schools we have facilitated Teachers CPD workshops, to empower, inspire and give knowledge to primary school teachers to allow confidence for them to deliver dance competently as part of their curriculum. Music workshops have also been developed to support this programme and delivered by members of the Royal Ballet Sinfonia.

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### Other LEAP Projects:

- We have worked closely with Dowdales School in Cumbria on an extended project – targeting schools in a ‘Levelling-Up’ area. The schools have paid for workshops in both Birmingham and Salford, as well as bringing their dance students to watch performances of *The Sleeping Beauty* and *The Nutcracker*. Following an eighteen-month partnership this has culminated in a festival at Dowdales bringing together their dance students, local primary schools and private sector dance schools.
- We have worked extensively in Peterborough in collaboration with New Theatre and two local primary schools. Ballet workshops were undertaken monthly from September 2023 to April 2024 with a festival performance at the Theatre in May. There are no plans to repeat this project.
- We continue our partnership with Performers College – offering industry professional workshops in their fresher’s week, a chance for the first years to participate in an annual performance project and other workshops and collaborations through the year.

### Audience & Digital Growth

The primary Audience Development objective for 2023-24 was to build sustainable audience growth.

- **Recovering to pre-pandemic ticket volume** – Following work with audience consultants TRG (through Culture Recovery Funding) and BRB’s venue partners, the focus was on.
  - **Building and growing relationships with new audiences** – We undertook a series of ‘listening’ projects with ‘new to ballet’ audiences in Birmingham (largely drawn from first-time attendees of *Black Sabbath – The Ballet*). Pre-school family groups in Plymouth, Access groups in Salford, and non-return (had been to the ballet once) audiences in Peterborough. Working with our venue partners, we will use the insights from these projects to inform marketing and audience development strategies for future tours.
  - **Growing new audiences through innovative programming** - Our strategy for the 2023-24 season was to leverage the creativity of new programming such as *Black Sabbath – The Ballet* and a programme to take ballet to ‘unexpected places’. This campaign took *Black Sabbath* and *Swan Lake* to a post-industrial food truck venue in central Birmingham and *The Sleeping Beauty* to Bristol’s 11th-century cathedral. Campaigns that (trackable by use of promotional QR codes) brought younger and more diverse ticket buyers to BRB main stage productions

Box office returns showed that ballet was back in 2023/24. BRB2’s (BRB’s new junior company) first-ever tour sold 5,189 tickets (£78k) £7k ahead of target and an amazing 40% more tickets per show (on average) than the equivalent full Company ‘midscale’ tour in 2019. At 76% capacity, the Summer Triple Bill at Birmingham Hippodrome was the most successful mixed programme in over a decade. *Black Sabbath – The Ballet* rewrote every record book – over 26k tickets sold, revenues of almost £920k, the fastest selling shows in BRB history, the highest capacity of any tour. To follow this with the highest revenue producing *The Nutcracker* run yet (£1.59m) and a strong *The Sleeping Beauty* Spring tour (£50k over budget) delivered a hugely successful year - £4m in net box office revenue was £284k (7.6%) ahead of target. Total tickets sold were 119,662 (6,079 tickets /5.4% ahead of goal) which is 6,802 (6%) ahead of the last pre-pandemic year (19/20).

*Black Sabbath – The Ballet* also transformed BRB’s web presence. March 23 – March 24, BRB’s website received 270k visitors up 66.5% on the previous period. Typically, BRB’s website has 2k visits per month. In May 23 (when *Black Sabbath* was announced at Sadlers Wells) that shot up to 8k and again to 4k in October (the tour itself). Over the whole year, BRB’s website received over 1million views – 11% of these were to the *Black Sabbath* show page, making it the most visited page on the entire site (2k more than the home page)!

We have increased Facebook subscribers to 153,000 (2021/22: 147,000. 2022/23: 152,000) and Instagram subscribers to 74,000 (2021/22: 60,500. 2022/23: 65,000) because of Instagram-specific content (like dancer takeovers) to attract the younger demographic of Instagram followers. Overall BRB’s social media channels achieved 18.7m Impressions and a Reach of 12m.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **RAISING FUNDS**

As in previous years our principal funding sources are:

- Arts Council England – £8,036,194 (2022/23: £8,036,194) revenue funding to contribute towards Birmingham Royal Ballet's core operating costs and the costs of delivering performances and activities including touring nationally, middle scale- touring, audience development activity and our learning and outreach programme.
- Birmingham City Council – £157,850 (2022/23: £157,850) revenue funding to contribute towards BRB's core operating costs and the costs of delivering performances and learning and outreach activities primarily in Birmingham.

Core revenue funding from our major revenue funders, Arts Council England and Birmingham City Council, accounted for 50% of total income (2022/23: 50%).

Birmingham City Council announced they would halve their grant in the next financial year (24/25) and this will reduce to £0 in 25/26. Whilst this did not affect our 23/24 funding from the City Council, it will impact in the future on our work with Birmingham Arts institutions to make a collective impact for the cultural life of the city and for its residents. Arts Council England funding is committed as standstill until 31 March 2026. However, Arts Council England has extended the National Portfolio Investment Programme for a further year, from 1 April 2026 to 31 March 2027, that will be a simple, non-competitive application process, requiring similar information to what is already provided for monitoring and reporting.

Total income from donations, membership schemes and other fundraising activity during the year was £2,175,494 (2022/23: £2,046,053) of which donations (excluding legacies) from private individuals were £1,213,898 (2022/23: £878,298).

Income from trusts and foundations for the year was £855,635 (2022/23: £849,061).

We thank all the trusts and foundations that have supported Birmingham Royal Ballet during 2023/24.

### **Our Approach to Fundraising**

We have primarily focused our fundraising activity on:

- Securing donations from private individual donors
- Raising income through our Dancers Circle and Friends Supporter Schemes
- Applying for support from Trusts, Foundations and other grant sources
- Support through Corporate Sponsorship, Membership and Donations
- Grateful receiving gifts left in wills

We do not undertake door to door, street fundraising or community fundraising.

Our fundraising is undertaken by fundraising staff in our development team and freelance fundraisers where required.

We have not engaged any third party, professional fundraising, commercial participators or volunteers in fundraising during this financial year.

### **Fundraising Standards**

BRB is registered with the Fundraising Regulator (and pay the associated levy fee). We comply with the Code of Fundraising Practice and use this in the training of our staff and have a Fundraising Promise which is published on our website.

During the year we engaged two freelance fundraisers as Interim Deputy Directors of Development. They were contracted with obligation and monitored the companies with the Charities Act of 2022.

There were no complaints received by the company or our freelance fundraisers for our fundraising activities during the year.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **Protecting Vulnerable People**

We required and monitored protection around vulnerable people and members of the public from:

- unreasonable intrusion on a person's privacy (in line with our privacy policy)
- unreasonably persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity
- or placing undue pressure on a person to give money or other property.

These fit with our safeguarding policy on all activities and we operate in line with the best practice guidance in relation to vulnerable donors as per the Code of Fundraising Practice.

### **FINANCIAL REVIEW**

The group results for the period are set out in the financial statements on page 31 onwards.

Income from charitable activities in 2023/24 was £5,609,566 (2022/23: £5,866,668).

Birmingham Royal Ballet received Theatre Tax Credit income of £1,673,200 in respect of 2023/24 (£1,818,252 in respect of 2022/23). The high Theatre Tax Credit income is due to significant investment in *Black Sabbath – The Ballet* and the new work for Autumn 2024 during the year. The Theatre Tax Credit regime remains a vital contribution to BRB's income mix and a positive recognition of the contribution that both commercial and subsidised theatre makes to the economy. Theatre Tax Credit enables BRB to continue its commitment to investment in both new works and major revivals.

Expenditure on charitable activities in the year was £15,872,488 equivalent to 96% of total expenditure (2022/23: £16,140,888 equivalent to 96% of total expenditure). 2023-24 was the third year of investment in Carlos Acosta's new artistic vision including *Black Sabbath – The Ballet* and *Luna* a dynamic new work inspired by the pioneering women of Birmingham and exploring contemporary universal themes.

We have commenced a comprehensive review of processes, systems and controls to support management accountability and control through dynamic budgeting to match resource to strategic priorities and active cost control which responds to a changing economic environment.

We implemented a new accounting system that went 'live' in September 2023, that improves efficiency in financial processing and give budget holders access to real time information.

### **Financial Stability will be supported through:**

- Formulating detailed financial resilience plans for 2024 – 2026 to rebuild general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover.
- Completing the review of financial systems, controls and management information and to ensure that these are fit for purpose and future proof to support BRB's artistic and financial strategy for the next 10 years

The period to 31 March 2024 ended with a deficit on activities of £105,124 (2022-23 deficit £444,779) giving total accumulated reserves of £7,962,503 (2022-23 £8,067,627).

The deficit analysed across funds was as follows:

- General unrestricted funds – Deficit – £(498,510)
- Designated funds - £(258,830)
- Restricted funds – Surplus – £304,466
- Endowment funds – Surplus – £347,750

Unrestricted revenue reserves excluding designated funds presently stand at £1,240,189 (2022-23 £1,738,699). Our strategy for the period from 2024 – 2027 will be to rebuild these reserves back towards £2.3m in line with our stated reserve policy.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **RESERVES POLICY**

The reserves policy was reviewed and approved by the Board in March 2021.

The covid pandemic has brought renewed consideration to the level of reserves held by arts organisations such that the Culture Recovery Funding programme included a criteria that funding could be used for reflatting reserves up to the equivalent of up to eight weeks'.

It was agreed that BRB's reserves policy be revised to increase our target for general, undesignated reserves to the equivalent of eight weeks turnover which is approximately £2.3m.

Other designated funds include:

- **Thorp Street Refurbishment** - being the funds relating to the Thorp Street refurbishment works. This fund is expended over 25 years from 2014/15. This fund could only be realised by disposal of the BRB Thorp Street premises which is leased by Birmingham Royal Ballet from Birmingham Hippodrome on a 125 year lease from 2001
- **Community Engagement Fund** – represents funds received from the sale of investments by Birmingham Royal Ballet Trust prior to the winding up of the Trust on 31 March 2005 to support educational activities particularly in association with dance and choreographic training. The use of these funds has been widened and re-designated to support further development of our community engagement activity in accordance with our 2015-18 Business Plan. This fund will be used to support the development of our participation and engagement programmes in Birmingham and on tour particularly in support of open access opportunities with the intention that the fund will be expended by 2025
- **New Productions Fund** - to support investment in new productions that will increase the repertory available for performances where funding is not available from private philanthropic sources. This fund will be used to support productions of new one act ballets in the NPO period to 2026.

**Restricted funds** - Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor.

**Endowment funds** - Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. There is presently one endowment fund.

**The Catalyst/Cadbury Family Expendable Endowment Fund** for the purpose of funding dance fellowships (The Robin Cadbury Dance Fellowships) to support young dancers with teaching, training and mentoring in perpetuity. The donations received are matched by funding from Arts Council Catalyst Endowment Scheme. This endowment period is 25 years until 1 November 2037 after which the fund is expendable.

### **Investments:**

**General objectives** - The cash and other investments of Birmingham Royal Ballet must be managed in such a way as to safeguard the capital value of those assets to enable Birmingham Royal Ballet to carry out its charitable purposes effectively in both the short term and over the longer term. Where possible, the value of invested assets should be enhanced so as to at least keep pace with inflation.

**Short-term cash and cash contingency funds** - To retain flexibility and availability of these funds, current account monies in excess of monthly operating requirements are transferred to higher rate call accounts or short-term fixed interest money market deposit accounts to maximise interest rates received. Cash investments mature on a rolling basis to ensure availability of funds and no cash investment is invested for notice periods exceeding 12 months.

**Medium-term investments** - Where there are surplus cash funds available for investment in excess of one year but likely to be required for expenditure within a three to five year time frame fixed interest vehicles such as gilts, bonds including index linked bonds can be considered. Investment in such vehicles should be assessed for:

- Financial return;
- Protection against inflation in addition to offering a financial return;
- Risk of default; and
- Tradability in the event of the need to liquidate assets.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

There are no medium term investments held by Birmingham Royal Ballet at present.

**Long-term investments and endowment funds** - Funds held for the long term (a minimum of three years but more likely to be in excess of five years) or as expendable endowment funds are held for the purpose of securing a financial return which can be applied in the furtherance of Birmingham Royal Ballet's charitable objects and cannot be used in a way which would erode the capital of the fund, subject to any special provisions which would allow the expenditure of capital in certain circumstances.

**Acceptable risk** - Funds invested for the short to medium term will be held in low risk deposit accounts or fixed interest investments in order to avoid significant reductions in capital value and will be available to liquidate over a maximum of 12 months. Long term investments and endowments will be held across a mixed portfolio of investments to achieve both capital growth and return over the long term (minimum of five to seven years). It is accepted that some investments within the portfolio may be higher risk but overall the portfolio should not be exposed to more than a medium risk profile to balance the opportunity for increased investment returns against the risk of capital loss. It is accepted that the investments held for the long term are likely to see volatility over the short to medium term and may even have periods of negative return for certain asset classes.

Funds are managed in accordance with the investment strategy agreed with Smith and Williamson and the performance of the fund to date is in line with our policy of achieving a balance between income and capital growth in accordance with the investment policy for endowment funds.

#### **RISK MANAGEMENT**

Birmingham Royal Ballet has a comprehensive strategic business plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Directors review the plans regularly. As part of this process, the Directors have implemented a risk management strategy, which comprises:

- biannual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The primary risks during 2023/24 were identified as

- key person dependency
- cost and pay pressure
- inflationary cost increases against standstill funding from Arts Council England

During 2023/24 BRB has successfully managed risk through a combination of:

- Prioritising pay awards and finding compensating savings elsewhere across BRB budgets
- Adapting performances to manage cost and reduce labour requirements
- Focussing our marketing and communications activities to raise awareness of forthcoming performances and maximise sales, and strengthening of fundraising strategies and processes.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **FUTURE PLANS**

#### **Spring – Summer 2024**

##### **BRB2 – *Carlos Acosta's Classical Vision* tour**

We completed the second mid-scale tour of BRB2 with the final outing of *Carlos Acosta's Classical Selection*. It has proved successful with both audiences and venues who have used it to provide quality ballet for audiences in a market where there isn't a lot of high quality ballet product available to mid-scale theatres.

- Total number of venues for the tour: 5 - Cheltenham, Northampton, Peterborough, Poole, Canterbury
- Total number of tickets sold for the tour: 7220 (target was 5270)
- Total ticket income for the tour: £153,297 (target was £97,107)
- Total number of shows: 11

##### ***Interlinked at Glastonbury***

BRB performed *Interlinked* at Glastonbury Festival 2024, including BBC broadcasting part of BRB's performance with interview with Carlos Acosta – Sunday 30 June, 11am.

##### **BRB at Birmingham Museum & Art Gallery**

To ensure that BRB is present and visible in Birmingham in July 2024, we collaborated with BMAG for an interactive display and public sharing of the making of costumes and set pieces to demystify ballet and show the intense, unseen effort behind our work.

##### **International touring**

We are delighted to continue rebuilding our post-pandemic international touring around our new productions:

##### ***Black Sabbath – The Ballet:***

- As part of Holland Dance Festival in Rotterdam, 12-15 June 2024
- The Théâtres de la Ville de Luxembourg, 19-20 June 2024
- Hamburg Ballet / John Neumeier, 9-10 July 2024

##### ***Carlos Acosta's Classical Selection show:***

- Reykjavik, Iceland 26 June 2024.

##### **Autumn tour 2024**

We are fulfilling our mission to provide classical works and hold the heritage of these, along with new work that brings contemporary issues to the fore to build ballet's relevance to all generations through our tours of:

*Luna*, a new work inspired by the women of Birmingham in Birmingham Hippodrome and Sadler's Wells, London, with an all-female, international creative team, including choreographers Iratxe Ansa (Spain), Wubkje Kuindersma (Netherlands), Seeta Patel (UK), Arielle Smith (UK), Thais Suárez (Cuba) and music composed by Kate Whitley (UK), *Luna* is the final part of Carlos Acosta's Birmingham trilogy (*City of a Thousand Trades*, *Black Sabbath*). *Luna* has been generously supported by the Oak Foundation through a 5 year commitment to developing new ballet works.

Sir Frederick Ashton's *La Fille Mal Gardée* will be in Birmingham, London and Plymouth.

*The Nutcracker* in its new splendour will be at Birmingham Hippodrome and returning to Royal Albert Hall.

##### **Winter tour 2025**

*Cinderella* ballet – a timeless classic

##### **Spring – Summer 2025**

BRB 2 touring to mid-scale venues

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **International touring 2025**

#### **USA:**

*Black Sabbath* – The Ballet Kennedy Center, Washington DC, 4 – 8 June 2025

#### **Japan:**

*The Sleeping Beauty* and *Cinderella*

#### **LEAP**

**LUNA** : Open auditions have been held to cast 30 children for Carlos' next world premier 'Luna' in Birmingham and London. These children have been chosen to depict the future of both Birmingham and London and will be performing with the main company at the Birmingham Hippodrome and Sadler's Wells respectively. We are working in partnership with Ex Cathedra with the music for this ballet having been composed by leading British composer Kate Whitley. The children's chorus will act much like a Greek Chorus, tying together the different sections of the ballet, and working particularly closely with Dutch choreographer Wubkje Kuindersma and British choreographer Arielle Smith. Part of their role is to sing UK composer Kate Whitley's *I am I Say* and *There is Silence*, which will be taught by members of the Education and Participation team from Birmingham-based vocal ensemble Ex Cathedra.

Working in partnership with the Hippodrome, we will also be co-producing a curtain raiser for LUNA.

#### **College of Creativity**

2024/25 will be the first delivery year of the Birmingham based College of Creativity (CoC), a skills development partnership to nurture a strong pipeline of creative talent with specialist skills, diversifying the creative industries' workforce in the West Midlands. Initiated by BRB in partnership with The Rep, Birmingham Hippodrome and CBSO, CoC will create resources and map pathways that detail the variety of exciting job roles and required skills in the creative industries' and are aimed at engaging young people aged 14+. This follows an extensive period of research and development, generously supported by the Calouste Gulbenkian Foundation.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Birmingham Royal Ballet, as a company limited by guarantee, is governed by a board of non-executive directors (charitable trustees). In accordance with the Articles of Association the Directors are also the members of the company.

The Governors of the Royal Ballet have the right to nominate one of their members to be a member of the Board of Directors; Birmingham City Council nominate one representative (usually a Councillor) to be a member of the Board of Directors. All such nominations are approved and appointed by the Board of Directors. The Board of Directors is responsible for the appointment of a Chair.

#### **Appointment, induction and training**

The Board of Directors' membership includes those with appropriate professional experience of dance, education, arts and culture, fundraising, marketing and communications, general management and financial management.

Directors at the time the Articles were revised and approved 3<sup>rd</sup> December 2020 may serve a first term of 5 years and second term of 3 years. Directors after that date may serve up to two concurrent 4 year periods. After a board member has served two consecutive terms in office, they are eligible for re-appointment only after a year has elapsed since they retired as a board member, unless the board considers it would be in the best interests of the company for a board member to be eligible for re-appointment on his or her retirement for such number of further terms as the board shall resolve.

All new Directors receive a comprehensive information pack, a tour of the company and opportunities to meet with The Director, Chief Executive, Director of Finance and Resources and other senior members of staff. All Directors have regular access to performances, other events and activities so that they are familiar with the work of the company.

#### **Organisation and Governance**

The Board of Directors are responsible for decisions covering the significant areas of Birmingham Royal Ballet's affairs including:

strategic decision making including setting strategy and plans to respond to Arts Council England's National Portfolio Organisation funding programme.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- strategic decision making including setting strategy and plans to respond to Arts Council England's National Portfolio Organisation funding programme.
- appointment of the key management personnel the Chief Executive and 'The Director'. The day-to-day management of the affairs of Birmingham Royal Ballet is delegated to the Chief Executive, Caroline Miller, who is responsible for overall organisational management. The Director, Carlos Acosta, is responsible for artistic vision and strategy and for managing artistic activities.
- approval of budgets, approval of major capital expenditure projects, and development of key policies including general treasury and risk management policies.

To enable the Directors to perform their duties all directors have full access to relevant information and to services of the Company Secretary and the Officers of the Company. If necessary, the Directors may take independent professional advice at the Company's expense.

The primary governance and organisational objectives for the period were to:

- Formally constitute the Audit & Risk Committee (May 2023) and implement an annual meeting cycle
- Undertake a *Theory of Change* process for better measurement, monitoring and reporting of the social impact of BRB's activities, and led by external consultants
- Continue to review and plan for BRB's medium and long-term sustainability against standstill ACE funding and Cost of Living increases

In 2023/24, the Board of Directors met 5 times, including an extended Board meeting on 1 March 2024 to discuss the strategic outlook and future artistic plans to 2026/27.

In 2024/25, the company will undertake a UK Charity Governance Code Audit and Board Effectiveness Review.

#### Sub-committees

In order to carry out their duties as effectively as possible the Board of Directors is assisted by a number of sub-committees including:

- **The Finance and General Purposes Committee** - responsible for detailed review of financial reports, planning documents, budgets and policies prior to recommendation for approval.
- **The Audit and Risk Committee** – responsible for the oversight of the external audit and auditors including agreeing scope and fees and receiving auditors report and annual report and accounts. Advising the Board on any actions required to ensure that the organisations risk profile and risk management procedures remain effective. Advising the Board on any actions to maintain the effective governance of the organisation in line with statutory, funders and Charity Commission requirements.
- **The Nominations and Governance Committee** – is responsible for the review of general governance including BRB's response to the recommendations of the Charity Governance code as well as recommendation of candidates for appointment as Directors bearing in mind the particular needs of the Board at the time as well as the future needs of the Board (succession planning). The Nominations Committee is also responsible for ensuring the appropriate induction and training of new directors. It is the responsibility of the Board of Directors as a whole to approve candidates for appointment.
- **The Appointments and Remuneration Committee** - responsible and overseeing the appointment of The Chair of the Board, senior officers and for reviewing their remuneration and making appropriate recommendations for the Board of Directors as a whole to approve.
- **The Investment Committee** - responsible for overseeing implementation of the investment policy and monitoring performance of invested funds.

In 2023/24, the F&GP and Audit & Risk Committee held three quorate meetings and the Audit & Risk Committee:

- Met with Auditors to receive the Auditors' report and annual report and accounts
- Reviewed BRB's Risk Register and key policies for further enquiry or recommended to Board for approval

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### Directors' Interests in Related Bodies

| Body                          | Director                                 |
|-------------------------------|------------------------------------------|
| Governors of the Royal Ballet | Sir David Normington<br>Sir Luke Rittner |
| Birmingham City Councillors   | Councillor Jamie Tennant                 |

### KEY POLICIES

#### Equality, Diversity and Inclusion

The BRB Equality, Diversity and Inclusion Staff Group started in early 2023. The group is supported at a senior level by Board member Christine Ondimu an expert on diversity and inclusion in the workplace through her role at HSBC, Director of Finance Christopher Rodriguez and HR Director Claire Owen. The group thanks former Digital Apprentice Henry Mc Nab for leading and administering its early stages.

The group has set its own mandate to look at:

- What current data say about how diverse we are
- Action plans for addressing gaps and changes in recruitment strategy
- Updating BRB's EDI policy
- The transparency of BRB's EDI journey including stats on website and plans, progress on plans
- Training & education for staff on EDI

#### Environmental Responsibility

BRB monitors its environmental performance through Julie's Bicycle creative green tools. BRB has reduced its carbon footprint by reducing the office space it occupies and through adapting performances to reduce their scale for transport. The refurbished Nutcracker sets are made of lighter more durable materials which means they will outlast the 30 year life of the original sets and are easier to transport.

#### Financial Management:

- **Board authority** - the Board is responsible for agreement of Birmingham Royal Ballet's overall strategy including agreement of business plans and approval of key organisational policies to meet Birmingham Royal Ballet's legal obligations, operational requirements and/or strategy implementation. This includes approval of the Annual Budget prepared in accordance with agreed activity plans, approval of proposals for significant capital investment projects over £50,000, approval of fundraising programmes, significant changes in financial procedures and other internal controls, approval of the Annual Report, the appointment of Bankers and investment managers, approval of changes to banking arrangements and approval of the reserves, investment and remuneration policies.
- **Budget setting and control** – the Senior Leadership Team is responsible for proposing their departmental budgets based on the planned activity for the year. These departmental budgets are reviewed and combined to build a master budget for Birmingham Royal Ballet as a whole. The Director of Finance and Resources and Chief Executive are responsible for proposing a final balanced budget for approval by the Board of Directors. Senior Managers are authorised to commit expenditure in accordance with their final approved budgets unless these are subject to further revision during the course of a financial year in the light of prevailing circumstances (see under financial reporting and review). All expenditure is reviewed and approved for payment by the Finance Director or Director of Finance and Resources.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

- **Financial reporting and review** – A company finance report and forecast to the year-end is presented at each Board and Finance and General Purposes Committee meeting. All Senior Managers receive a copy of this finance report in addition to their individual monthly budget reports. Where significant variances against budget are identified, compensating actions are identified and agreed by the Senior Management Team. This will usually involve identifying cost savings as performing activity for the year is fixed at least a year in advance and our major sources of income are also fixed. The major financial risk that faces the organisation is a shortfall in earned income sources such as box office income and fundraising income. Both these income sources can be highly variable and are subject to a number of influences that are outside the direct control of Birmingham Royal Ballet. As a result the key to financial stability is careful cost control in conjunction with growing existing income and identifying and developing new income streams.

#### **Management remuneration**

BRB is committed to paying staff fairly and in a way to attract and retain the right skills to deliver its charitable objectives.

The Board is responsible for agreeing the annual pay award for the staff as a whole and a sub-committee of the Board will be convened as necessary to consider the remuneration of the Chief Executive and The Director.

The main responsibilities of the Board in respect of remuneration are to:

- Determine the remuneration package of the key management personnel - the Chief Executive and 'The Director';
- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account prevailing inflation rates and recommendations from the Chief Executive; and
- Approve pension arrangements and pension policy.

In determining BRB's remuneration, the Board takes into account all factors which are deemed necessary and remuneration policy, benefits and rewards strategy is reviewed as part of the strategic planning process. Investing in skills and employment is a priority as delivery of BRB's charitable objectives is dependent on our highly skilled performers and staff.

#### **EXECUTIVE TEAM**

|                       |                                   |
|-----------------------|-----------------------------------|
| Carlos Acosta         | Director                          |
| Caroline Mliller      | CEO                               |
| Christopher Rodriguez | Director of Finance and Resources |
| Paul James            | Chief Commercial Officer          |
| Rachael Magson        | Director of Development           |
| Dominic Antonucci     | Assistant Director                |
| Paul Grace            | Technical Director                |
| Paul Murphy           | Music Director                    |
| Claire Owen           | Director of HR                    |
| Judith Patrickson     | Deputy Finance Director           |
| Claire Dersley        | Head of Orchestra Operations      |

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

BRB has successfully applied for NPO funding for 2023-2026 period for funding of £8,036,194 per annum which means that BRB has confirmed funding through to 31 March 2026, and will meet the extended application for 2026/27. BRB is well placed to respond to the expectations of Arts Council England's new 10 year strategy, 'Let's Create'. Carlos Acosta's programming is gaining UK and international recognition.

Budgets for the period through to 31 March 2025 have been approved and outline financial modelling to 2026 has been included in our Business Plan.

The financial strategy for the new NPO funding period 2023-26 comprises three elements to ensure cost effective, flexible and efficient delivery of BRB's complex and ambitious artistic and creative skills programme. These plans are set in a financial context of real terms funding erosion, soaring inflation and uncertain box office making 2023-26 the most financially challenging period the company has faced

- **Stabilise** – establish an affordable cost base and a leaner infrastructure by balancing fixed and variable costs to deliver BRB's response to 'Let's Create'.
- **Consolidate** – deliver core activity within agreed cost base. Driving accountability through improved financial management information systems to drive financial awareness and collective management responsibility
- **Grow** - Enhancement and amplification of activity through partnerships, co-production and fundraising. Improving return on investment by growing earned income from performances through a combination of audience growth and strategic pricing.

BRB's Box Office sales for 2024/25 exceeded targets and advance sales for 2024/25 are strong, along with additional income with the return of *The Nutcracker* to Royal Albert Hall and *Cinderella* tour tracking at expected levels. Successful grants in 2023/24, 2024/25 and other funding will significantly contribute to BRB's 2024/25 new work and international touring costs and meet BRB2 costs in 2024/25.

The Directors continue to take all available steps to maintain sufficient resources in order that Birmingham Royal Ballet can continue. Based on projections and available information, the Directors have a reasonable expectation that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of signing these financial statements and therefore have prepared the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

### TAXATION

The Company is a charity for tax purposes and is entitled to claim charitable tax exemptions. The Company has no liability to tax on its charitable activities.

This Directors Report (including the Strategic Report) was approved and authorised for issue by the Directors on:

Sir David Normington  
Chair of the Board

Date: 3 December 2024

# **BIRMINGHAM ROYAL BALLET**

## **TRUSTEES' RESPONSIBILITIES STATEMENT**

The directors (who are also trustees of Birmingham Royal Ballet for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

### **Auditor**

We have been appointed under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

### **Disclosure of information to auditor**

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Opinion**

We have audited the financial statements of Birmingham Royal Ballet (the “parent charitable company”) and its subsidiaries (the “group”) for the year ended 31 March 2024 which comprise of the Group and Charity Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and parent charitable company’s affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees’ report (incorporating the directors’ report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees’ report (incorporating the directors’ report) has been prepared in accordance with applicable legal requirements.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

## **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charitable Company and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## **Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **Extent to which the audit was capable of identifying irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Julie Flintoff (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services Limited**

Date: 9 December 2024

**Chartered Accountants**  
**Statutory Auditor**

8 Pittman Court  
Pittman Way  
Preston  
United Kingdom  
PR2 9ZG

# BIRMINGHAM ROYAL BALLET

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including consolidated income and expenditure account)

Year ended 31 March 2024

|                                                                    | Notes | Unrestricted<br>2024<br>£ | Restricted<br>2024<br>£ | Endowment<br>2024<br>£ | Total<br>2024<br>£ | Total<br>2023<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 8,926,308                 | 1,423,514               | -                      | 10,349,822         | 10,147,226         |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 5,609,566                 | -                       | -                      | 5,609,566          | 5,866,668          |
| Other trading activities                                           | 5     | 45,351                    | -                       | -                      | 45,351             | 485,334            |
| Investments                                                        | 6     | 2,915                     | -                       | 81,318                 | 84,233             | 76,802             |
| <b>Total income</b>                                                |       | <b>14,584,140</b>         | <b>1,423,514</b>        | <b>81,318</b>          | <b>16,088,972</b>  | <b>16,576,030</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 588,040                   | -                       | -                      | 588,040            | 616,345            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 13,731,638                | 1,042,833               | -                      | 14,774,471         | 15,442,583         |
| Orchestra Projects                                                 | 8     | 391,565                   | -                       | -                      | 391,565            | 149,936            |
| Education Projects                                                 | 8     | 630,237                   | 76,215                  | -                      | 706,452            | 531,113            |
| Other expenditure                                                  |       | -                         | -                       | 16,328                 | 16,328             | 17,256             |
| <b>Total expenditure</b>                                           |       | <b>15,341,480</b>         | <b>1,119,048</b>        | <b>16,328</b>          | <b>16,476,856</b>  | <b>16,757,233</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(757,340)</b>          | <b>304,466</b>          | <b>64,990</b>          | <b>(387,884)</b>   | <b>(181,203)</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 282,760                | 282,760            | (263,576)          |
| <b>Net income/(loss) for the year</b>                              |       | <b>(757,340)</b>          | <b>304,466</b>          | <b>347,750</b>         | <b>(105,124)</b>   | <b>(444,779)</b>   |
| Transfers between funds                                            | 18    | -                         | -                       | -                      | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(757,340)</b>          | <b>304,466</b>          | <b>347,750</b>         | <b>(105,124)</b>   | <b>(444,779)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 4,307,243                 | 994,265                 | 2,766,119              | 8,067,627          | 8,512,406          |
| Net movement in funds for the year                                 |       | (757,340)                 | 304,466                 | 347,750                | (105,124)          | (444,779)          |
| <b>Total funds carried forward</b>                                 | 18    | <b>3,549,903</b>          | <b>1,298,731</b>        | <b>3,113,869</b>       | <b>7,962,503</b>   | <b>8,067,627</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

See note 12 for comparative Statement of Financial Activities for the period ended 31 March 2024

# BIRMINGHAM ROYAL BALLET

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Including charity income and expenditure account)

Year ended 31 March 2024

|                                                                    | Notes | Unrestricted<br>2024<br>£ | Restricted<br>2024<br>£ | Endowment<br>2024<br>£ | Total<br>2024<br>£ | Total<br>2023<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 8,952,031                 | 1,423,514               | -                      | 10,375,545         | 10,147,226         |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 5,609,566                 | -                       | -                      | 5,609,566          | 6,210,620          |
| Other trading activities                                           | 5     | 45,351                    | -                       | -                      | 45,351             | 92,873             |
| Investments                                                        | 6     | 2,915                     | -                       | 81,318                 | 84,233             | 76,802             |
| <b>Total income</b>                                                |       | <b>14,609,863</b>         | <b>1,423,514</b>        | <b>81,318</b>          | <b>16,114,695</b>  | <b>16,527,521</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 588,040                   | -                       | -                      | 588,040            | 616,345            |
| Charitable activities                                              |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 13,731,638                | 1,042,833               | -                      | 14,774,471         | 15,419,797         |
| Orchestra Projects                                                 | 8     | 391,565                   | -                       | -                      | 391,565            | 149,936            |
| Education Projects                                                 | 8     | 630,237                   | 76,215                  | -                      | 706,452            | 531,113            |
| Other expenditure                                                  |       | -                         | -                       | 16,328                 | 16,328             | 17,256             |
| <b>Total expenditure</b>                                           |       | <b>15,341,480</b>         | <b>1,119,048</b>        | <b>16,328</b>          | <b>16,476,856</b>  | <b>16,734,447</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(731,617)</b>          | <b>304,466</b>          | <b>64,990</b>          | <b>(362,161)</b>   | <b>(206,926)</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 282,760                | 282,760            | (263,576)          |
| <b>Net income/(loss) for the year</b>                              |       | <b>(731,617)</b>          | <b>304,466</b>          | <b>347,750</b>         | <b>(79,401)</b>    | <b>(470,502)</b>   |
| Transfers between funds                                            | 18    | -                         | -                       | -                      | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(731,617)</b>          | <b>304,466</b>          | <b>347,750</b>         | <b>(79,401)</b>    | <b>(470,502)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 4,281,520                 | 994,265                 | 2,766,121              | 8,041,906          | 8,512,408          |
| Net movement in funds for the year                                 |       | (731,617)                 | 304,466                 | 347,750                | (79,401)           | (470,502)          |
| <b>Total funds carried forward</b>                                 | 18    | <b>3,549,903</b>          | <b>1,298,731</b>        | <b>3,113,871</b>       | <b>7,962,505</b>   | <b>8,041,906</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

# BIRMINGHAM ROYAL BALLET

## BALANCE SHEET As at 31 March 2024

|                                                       | Note | 2024<br>Group<br>£      | 2023<br>Group<br>£      | 2024<br>Charity<br>£    | 2023<br>Charity<br>£    |
|-------------------------------------------------------|------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                                   |      |                         |                         |                         |                         |
| Tangible assets                                       | 13   | 2,617,796               | 2,713,077               | 2,617,796               | 2,713,077               |
| Investment assets                                     | 14   | 3,113,869               | 2,766,119               | 3,113,871               | 2,766,121               |
|                                                       |      | <u>5,731,665</u>        | <u>5,479,196</u>        | <u>5,731,667</u>        | <u>5,479,198</u>        |
| <b>CURRENT ASSETS</b>                                 |      |                         |                         |                         |                         |
| Stocks                                                | 15   | 106,757                 | 79,202                  | 106,757                 | 79,202                  |
| Debtors                                               | 16   | 2,562,016               | 4,483,382               | 2,562,016               | 4,052,428               |
| Cash at bank and in hand                              |      | 1,426,912               | 281,971                 | 1,426,912               | 256,165                 |
|                                                       |      | <u>4,095,685</u>        | <u>4,844,555</u>        | <u>4,095,685</u>        | <u>4,387,795</u>        |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>(1,864,847)</u>      | <u>(2,256,124)</u>      | <u>(1,864,847)</u>      | <u>(1,825,087)</u>      |
| <b>Net Current Assets</b>                             |      | <u>2,230,838</u>        | <u>2,588,431</u>        | <u>2,230,838</u>        | <u>2,562,708</u>        |
| <b>Total Assets Less Current Liabilities</b>          |      | <u>7,962,503</u>        | <u>8,067,627</u>        | <u>7,962,505</u>        | <u>8,041,906</u>        |
| Creditors: amounts falling after one year             |      | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                |
| <b>NET ASSETS</b>                                     |      | <u><u>7,962,503</u></u> | <u><u>8,067,627</u></u> | <u><u>7,962,505</u></u> | <u><u>8,041,906</u></u> |
| <b>FUNDS</b>                                          |      |                         |                         |                         |                         |
| Unrestricted funds:                                   |      |                         |                         |                         |                         |
| General Funds                                         | 18   | 1,240,189               | 1,738,699               | 1,240,189               | 1,712,976               |
| Designated funds                                      | 18   | 2,309,714               | 2,568,544               | 2,309,714               | 2,568,544               |
| Restricted funds                                      | 18   | 1,298,731               | 994,265                 | 1,298,731               | 994,265                 |
| Endowment funds                                       | 18   | 3,113,869               | 2,766,119               | 3,113,871               | 2,766,121               |
|                                                       |      | <u>7,962,503</u>        | <u>8,067,627</u>        | <u>7,962,505</u>        | <u>8,041,906</u>        |

These financial statements of Birmingham Royal Ballet registered number 3320538 were approved by the Board of Directors and authorised for issue on 3 December 2024. They were signed on its behalf by:

Sir David Normington  
Chair of the Board

**Company Registration Number: 03320538**

# BIRMINGHAM ROYAL BALLET

## CONSOLIDATED CASH FLOW STATEMENT Year ended 31 March 2024

|                                                             | Notes | Total<br>2024<br>£ | Total<br>2023<br>£ |
|-------------------------------------------------------------|-------|--------------------|--------------------|
| <b>Cash flows from operating activities:</b>                |       |                    |                    |
| <i>Net cash (used in)/provided by operating activities</i>  | 22    | 1,361,031          | (929,760)          |
| <b>Cash flows from investing activities:</b>                |       |                    |                    |
| Dividends, interest and rents from investments              |       | 84,233             | 76,802             |
| Proceeds from the sale of fixed assets                      |       | -                  | -                  |
| Purchase of fixed assets                                    |       | (235,333)          | (211,390)          |
| Proceeds from the sale of investments                       |       | 134,259            | 371,167            |
| Purchase of investments                                     |       | (199,249)          | (247,746)          |
| <i>Net cash flows (used in) by investing activities</i>     |       | (216,090)          | (11,167)           |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       | 1,144,941          | (940,927)          |
| <b>Cash and cash equivalents at beginning of year</b>       |       | 281,971            | 1,222,898          |
| <b>Cash and cash equivalents at the end of the year</b>     |       | 1,426,912          | 281,971            |
| <b>Reconciliation to cash at bank and in hand:</b>          |       |                    |                    |
| Cash at bank and in hand                                    |       | 1,426,912          | 281,971            |
| Cash equivalents                                            |       | -                  | -                  |
| Cash and cash equivalents                                   |       | 1,426,912          | 281,971            |

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2024**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are set out below.

#### **Company and charitable status**

Birmingham Royal Ballet, a public benefit entity, is incorporated in the UK and registered in England and Wales as a company limited by guarantee not having a share capital. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

BRB Production Services Limited and BRB Trading Limited are a wholly owned subsidiaries of Birmingham Royal Ballet.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2019 and the Companies Act 2006.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

#### **Basis of Consolidation**

Group financial statements have been prepared in respect of the company and its wholly owned subsidiaries BRB Production Services Limited and BRB Trading Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 14.

#### **Preparation of financial statements - going concern basis**

These accounts have been prepared on the going concern basis.

The group and company's activities and future plans are set out in the directors' report.

The company's forecasts and projections are cautious with the option to withdraw funding from the Endowment Fund if required. The continued rate of Theatre Tax Relief shows that the company should be able to continue to operate on this basis.

Revenue grant funding represents the company's largest income stream and Birmingham Royal Ballet is dependent on the continuing financial support of Arts Council England which has confirmed its commitment to fund Birmingham Royal Ballet to 31 March 2026; committing revenue funding of £8,036,000 per annum for the period.

The directors review and manage short-term fluctuations in our other income streams: box office, commercial and development income.

The company also relies on support from other funders including individuals, trusts, foundations and corporate bodies for maintaining the high standards and diversity of its output.

Based on the above, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 1. ACCOUNTING POLICIES (continued)

#### Income

##### *Box office income, performance related fees and programmes*

Box office income, performance related fees and income generated from the sale of programmes are recognised in the period of the related performances which is the point at which the charity is considered to meet the income recognition criteria (probable, entitlement and measurement) as per the accounting standards.

##### *Donations and legacies*

Donations and legacies are credited to the statement of financial activities when entitlement has passed and the income is probable to be received unless donated for a specific future period by the donor in which case income will be deferred to the relevant period.

##### *Deferred income*

Amounts invoiced in advance and other income, which is subject to conditions imposed by the donor relating to the charity's entitlement to the funds, are carried forward as deferred income in the balance sheet. Amounts are recognised as income when the services are performed or the conditions imposed by the donor are satisfied.

##### *Grants receivable*

Capital grants receivable are recognised in the year of receipt. Revenue grants receivable are recognised in the year to which the grants relate. Revenue grants received in advance of the year to which they relate are carried forward as a creditor in the balance sheet.

Capital funds comprise grants/donations towards the cost of fixed assets to be used by the company for its charitable purposes. Such income may not be treated as a deduction from the capital cost.

##### *Investment income*

Investment income is recognised on an accruals basis.

#### Expenditure

All expenditure is accounted for on an accruals basis. Expenditure categories include salaries, depreciation and other costs as analysed in note 9.

Expenditure on raising funds is the costs associated with generating core funding grants, legacies and donations. These include any direct costs associated with these activities as well as an appropriate proportion of relevant staff costs, support costs, premises costs and depreciation.

Costs of activities for generating funds are the direct costs of our membership schemes, sponsorship and merchandising activities including direct staff costs and an appropriate proportion of support costs, premises costs and depreciation.

Costs of charitable activities include all costs relating to delivering the charitable objectives of the company as stated in the Directors' report plus an appropriate proportion of support costs, premises costs and depreciation.

Support costs include general administration, management and governance costs including allocations of Chief Executive and Chief Operating Officer salaries, HR functions, finance, IT, audit fees, certain legal fees meetings and appropriate proportion of premises costs and depreciation. These costs are necessary for delivering activities but do not directly produce or constitute the activity.

Costs (including support and governance costs) have been allocated on a direct basis whenever possible and on an appropriate alternative basis primarily based on staff numbers or relevant head count. Chief Executive and Chief Operating officer salaries have been allocated based on an estimate of time spent in relation to governance of the organisation.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2024**

### **1. ACCOUNTING POLICIES (continued)**

#### **New production and revivals**

The costs to the company of sets and wardrobe for new productions are charged in full to the relevant production's initial performance season. Where the performance season spans more than one financial year the costs are amortised evenly over the total number of performances of the tour.

Revival costs are written off on the first night of the relevant production's performance.

Costs incurred in the transport and set up of a production are assigned to the appropriate tour, in the year in which the tour occurred.

Prepayments for the next season are made in respect of productions to be presented in the next financial year.

#### **Fund accounting**

##### ***Unrestricted funds***

Unrestricted funds are those which are expendable at the discretion of the Directors in furtherance of the objects of the charity.

##### ***Restricted funds***

Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

##### ***Designated funds***

Designated funds are amounts which have been put aside at the discretion of the Directors and comprise funds for specific projects.

##### ***Expendable endowment fund***

Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

#### **Taxation**

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2024**

### **1. ACCOUNTING POLICIES (continued)**

#### **Tangible fixed assets and depreciation**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                                  |                                    |
|----------------------------------|------------------------------------|
| Fixtures, fittings and equipment | 10 – 50% Straight Line             |
| Computer equipment               | 10 – 25% Straight Line             |
| Leasehold property               | 4% Straight Line/Life of the lease |

#### **Investments**

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals on a quarterly basis.

Investments in subsidiary undertakings are measured at cost less impairment.

#### **Stocks**

Stock consists of ballet shoes and merchandise for sale and are stated at the lower of cost and net realisable value.

#### **Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

#### **Employee benefits**

All permanent employees of the group and company are eligible to be members of one of the following defined contribution pension schemes:

- Birmingham Royal Ballet Pension Scheme; and
- Musicians' Union Pension Scheme.

The pension costs charged to the statement of financial activities represents the amount of contributions payable by the company to the pension schemes in respect of the accounting year.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the group and company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash 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. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group and company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

### 3. INCOME FROM GRANTS, DONATIONS & LEGACIES

|                                 | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Restricted<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ |
|---------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>                  |                                    |                                  |                             |                                    |                                  |                             |
| <i>Arts Council England</i>     |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                 | 8,036,194                          | -                                | 8,036,194                   | 8,036,194                          | -                                | 8,036,194                   |
| Digital Transformation Project  | -                                  | -                                | -                           | -                                  | -                                | -                           |
| Culture Recovery Fund           | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <i>Birmingham City Council</i>  |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                 | 157,850                            | -                                | 157,850                     | 157,850                            | -                                | 157,850                     |
| <i>Donations</i>                |                                    |                                  |                             |                                    |                                  |                             |
| Grants – Trusts and Foundations | 2,895                              | 878,075                          | 880,970                     | 498,061                            | 351,000                          | 849,061                     |
| Donations                       | 668,729                            | 545,439                          | 1,214,168                   | 878,298                            | -                                | 878,298                     |
| Legacies                        | 60,640                             | -                                | 60,640                      | 12,769                             | 213,054                          | 225,823                     |
| <b>Group</b>                    |                                    |                                  |                             |                                    |                                  |                             |
| <i>Arts Council England</i>     |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                 | 8,036,194                          | -                                | 8,036,194                   | 8,036,194                          | -                                | 8,036,194                   |
| Digital Transformation Project  | -                                  | -                                | -                           | -                                  | -                                | -                           |
| Culture Recovery Fund           | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <i>Birmingham City Council</i>  |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                 | 157,850                            | -                                | 157,850                     | 157,850                            | -                                | 157,850                     |
| <i>Donations</i>                |                                    |                                  |                             |                                    |                                  |                             |
| Grants – Trusts and Foundations | 2,895                              | 878,075                          | 880,970                     | 498,061                            | 351,000                          | 849,061                     |
| Donations                       | 668,729                            | 545,439                          | 1,214,168                   | 878,298                            | -                                | 878,298                     |
| Legacies                        | 60,640                             | -                                | 60,640                      | 12,769                             | 213,054                          | 225,823                     |
| BRB Trading Limited             | 25,723                             | -                                | 25,723                      | -                                  | -                                | -                           |
| <b>Charity</b>                  | 8,952,031                          | 1,423,514                        | 10,375,545                  | 9,583,172                          | 564,054                          | 10,147,226                  |
| <b>Group</b>                    | 8,926,308                          | 1,423,514                        | 10,349,822                  | 9,583,172                          | 564,054                          | 10,147,226                  |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 4. INCOME FROM PERFORMANCE AND RELATED ACTIVITIES

|                                | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Restricted<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>                 |                                    |                                  |                             |                                    |                                  |                             |
| Box office income              | 3,145,416                          | -                                | 3,145,416                   | 3,393,011                          | -                                | 3,393,011                   |
| Production sales and hires     | 103,292                            | -                                | 103,292                     | 118,442                            | -                                | 118,442                     |
| Programmes                     | 172,368                            | -                                | 172,368                     | 87,578                             | -                                | 87,578                      |
| Livestream and video on demand | -                                  | -                                | -                           | 70,000                             | -                                | 70,000                      |
| Orchestra projects             | 259,727                            | -                                | 259,727                     | 92,041                             | -                                | 92,041                      |
| Education                      | 192,692                            | -                                | 192,692                     | 51,943                             | -                                | 51,943                      |
| Other fees and services        | 62,871                             | -                                | 62,871                      | 747,412                            | -                                | 747,412                     |
| Theatre tax credit             | 1,673,200                          | -                                | 1,673,200                   | 1,650,193                          | -                                | 1,650,193                   |
| <b>Group</b>                   |                                    |                                  |                             |                                    |                                  |                             |
| Box office income              | 3,145,416                          | -                                | 3,145,416                   | 3,393,011                          | -                                | 3,393,011                   |
| Production sales and hires     | 103,292                            | -                                | 103,292                     | 118,442                            | -                                | 118,442                     |
| Programmes                     | 172,368                            | -                                | 172,368                     | 87,578                             | -                                | 87,578                      |
| Livestream and video on demand | -                                  | -                                | -                           | 70,000                             | -                                | 70,000                      |
| Orchestra projects             | 259,727                            | -                                | 259,727                     | 92,041                             | -                                | 92,041                      |
| Education                      | 192,692                            | -                                | 192,692                     | 51,943                             | -                                | 51,943                      |
| Other fees and services        | 62,871                             | -                                | 62,871                      | 235,401                            | -                                | 235,401                     |
| Theatre tax credit             | 1,673,200                          | -                                | 1,673,200                   | 1,818,252                          | -                                | 1,818,252                   |
| <b>Charity</b>                 | 5,609,566                          | -                                | 5,609,566                   | 6,210,620                          | -                                | 6,210,620                   |
| <b>Group</b>                   | 5,609,566                          | -                                | 5,609,566                   | 5,866,668                          | -                                | 5,866,668                   |

### 5. OTHER TRADING ACTIVITIES

|                   | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Restricted<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>    |                                    |                                  |                             |                                    |                                  |                             |
| Memberships       | 44,756                             | -                                | 44,756                      | 86,442                             | -                                | 86,442                      |
| Sponsorship       | 595                                | -                                | 595                         | 6,431                              | -                                | 6,431                       |
| Royal Albert Hall | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <b>Group</b>      |                                    |                                  |                             |                                    |                                  |                             |
| Memberships       | 44,756                             | -                                | 44,756                      | 86,442                             | -                                | 86,442                      |
| Sponsorship       | 595                                | -                                | 595                         | 39,763                             | -                                | 39,763                      |
| Royal Albert Hall | -                                  | -                                | -                           | 359,129                            | -                                | 359,129                     |
| <b>Charity</b>    | 45,351                             | -                                | 45,351                      | 92,873                             | -                                | 92,873                      |
| <b>Group</b>      | 45,351                             | -                                | 45,351                      | 485,334                            | -                                | 485,334                     |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 6. ANALYSIS OF INCOME FROM INVESTMENTS

|                          | 2024<br>Unrestricted<br>Funds<br>£ | 2024<br>Endowment<br>Funds<br>£ | 2024<br>Total<br>Funds<br>£ | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Endowment<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ |
|--------------------------|------------------------------------|---------------------------------|-----------------------------|------------------------------------|---------------------------------|-----------------------------|
| <b>Charity and group</b> |                                    |                                 |                             |                                    |                                 |                             |
| Bank interest            | 2,915                              | -                               | 2,915                       | 2,422                              | -                               | 2,422                       |
| Dividends                | -                                  | 81,318                          | 81,318                      | -                                  | 74,380                          | 74,380                      |
| <b>Total</b>             | <b>2,915</b>                       | <b>81,318</b>                   | <b>84,233</b>               | <b>2,422</b>                       | <b>74,380</b>                   | <b>76,802</b>               |

### 7. ANALYSIS OF EXPENDIRE ON RAISING FUNDS

|                                        | 2024<br>Activities<br>Undertaken<br>Directly<br>£ | 2024<br>Support<br>Costs<br>£ | 2024<br>Total<br>£ | 2023<br>Activities<br>Undertaken<br>Directly<br>£ | 2023<br>Support<br>Costs<br>£ | 2023<br>Total<br>£ |
|----------------------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity and group</b>               |                                                   |                               |                    |                                                   |                               |                    |
| Raising donations, grants and legacies | 295,591                                           | 268,513                       | 564,104            | 328,400                                           | 232,473                       | 560,873            |
| Memberships and subscription schemes   | 23,936                                            | -                             | 23,936             | 55,472                                            | -                             | 55,472             |
| <b>Total</b>                           | <b>319,527</b>                                    | <b>268,513</b>                | <b>588,040</b>     | <b>383,872</b>                                    | <b>232,473</b>                | <b>616,345</b>     |

All expenditure relates to unrestricted funds.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

#### *Unrestricted*

|                            | 2024<br>Activities<br>Undertaken<br>Directly<br>£ | 2024<br>Support<br>Costs<br>£ | 2024<br>Total<br>£ | 2023<br>Activities<br>Undertaken<br>Directly<br>£ | 2023<br>Support<br>Costs<br>£ | 2023<br>Total<br>£ |
|----------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity</b>             |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 11,183,602                                        | 2,548,036                     | 13,731,638         | 12,782,198                                        | 2,157,123                     | 14,939,321         |
| Orchestra projects         | 378,690                                           | 12,875                        | 391,565            | 138,789                                           | 11,147                        | 149,936            |
| Education projects         | 548,847                                           | 81,390                        | 630,237            | 458,648                                           | 70,465                        | 529,113            |
| <b>Group</b>               |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 11,183,602                                        | 2,548,036                     | 13,731,638         | 12,804,984                                        | 2,157,123                     | 14,962,107         |
| Orchestra projects         | 378,690                                           | 12,875                        | 391,565            | 138,789                                           | 11,147                        | 149,936            |
| Education projects         | 548,847                                           | 81,390                        | 630,237            | 458,648                                           | 70,465                        | 529,113            |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |
| <b>Charity</b>             | 12,111,139                                        | 2,642,301                     | 14,753,440         | 13,379,635                                        | 2,238,735                     | 15,618,370         |
| <b>Group</b>               | 12,111,139                                        | 2,642,301                     | 14,753,440         | 13,402,421                                        | 2,238,735                     | 15,641,156         |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |

#### *Restricted*

|                            | 2024<br>Activities<br>Undertaken<br>Directly<br>£ | 2024<br>Support<br>Costs<br>£ | 2024<br>Total<br>£ | 2023<br>Activities<br>Undertaken<br>Directly<br>£ | 2023<br>Support<br>Costs<br>£ | 2023<br>Total<br>£ |
|----------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity and group</b>   |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 981,118                                           | 61,715                        | 1,042,833          | 418,761                                           | 61,715                        | 480,476            |
| Orchestra projects         | -                                                 | -                             | -                  | -                                                 | -                             | -                  |
| Education projects         | 76,215                                            | -                             | 76,215             | 2,000                                             | -                             | 2,000              |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |
| <b>Total</b>               | 1,057,333                                         | 61,715                        | 1,119,048          | 420,761                                           | 61,715                        | 482,476            |
|                            | <hr/>                                             | <hr/>                         | <hr/>              | <hr/>                                             | <hr/>                         | <hr/>              |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 9. ANALYSIS OF SUPPORT COSTS

|                                       | 2024<br>Raising<br>Funds<br>£ | 2024<br>Production<br>And<br>Performance<br>£ | 2024<br>Orchestra<br>Projects<br>£ | 2024<br>Education<br>Projects<br>£ | 2024<br>Total<br>£ |
|---------------------------------------|-------------------------------|-----------------------------------------------|------------------------------------|------------------------------------|--------------------|
| Staff costs                           | 92,421                        | 838,848                                       | 4,432                              | 28,014                             | 963,715            |
| Recruitment, training and development | 7,389                         | 67,064                                        | 354                                | 2,240                              | 77,047             |
| Office infrastructure                 | 46,473                        | 421,804                                       | 2,228                              | 14,086                             | 484,591            |
| Insurance                             | 15,545                        | 141,089                                       | 745                                | 4,712                              | 162,091            |
| Premises costs                        | 91,535                        | 830,804                                       | 4,389                              | 27,745                             | 954,473            |
| Depreciation                          | 15,151                        | 310,143                                       | 726                                | 4,592                              | 330,612            |
|                                       | <u>268,514</u>                | <u>2,609,752</u>                              | <u>12,874</u>                      | <u>81,389</u>                      | <u>2,972,529</u>   |

Governance costs included in the above amount to £280,009.

|                                       | 2023<br>Raising<br>Funds<br>£ | 2023<br>Production<br>And<br>Performance<br>£ | 2023<br>Orchestra<br>Projects<br>£ | 2023<br>Education<br>Projects<br>£ | 2023<br>Total<br>£ |
|---------------------------------------|-------------------------------|-----------------------------------------------|------------------------------------|------------------------------------|--------------------|
| Staff costs                           | 84,081                        | 763,146                                       | 4,032                              | 25,485                             | 876,744            |
| Recruitment, training and development | 9,288                         | 84,303                                        | 446                                | 2,815                              | 96,852             |
| Office infrastructure                 | 49,097                        | 445,619                                       | 2,354                              | 14,882                             | 511,952            |
| Insurance                             | 13,522                        | 122,729                                       | 648                                | 4,099                              | 140,998            |
| Premises costs                        | 63,678                        | 516,253                                       | 3,053                              | 19,302                             | 602,286            |
| Depreciation                          | 12,807                        | 286,788                                       | 614                                | 3,882                              | 304,091            |
|                                       | <u>232,473</u>                | <u>2,218,838</u>                              | <u>11,147</u>                      | <u>70,465</u>                      | <u>2,532,923</u>   |

Governance costs included in the above amount to £6,543.

### 10. NET INCOME/(EXPENDITURE) FOR THE YEAR

|                                                                                                    | 2024<br>£    | 2023<br>£    |
|----------------------------------------------------------------------------------------------------|--------------|--------------|
| Income (Expenditure) is stated after charging:                                                     |              |              |
| Depreciation of owned assets                                                                       | 330,612      | 304,091      |
| Rentals under operating leases                                                                     | 224,293      | 225,007      |
| Auditor's remuneration:                                                                            |              |              |
| - Fees payable to the company's auditor for the audit of the company's annual financial statements | 26,850       | 24,000       |
| - Fees payable for the audit of the charity's subsidiaries                                         | <u>5,000</u> | <u>8,000</u> |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

### 11. ANALYSIS OF GROUP AND CHARITY STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

The average monthly number of employees for the Group and Charity was:

|                       | 2024<br>No. | 2023<br>No. |
|-----------------------|-------------|-------------|
| Raising funds         | 7           | 7           |
| Charitable activities | 171         | 184         |
| Support               | 14          | 17          |
|                       | <u>192</u>  | <u>208</u>  |

Their aggregate remuneration comprised:

|                                                           | 2024<br>£        | 2023<br>£        |
|-----------------------------------------------------------|------------------|------------------|
| Wages and salaries                                        | 8,291,050        | 7,823,747        |
| Social security costs                                     | 739,060          | 763,833          |
| Pension costs (including Dancers Career Development fund) | 776,079          | 358,467          |
|                                                           | <u>9,806,189</u> | <u>8,946,047</u> |

The aggregate remuneration above includes termination payments of £nil (2022-23: Nil) including £nil additional pension contributions (2022-23 £nil). All amounts were fully paid in cash during the year.

The number of employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

|                     | 2024<br>No. | 2023<br>No. |
|---------------------|-------------|-------------|
| £60,001 - £70,000   | 6           | 7           |
| £70,001 - £80,000   | 5           | 6           |
| £80,001 - £90,000   | 7           | 4           |
| £90,001 - £100,000  | 1           | -           |
| £100,001 - £110,000 | -           | -           |
| £110,001 - £120,000 | -           | -           |
| £120,001 - £130,000 | -           | -           |
| £130,001 - £140,000 | 1           | -           |
| £250,001 - £260,000 | -           | -           |
| £290,001 - £300,000 | 1           | 1           |

The total remuneration (including pension contributions and social security costs) of the key management personnel of the Group and Charity for the year totalled £488,899 (2022-23: £490,773).

#### Directors' Remuneration

No Directors received remuneration during the current or prior year. Total travel and subsistence expenses of £715 (2023: £420) were paid to 4 directors (2023: One director).

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

### 12. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2023

|                                                                    | Notes | Unrestricted<br>2023<br>£ | Restricted<br>2023<br>£ | Endowment<br>2023<br>£ | Total<br>2023<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |
| Grants, Donations and Legacies                                     | 3     | 9,583,172                 | 564,054                 | -                      | 10,147,226         |
| Charitable activities:                                             |       |                           |                         |                        |                    |
| Performance and related activities                                 | 4     | 5,866,668                 | -                       | -                      | 5,866,668          |
| Other trading activities                                           | 5     | 485,334                   | -                       | -                      | 485,334            |
| Investments                                                        | 6     | 2,422                     | -                       | 74,380                 | 76,802             |
| <b>Total income</b>                                                |       | <b>15,937,596</b>         | <b>564,054</b>          | <b>74,380</b>          | <b>16,576,030</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |
| Raising funds                                                      | 7     | 616,345                   | -                       | -                      | 616,345            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |
| Production and Performance                                         | 8     | 14,962,107                | 480,476                 | -                      | 15,442,583         |
| Orchestra Projects                                                 | 8     | 149,936                   | -                       | -                      | 149,936            |
| Education Projects                                                 | 8     | 529,113                   | 2,000                   | -                      | 531,113            |
| Other expenditure                                                  |       | -                         | -                       | 17,256                 | 17,256             |
| <b>Total expenditure</b>                                           |       | <b>16,257,501</b>         | <b>482,476</b>          | <b>17,256</b>          | <b>16,757,233</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(319,905)</b>          | <b>81,578</b>           | <b>57,124</b>          | <b>(181,203)</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | (263,576)              | (263,576)          |
| <b>Net income/(loss) for the year</b>                              |       | <b>(319,905)</b>          | <b>81,578</b>           | <b>(206,452)</b>       | <b>(444,779)</b>   |
| Transfers between funds                                            | 18    | 180,544                   | -                       | (180,544)              | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(139,361)</b>          | <b>81,578</b>           | <b>(386,996)</b>       | <b>(444,779)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |
| Total funds brought forward                                        |       | 4,446,604                 | 912,687                 | 3,153,115              | 8,512,406          |
| Net movement in funds for the year                                 |       | (139,361)                 | 81,578                  | (386,996)              | (444,779)          |
| <b>Total funds carried forward</b>                                 | 18    | <b>4,307,243</b>          | <b>994,265</b>          | <b>2,766,119</b>       | <b>8,067,627</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

|                         | Leasehold<br>property<br>£ | Computers<br>£        | Fixtures,<br>fittings and<br>equipment<br>£ | Total<br>£              |
|-------------------------|----------------------------|-----------------------|---------------------------------------------|-------------------------|
| <b>Cost</b>             |                            |                       |                                             |                         |
| At 1 April 2023         | 3,011,066                  | 520,400               | 2,295,611                                   | 5,827,077               |
| Additions               | -                          | 211,205               | 24,126                                      | 235,331                 |
| Disposals               | -                          | -                     | (209,055)                                   | (209,055)               |
| At 31 March 2024        | <u>3,011,066</u>           | <u>731,605</u>        | <u>2,110,682</u>                            | <u>5,853,353</u>        |
| <b>Depreciation</b>     |                            |                       |                                             |                         |
| At 1 April 2023         | 1,181,263                  | 456,967               | 1,475,770                                   | 3,114,000               |
| Charge for the year     | 120,497                    | 67,638                | 142,477                                     | 330,612                 |
| Disposals               | -                          | -                     | (209,055)                                   | (209,055)               |
| At 31 March 2024        | <u>1,301,760</u>           | <u>524,605</u>        | <u>1,409,192</u>                            | <u>3,235,557</u>        |
| <b>Net book value</b>   |                            |                       |                                             |                         |
| <b>At 31 March 2024</b> | <u><b>1,709,306</b></u>    | <u><b>207,000</b></u> | <u><b>701,490</b></u>                       | <u><b>2,617,796</b></u> |
| At 31 March 2023        | <u><b>1,829,803</b></u>    | <u><b>63,433</b></u>  | <u><b>819,841</b></u>                       | <u><b>2,713,077</b></u> |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

| 14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY             | 2024<br>Group<br>£ | 2023<br>Group<br>£ | 2024<br>Charity<br>£ | 2023<br>Charity<br>£ |
|-------------------------------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Investments listed or traded on a recognised stock exchange | 3,113,869          | 2,766,119          | 3,113,869            | 2,766,119            |
| Subsidiary undertakings                                     | -                  | -                  | 2                    | 2                    |
|                                                             | <u>3,113,869</u>   | <u>2,766,119</u>   | <u>3,113,871</u>     | <u>2,766,121</u>     |

|                                                                    | 2024<br>£        | 2023<br>£        |
|--------------------------------------------------------------------|------------------|------------------|
| <b>Investments listed or traded on a recognised stock exchange</b> |                  |                  |
| Market value at 1 April 2023                                       | 2,766,119        | 3,153,115        |
| Additions                                                          | 199,246          | 247,746          |
| Disposal proceeds                                                  | (159,557)        | (247,013)        |
| Unrealised/realised investment gains/(losses)                      | 282,761          | (263,576)        |
| Movement in cash                                                   | 25,300           | (124,153)        |
| <b>Closing value at 31 March 2024</b>                              | <u>3,113,869</u> | <u>2,766,119</u> |

|                    | 2024<br>Market<br>value<br>£ | % of<br>portfolio | 2023<br>Market<br>value<br>£ | % of<br>portfolio |
|--------------------|------------------------------|-------------------|------------------------------|-------------------|
| UK equities        | 701,410                      | 23%               | 707,070                      | 26%               |
| Overseas equities  | 1,401,198                    | 44%               | 944,243                      | 34%               |
| UK fixed income    | 422,485                      | 14%               | 243,340                      | 9%                |
| Alternative assets | 281,954                      | 9%                | 579,388                      | 21%               |
| UK property        | 216,079                      | 7%                | 226,634                      | 8%                |
| Cash               | 90,743                       | 3%                | 65,444                       | 2%                |
|                    | <u>3,113,869</u>             | <u>100%</u>       | <u>2,766,119</u>             | <u>100%</u>       |

The historical cost of the investments is £2,589,194 (2023: £2,308,137).

|                                   | 2024<br>Group<br>£ | 2023<br>Group<br>£ | 2024<br>Charity<br>£ | 2023<br>Charity<br>£ |
|-----------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Subsidiary undertakings</b>    |                    |                    |                      |                      |
| <b>Cost</b>                       |                    |                    |                      |                      |
| At 1 April 2023 and 31 March 2024 | -                  | -                  | 2                    | 2                    |
|                                   | <u>-</u>           | <u>-</u>           | <u>2</u>             | <u>2</u>             |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2024

#### 14. FIXED ASSET INVESTMENTS (continued)

The company owns the entire issued ordinary share capital of BRB Production Services Limited (Company number: 09170372), incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is theatrical production.

The company owns the entire issued ordinary share capital of BRB Trading Limited (Company number: 13641651), incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is raising for BRB through trading services including commercial sponsorship, retail sales and other trading activity which are associated with ballet, arts and culture would not be classed as primary purpose for the charity.

The results of the Company's trading activities through its subsidiary undertakings are detailed below:

| <b>BRB Production Services Limited</b> | <b>2024</b> | <b>2023</b> |
|----------------------------------------|-------------|-------------|
|                                        | <b>£</b>    | <b>£</b>    |
| Turnover                               | -           | 703,080     |
| Expenditure                            | -           | (871,140)   |
| Profit/(loss) before tax               | -           | (168,060)   |
| Profit/(loss) after tax                | -           | -           |
| Assets                                 | 168,061     | 599,015     |
| Liabilities                            | (168,060)   | (599,014)   |
| Equity                                 | 1           | 1           |
| <b>BRB Trading Limited</b>             | <b>2024</b> | <b>2023</b> |
|                                        | <b>£</b>    | <b>£</b>    |
| Turnover                               | -           | 33,333      |
| Expenditure                            | -           | (83)        |
| Profit/(loss) before tax               | -           | 33,250      |
| Profit/(loss) after tax                | -           | 25,723      |
| Assets                                 | 1           | 25,807      |
| Liabilities                            | -           | (83)        |
| Equity                                 | 1           | 25,724      |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

#### 15. STOCKS - GROUP AND CHARITY

|             | 2024<br>£      | 2023<br>£     |
|-------------|----------------|---------------|
| Shoes       | 106,757        | 79,202        |
| Merchandise | -              | -             |
|             | <u>106,757</u> | <u>79,202</u> |

#### 16. DEBTORS

|                                        | 2024<br>Group<br>£ | 2023<br>Group<br>£ | 2024<br>Charity<br>£ | 2023<br>Charity<br>£ |
|----------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade debtors                          | 375,435            | 711,387            | 375,435              | 280,434              |
| Other debtors                          | 1,919,154          | 3,178,257          | 1,751,094            | 3,010,196            |
| Amount owed by subsidiary undertakings | -                  | -                  | 168,060              | 168,060              |
| VAT                                    | 16,672             | -                  | 16,672               | -                    |
| Prepayments and accrued income         | 250,755            | 593,738            | 250,755              | 593,738              |
|                                        | <u>2,562,016</u>   | <u>4,483,382</u>   | <u>2,562,016</u>     | <u>4,052,428</u>     |

Other debtors include £63,375 (2023: £63,375) in respect of a rent deposit which is due in more than one year.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 17. CREDITORS: Amounts falling due within one year

|                                       | 2024<br>Group<br>£ | 2023<br>Group<br>£ | 2024<br>Charity<br>£ | 2023<br>Charity<br>£ |
|---------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade creditors                       | 286,850            | 1,158,277          | 286,850              | 727,323              |
| Other creditors                       | 512,452            | 407,564            | 512,452              | 407,481              |
| Amount due to subsidiary undertakings | -                  | -                  | -                    | -                    |
| Taxation and social security          | 182,450            | 295,482            | 182,450              | 295,482              |
| Accruals and deferred income          | 883,095            | 394,801            | 883,095              | 394,801              |
|                                       | <u>1,864,847</u>   | <u>2,256,124</u>   | <u>1,864,847</u>     | <u>1,825,087</u>     |

### Movements in deferred income:

|                                    | Group<br>2024<br>£ | Group<br>2023<br>£ | Charity<br>2024<br>£ | Charity<br>2023<br>£ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Balance at 1 April 2023            | 23,817             | 69,534             | 23,817               | 36,201               |
| Amounts released during the period | (23,817)           | (70,394)           | (23,817)             | (37,061)             |
| Deferred in the current period     | 156,989            | 24,677             | 156,989              | 24,677               |
| <b>Balance at 31 March 2024</b>    | <u>156,989</u>     | <u>23,817</u>      | <u>156,989</u>       | <u>23,817</u>        |

Deferred income at 1 April 2023 comprised grants, membership scheme income and donations and legacy income relating to activity in the periods to 31 March 2024.

Deferred income at 31 March 2024 comprised grants, membership scheme income, sponsorship and donations relating to activity in the periods to 31 March 2025.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 18. MOVEMENTS ON FUNDS

#### a) Restricted Funds (Group and Charity)

|                                 | At<br>1 April<br>2023<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|---------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation      | 476,569                    | -                            | (61,715)                          | -                              | 414,854                     |
| Skills Development Projects     | 18,000                     | -                            | -                                 | -                              | 18,000                      |
| Jerwood Centre Equipment        | 17,323                     | -                            | -                                 | -                              | 17,323                      |
| Carol Barrie Legacy             | 188,373                    | -                            | (25,635)                          | -                              | 162,738                     |
| Bloomberg Philanthropies        | 100,000                    | 25,000                       | (90,058)                          | -                              | 34,942                      |
| David Laing Foundation          | 89,000                     | -                            | (89,000)                          | -                              | -                           |
| Kirby Laing Foundation          | -                          | 50,000                       | (50,000)                          | -                              | -                           |
| Linbury Trust                   | 75,000                     | 30,000                       | (105,000)                         | -                              | -                           |
| Calouste Gulbenkian Foundation  | 30,000                     | 30,000                       | (49,126)                          | -                              | 10,874                      |
| Oak Foundation 23-24            |                            | 240,000                      | -                                 | -                              | 240,000                     |
| Oak Foundation 24-25            |                            | 400,000                      | -                                 | -                              | 400,000                     |
| Oak Foundation – Black Sabbath  |                            | 220,000                      | (220,000)                         | -                              | -                           |
| Big Give - Sleeping Beauty      |                            | 57,469                       | (57,469)                          | -                              | -                           |
| Pointe Shoe Appeal              |                            | 47,130                       | (47,130)                          | -                              | -                           |
| Investec Wealth                 |                            | 150,000                      | (150,000)                         | -                              | -                           |
| BRB2                            |                            | 3,200                        | (3,200)                           | -                              | -                           |
| Prism Howard Fund               |                            | 60,000                       | (60,000)                          | -                              | -                           |
| Restricted funds < £10,000 each |                            | 110,715                      | (110,715)                         | -                              | -                           |
|                                 | <u>994,265</u>             | <u>1,423,514</u>             | <u>(1,119,048)</u>                | <u>-</u>                       | <u>1,298,731</u>            |

### 18. MOVEMENTS ON FUNDS (continued)

#### a) Restricted Funds (Group and Charity)

|                                 | At<br>1 April<br>2022<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|---------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation      | 538,284                    | -                            | (61,715)                          | -                              | 476,569                     |
| Skills Development Projects     | 18,000                     | -                            | -                                 | -                              | 18,000                      |
| Nutcracker (Big Give 2021)      | 112,700                    | -                            | (112,700)                         | -                              | -                           |
| Nutcracker (Big Give 2018 - 20) | 226,380                    | -                            | (226,380)                         | -                              | -                           |
| Jerwood Centre Equipment        | 17,323                     | -                            | -                                 | -                              | 17,323                      |
| Carol Barrie Legacy             | -                          | 213,054                      | (24,681)                          | -                              | 188,373                     |
| Bloomberg Philanthropies        | -                          | 125,000                      | (25,000)                          | -                              | 100,000                     |
| David Laing Foundation          | -                          | 91,000                       | (2,000)                           | -                              | 89,000                      |
| Linbury Trust                   | -                          | 75,000                       | -                                 | -                              | 75,000                      |
| Calouste Gulbenkian Foundation  | -                          | 50,000                       | (20,000)                          | -                              | 30,000                      |
| Peggy Dannenbaum                | -                          | 10,000                       | (10,000)                          | -                              | -                           |
|                                 | <u>912,687</u>             | <u>564,054</u>               | <u>(482,476)</u>                  | <u>-</u>                       | <u>994,265</u>              |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

There were a number of production and performance, engagement and education projects funded by restricted grants and donations:

**Garfield Weston Foundation** – Restricted funds are for the purchase and implementation of a new CRM system.

**Skills Development Projects** – Funds received for continuing skills development within the company.

**Jerwood Centre Equipment** – Restricted funds are for the purchase of equipment and an ultrasound machine.

**Carol Barrie Legacy** – Funds received to support BRB Apprentice Dancer

**Bloomberg Philanthropies** – Restricted funds were received for the Digital Transformation project which supports BRB's evolving and growing digital content development programme.

**David Laing Trust** – Restricted funds were received to assist in establishing a new Junior Company, BRB2.

**Kirby Laing Trust** - Restricted funds to assist in establishing a new Junior Company, BRB2

Linbury Trust – Restricted Funds to assist in establishing a new Junior Company, BRB2

**Calouste Gulbenkian Foundation** – Funds given to research and develop the 'College of Creativity'

**Oak Foundation** – The funds have been received for various purposes

- 240,000 – These funds were received to assist with the BRB2 productions and performances during 2024-25

- 400,000 - These funds were received to assist with the Luna productions and performances during 2024-25

**Big Give – Sleeping Beauty** - The Big Give campaign raised funds for the refurbishment of our Sleeping Beauty costumes.

**Pointe Shoe Appeal** - The Pointe Shoe appeal represents a fundraising scheme which helps keep ballerinas on their toes.

**Investec Wealth** – These funds were specified to assist with the development and performances of BRB2.

**Prism Howard Fund** – Funds were received to assist with the New York BRB tour

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

b) Designated funds (Group and Charity) comprise amounts set aside by the Directors in respect of:

|                            | At<br>1 April<br>2023<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|----------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Community Engagement Fund  | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund       | 650,000                    | -                            | (150,000)                         | -                              | 500,000                     |
| Thorp Street Refurbishment | 1,741,268                  | -                            | (108,830)                         | -                              | 1,632,438                   |
|                            | <u>2,568,544</u>           | <u>-</u>                     | <u>(258,830)</u>                  | <u>-</u>                       | <u>2,309,714</u>            |

|                            | At<br>1 April<br>2022<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|----------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Community Engagement Fund  | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund       | 650,000                    | -                            | -                                 | -                              | 650,000                     |
| Thorp Street Refurbishment | 1,850,098                  | -                            | (108,830)                         | -                              | 1,741,268                   |
|                            | <u>2,677,374</u>           | <u>-</u>                     | <u>(108,830)</u>                  | <u>-</u>                       | <u>2,568,544</u>            |

Community Engagement Fund – This designated fund represents amounts received following the decision to wind up Birmingham Royal Ballet Trust.

New Productions Fund – This designated fund represents income designated to support major new productions that will extend the repertory available for Birmingham Royal Ballet performances.

Thorp Street Refurbishment – This designated fund represents amounts spent on capital assets.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 18. MOVEMENTS ON FUNDS (continued)

#### c) Unrestricted, undesignated funds (Group):

|               | At<br>1 April<br>2023<br>£ | Net<br>outflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|---------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,738,699                  | (498,510)                             | -                              | 1,240,189                   |
|               | <u>1,738,699</u>           | <u>(498,510)</u>                      | <u>-</u>                       | <u>1,240,189</u>            |

|               | At<br>1 April<br>2022<br>£ | Net<br>outflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|---------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,769,230                  | (211,075)                             | 180,544                        | 1,738,699                   |
|               | <u>1,769,230</u>           | <u>(211,075)</u>                      | <u>180,544</u>                 | <u>1,738,699</u>            |

#### c) Unrestricted, undesignated funds (Charity):

|               | At<br>1 April<br>2023<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2024<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,712,976                  | (472,787)                            | -                              | 1,240,189                   |
|               | <u>1,712,976</u>           | <u>(472,787)</u>                     | <u>-</u>                       | <u>1,240,189</u>            |

|               | At<br>1 April<br>2022<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,769,230                  | (236,798)                            | 180,544                        | 1,712,976                   |
|               | <u>1,769,230</u>           | <u>(236,798)</u>                     | <u>180,544</u>                 | <u>1,712,976</u>            |

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2024**

### **18. MOVEMENTS ON FUNDS (continued)**

#### **d) Endowment funds (Group):**

|                                        | <b>At<br/>1 April<br/>2023<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2024<br/>£</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 2,766,119                            | 347,750                                | -                                       | 3,113,869                             |
|                                        | <u>2,766,119</u>                     | <u>347,750</u>                         | <u>-</u>                                | <u>3,113,869</u>                      |

|                                        | <b>At<br/>1 April<br/>2022<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2023<br/>£</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 3,153,115                            | (206,452)                              | (180,544)                               | 2,766,119                             |
|                                        | <u>3,153,115</u>                     | <u>(206,452)</u>                       | <u>(180,544)</u>                        | <u>2,766,119</u>                      |

The Catalyst/Cadbury Family Endowment Fund represents donations received specifically for the purpose of funding dance fellowships to support young dancers with teaching, training and mentoring. The endowment period is 25 years until 1 November 2037 after which the fund is expendable.

Included within charity endowment funds are investments in subsidiaries totalling £2 (2023: £2)

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 18. MOVEMENTS ON FUNDS (continued)

e) Allocations of net assets between funds (Group):

|                          | 2024<br>Unrestricted<br>funds<br>£ | 2024<br>Restricted<br>funds<br>£ | 2024<br>Endowment<br>funds<br>£ | 2024<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,113,869                       | 3,113,869                   |
| Cash at Bank and in Hand | 560,358                            | 866,554                          | -                               | 1,426,912                   |
| Debtors                  | 2,562,016                          | -                                | -                               | 2,562,016                   |
| Stocks                   | 106,757                            | -                                | -                               | 106,757                     |
| Fixed Assets             | 2,185,619                          | 432,177                          | -                               | 2,617,796                   |
| Creditors                | (1,864,847)                        | -                                | -                               | (1,864,847)                 |
|                          | <u>3,549,903</u>                   | <u>1,298,731</u>                 | <u>3,113,869</u>                | <u>7,962,503</u>            |

### 2023 Comparatives

|                          | 2023<br>Unrestricted<br>funds<br>£ | 2023<br>Restricted<br>funds<br>£ | 2023<br>Endowment<br>funds<br>£ | 2023<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 2,766,119                       | 2,766,119                   |
| Cash at Bank and in Hand | 69,971                             | 212,000                          | -                               | 281,971                     |
| Debtors                  | 4,195,009                          | 288,373                          | -                               | 4,483,382                   |
| Stocks                   | 79,202                             | -                                | -                               | 79,202                      |
| Fixed Assets             | 2,219,185                          | 493,892                          | -                               | 2,713,077                   |
| Creditors                | (2,256,124)                        | -                                | -                               | (2,256,124)                 |
|                          | <u>4,307,243</u>                   | <u>994,265</u>                   | <u>2,766,119</u>                | <u>8,067,627</u>            |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 18. MOVEMENTS ON FUNDS (continued)

e) Allocations of net assets between funds (Charity):

|                          | 2024<br>Unrestricted<br>funds<br>£ | 2024<br>Restricted<br>funds<br>£ | 2024<br>Endowment<br>funds<br>£ | 2024<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,113,871                       | 3,113,871                   |
| Cash at Bank and in Hand | 560,358                            | 866,554                          | -                               | 1,426,912                   |
| Debtors                  | 2,562,016                          | -                                | -                               | 2,562,016                   |
| Stocks                   | 106,757                            | -                                | -                               | 106,757                     |
| Fixed Assets             | 2,185,619                          | 432,177                          | -                               | 2,617,796                   |
| Creditors                | (1,864,847)                        | -                                | -                               | (1,864,847)                 |
|                          | <u>3,549,903</u>                   | <u>1,298,731</u>                 | <u>3,113,871</u>                | <u>7,962,505</u>            |

### 2023 Comparatives

|                          | 2023<br>Unrestricted<br>funds<br>£ | 2023<br>Restricted<br>funds<br>£ | 2023<br>Endowment<br>funds<br>£ | 2023<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 2,766,121                       | 2,766,121                   |
| Cash at Bank and in Hand | 44,165                             | 212,000                          | -                               | 256,165                     |
| Debtors                  | 3,764,055                          | 288,373                          | -                               | 4,052,428                   |
| Stocks                   | 79,202                             | -                                | -                               | 79,202                      |
| Fixed Assets             | 2,219,185                          | 493,892                          | -                               | 2,713,077                   |
| Creditors                | (1,825,087)                        | -                                | -                               | (1,825,087)                 |
|                          | <u>4,281,520</u>                   | <u>994,265</u>                   | <u>2,766,121</u>                | <u>8,041,906</u>            |

### 19. EMPLOYEE RETIREMENT BENEFITS

The company contributes to two group personal pension schemes. The cost to the company for the period ended 31 March 2024 is equal to the amount of employer contributions paid in the period to each scheme, and is detailed below:

|                                        | 2024<br>£      | 2023<br>£      |
|----------------------------------------|----------------|----------------|
| Birmingham Royal Ballet Pension Scheme | 292,837        | 301,626        |
| Musicians' Union Pension Scheme        | 8,550          | 6,144          |
|                                        | <u>301,387</u> | <u>307,770</u> |

The company also contributes a fixed percentage of dancers' basic salaries to the Dancers' Career Development Fund. In 2023-24 the company contributed a total of £51,521 (2022-23: £49,644).

As of 31 March 2024, there were £61,523 outstanding contributions due in respect of the current reporting period (2023: £56,154).

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2024

### 20. FINANCIAL COMMITMENTS – GROUP AND CHARITY

#### Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

|                                       | 2024                       |               | 2023                       |              |
|---------------------------------------|----------------------------|---------------|----------------------------|--------------|
|                                       | Land and<br>buildings<br>£ | Other<br>£    | Land and<br>buildings<br>£ | Other<br>£   |
| <b>Charity</b>                        |                            |               |                            |              |
| - expiring within one year            | 218,000                    | 10,751        | 218,000                    | 7,087        |
| - expiring between one and five years | 872,000                    | 29,437        | 872,000                    | 855          |
| - expiring after five years           | 513,250                    | -             | 731,250                    | -            |
|                                       | <u>1,603,250</u>           | <u>40,188</u> | <u>1,821,250</u>           | <u>7,942</u> |

### 21. RELATED PARTY TRANSACTIONS

No Director received payment for professional or other services supplied to the charity during the year (2023: £nil).

Total donations received from the directors without conditions during the year was £12,198 (2023: £16,615).

All transactions between charity and the subsidiary, BRB Production Services Limited and BRB Trading Limited, are eliminated on consolidation.

### 22. CASHFLOW STATEMENT

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

|                                                           | 2024<br>£               | 2023<br>£               |
|-----------------------------------------------------------|-------------------------|-------------------------|
| Net (expenditure) for the year                            | (105,124)               | (444,779)               |
| Adjustments for:                                          |                         |                         |
| Depreciation charges                                      | 330,613                 | 304,091                 |
| (Gains)/losses on investments                             | (282,760)               | 263,576                 |
| Dividends, interest and rents from investments            | (84,233)                | (76,802)                |
| (Loss) on the sale of fixed assets                        | -                       | (1,529)                 |
| Operating cash flow before movement in working capital    | <u>(141,504)</u>        | <u>44,557</u>           |
| (Increase)/Decrease in stocks                             | (27,554)                | 16,272                  |
| Decrease/(increase) in debtors                            | 1,921,366               | (1,716,662)             |
| (Decrease)/increase in creditors                          | <u>(391,277)</u>        | <u>726,073</u>          |
| <b>Net cash provided / (used) by operating activities</b> | <u><u>1,361,031</u></u> | <u><u>(929,760)</u></u> |

All cash and cash equivalents in the current and prior year relate to cash in hand. There are no loans, overdrafts or finance leases.

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# Accounts

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**Company Registered Number 03320538**

**Charity Registered Number 1061012**

**Birmingham Royal Ballet**  
**(A Company Limited by Guarantee)**

**Report and Consolidated Financial Statements**

**For the year ended 31 March 2023**

# **BIRMINGHAM ROYAL BALLET**

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# **BIRMINGHAM ROYAL BALLET**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

Sir David Normington (Chair)  
Mr Ian Squires  
Mr Michael Elliott  
Ms Deborah Spence  
Ms Hemma Patel  
Mr Anthony Coombs  
Councillor Carl Rice (resigned 06 July 2022)  
Mr Barry Allen  
Ms Jeanetta Laurence OBE  
Ms Jane Hackett (resigned 1 August 2023)  
Ms Sandra Crossley  
Mrs Marverine Duffy  
Ms Shireenah Ingram  
Mrs Christine Ondimu  
Councillor Des Hughes (appointed 06 December 2022)

### **SECRETARY**

Ms Anna Williams FCA, DChA (resigned 1 September 2023)  
Mr Christopher Rodriguez FCCA (appointed 1 September 2023)

### **REGISTERED IN ENGLAND & WALES**

Company Number: 3320538

Registered Charity Number: 1061012

### **REGISTERED OFFICE**

Thorp Street  
Birmingham  
B5 4AU

### **BANKERS**

HSBC Bank plc  
130 New Street  
Birmingham  
B2 4JU

### **SOLICITORS**

Veale Wasborough Vizards LLP  
Second Floor, 3 Brindley Place  
Birmingham  
B1 2JB

Level Law  
20-22 Sheldon Street  
London  
WC2H 9JJ

## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **INVESTMENT MANAGERS**

Evelyn Partners (formerly Smith and Williamson)  
9 Colmore Row  
Birmingham  
B3 2BJ

#### **AUDITOR**

Azets  
1<sup>st</sup> Floor  
Capital House  
8 Pittman Court  
Pittman Way  
Fulwood  
Preston  
PR2 9ZG

## BIRMINGHAM ROYAL BALLET

### Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet

After two extraordinary years of disruption due to the Covid pandemic, 2022/23 was the year in which we finally got back on track. We never want to go back to the stress and anxiety of that period but we learned a lot about resilience and flexibility. We made huge leaps forward in our use of digital media and our online presence. We understood how much we meant to our audiences and how much our audiences and loyal supporters meant to us. We felt as though we had come out stronger and we were ready to soar – and that is what we began to do in 2022/23.

In a wonderful year of achievement, I want to pick just five of my personal highlights, which, I believe, demonstrate the breadth of our ambition.

The first highlight was our artistic programme. In two great triple bills, *On Your Marks* and *Into the Music*, our Director, Carlos Acosta, was at last able to realise in full his ambition to bring us new ballets, new choreographers and ballets rarely seen in the UK.

*On Your Marks* was part of the Commonwealth Games arts festival and it was like firing the starting gun for the Games. There was an exuberant version of *24* danced with our friends at Acosta Danza, but the evening will be remembered for Juliano Nunes's *Interlinked*, a beautiful new ballet which touched the heart and will surely remain long in our repertoire. Our dancers went on to dance in the opening ceremony of the Games, the start of ten days of celebration in Birmingham and a great showcase for our home city.

*Into the Music*, performed to critical acclaim in the autumn, included Jiri Kylian's elegiac *Forgotten Land*, Uwe Scholz's *Seventh Symphony* and a new ballet, *Hotel* by Morgann Runacre - Temple and Jessica Wright. This was a terrific triple bill with something for everyone: glorious music played wonderfully by the Royal Ballet Sinfonia; great classical technique; a rare chance to see a work by one of the masters of modern ballet; innovation in the fusion of film and dance; and quirky humour - who will ever forget Tzu- Chao Chou and Beatrice Parma as the sinister hoteliers in *Hotel*?

Secondly, we honoured Sir Peter Wright, our former Director and the inspiration behind so many of our great classics, with the title of Founding Director Laureate of Birmingham Royal Ballet. We then performed three of his greatest productions: *Coppelia*, *The Nutcracker* and *Swan Lake*. In each we were reminded of Sir Peter's supreme ability to create narrative ballets of drama, beauty and visual impact. We have performed *Swan Lake* many times but, as we toured the country with it in the winter of 2023, audiences seemed to discover it anew. From Plymouth to Edinburgh, they stood and cheered both dancers and musicians.

The third highlight of the year was our £1 million refurbishment of our iconic production of *The Nutcracker*. This was Sir Peter Wright's gift to Birmingham when the company moved to the city in 1991 and after 30 years it needed a makeover with new sets, lighting and costumes, but without changing the fundamentals of the original production. On a memorable opening night in November we were joined by John Macfarlane who designed the original production and oversaw the refurbishment; plus Peter Wright and lighting genius, David Finn. Our *Nutcracker* glowed and sparkled afresh. The audiences were delighted. It had surely never looked better.

Fourth, we launched our junior company, BRB2. This fulfils Carlos Acosta's ambition – on the model of some international ballet companies – to provide opportunities to young dancers straight out of ballet school. We welcomed the first five dancers in autumn 2022; seven more will join in 2023 bringing the full complement to 12. It is a brilliant idea and provides a unique opportunity for talented young dancers both to gain experience with the main company and to dance front of stage each Spring in their own show. The first cohort is exceptionally talented and have caught the eye already. They opened to a standing ovation and critical acclaim in their own show, *Carlos Acosta's Classical Selection*, in Northampton on 25 April 2023.

Nurturing talent in children and young people is, of course, not new to BRB; it's in our DNA. So my fifth and final highlight from the year is the great celebration in April 2022 of 25 years of Dance Track at the Birmingham Rep with many of the former children and their families who had participated in the programme since it started. 3,200 children aged 6 to 11 have been through the programme over those years. Many have had their lives transformed and their confidence and well-being built. Some of the best have gone on to train at top ballet schools like Elmhurst and The Royal Ballet School. It was fitting that Birmingham's own Oscar Kempsey-Fagg, who was introduced to ballet by Dance Track, performed at the 25<sup>th</sup> anniversary celebrations and then was offered a place in BRB2 on stage by Carlos. It was a wonderful moment. Special thanks go to members of our LEAP team who are the inspiration behind the programme and whose enthusiasm for instilling young children with a love of ballet is undiminished 25 years on. Here's to the next 25.

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

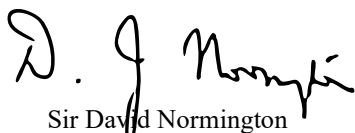
In any year there are leavers, who go with our affection and best wishes, but are too numerous to mention individually in a foreword of this kind. There is, however, one leaver who deserves a special mention and that is Marion Tait, who stepped down from the company after over 50 years as a dancer, a repetiteur and Assistant Director. Marion has for so many years been the heart and soul of the company, a wonderful dancer and a mentor and inspiration to generations of dancers. We hope to see her back from time to time to help us with the classics. But I want to put on record here our grateful thanks for all she has done for us and to send her our love.

I could write all day about our wonderful company and the amazing dance and music we have performed this year to around 140,000 people. But, as Chair, my responsibility is above all to ensure that we have the sustainable financial underpinning for our ambitious plans and programmes. Because of the investment in the Nutcracker we report later a deficit. This was, however, planned and we drew on our carefully husbanded reserves and the generosity of many donors for an investment, which we hope to recoup over many Christmases.

With costs rising the financial outlook remains very challenging. We rely heavily on the Arts Council's generous support without which we would not be able to perform ballet of the highest quality and scale around the UK. Following a major application process, brilliantly managed by our CEO, Caroline Miller returning from sick leave, we received the good news of renewed Arts Council funding for the three years up to 2026. In truth the news was bitter sweet. On the one hand we are extremely grateful to be in receipt of substantial public funding, particularly when some of our friends in London were facing major cuts. On the other hand, the settlement means that by 2026 we will have had standstill public funding for the best part of ten years, putting a significant squeeze on our income.

We are determined to do everything we can, despite the financial pressures, to fulfil our commitment to tour world-class classical ballet to the widest possible audiences. Unlike some others we have no plans to cut back on our touring but we are looking for every possible way to cut costs. We have lots of great ambitions for the future and we will do our best to fulfil them if we can. We are immensely grateful to everyone who supports us – our major donors, our friends, our corporate supporters and many trusts and foundations. We could not look to the future with confidence without you.

Finally, to Carlos and Caroline, to the BRB Board and to all my good friends and colleagues in BRB – the dancers, the musicians, the technical and administrative staff – thank you for another amazing year. It is a joy to be chair of Birmingham Royal Ballet. You are a constant inspiration.



Sir David Normington

Chair of the Board

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT)**

The directors present their annual report (including the strategic report) and the audited financial statements for the year ended 31 March 2023.

### **STATUS, OBJECTS AND POLICIES**

Birmingham Royal Ballet (BRB), a registered charity, is incorporated as a company limited by guarantee, not having a share capital.

BRB Production Services Limited is a wholly owned subsidiary of Birmingham Royal Ballet. The principal activity of the company is theatrical production for some co-productions and co-presentations such as The Nutcracker at the Royal Albert Hall. Due to covid the company did not trade during the years to 31 March 2021 and 31 March 2022.

BRB Trading Limited is a wholly owned subsidiary of Birmingham Royal Ballet. The principal activity of the company is raising funds for Birmingham Royal ballet through trading services including commercial sponsorship, retail sales and other trading activity which are associated with ballet, arts and culture but would not be classed as primary purpose for the charity.

The objects of Birmingham Royal Ballet in accordance with the Articles of Association are to advance the education of the public in the arts and sciences of ballet, dance, music and drama.

Birmingham Royal Ballet's mission is to reach out and move people with great ballet and music. We will tour world-class classical ballet to the widest possible audience in the UK and internationally; create new works that reflect the world we live in; and release the creative potential in people of all ages and backgrounds.

In fulfilling our mission we will:

- Be bold and inspiring in our artistic vision; performing the great classical ballets alongside new works telling stories reflecting today's society
- Bring exceptional artists and creatives together, creating work of scale and ambition which both entertains and helps us reflect on our own lives and those around us
- Provide opportunities for young people to realise their creative potential and pursue careers in the performing arts
- Build a "digital stage" to connect with new and global on-line audiences
- Pursue diversity, equity and inclusiveness in every thought and action
- Invest in the creativity and wellbeing of our talented and passionate team
- Be ambassadors for our home city of Birmingham

### **DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS**

The Directors of the charitable company who are also trustees for the purpose of charity law, are referred to in this report as "Directors" or "the Board of Directors".

The names of the Directors, Officers and Professional Advisers who served throughout the year and at the date of signing are provided on page 3 - 4.

All of the SORP 2019 requirements of the Trustees Report have been included within this Directors' Report.

### **Organisation**

The Board of Directors' membership includes those with appropriate professional experience of dance, education, arts and culture, fundraising, marketing and communications, general management and financial management.

### **Directors' Interests in Related Bodies**

| <b>Body</b>                   | <b>Director</b>                                                                                    |
|-------------------------------|----------------------------------------------------------------------------------------------------|
| Governors of the Royal Ballet | Sir David Normington<br>Jeanetta Laurence OBE                                                      |
| Birmingham City Councillors   | Councillor Carl Rice (resigned 06 July 2022)<br>Councillor Des Hughes (appointed 06 December 2022) |

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### GOVERNANCE STRUCTURE

Birmingham Royal Ballet, as a company limited by guarantee, is governed by a board of non-executive directors (charitable trustees). In accordance with the Articles of Association the Directors are also the members of the company.

The Board of Directors are responsible for decisions covering the significant areas of Birmingham Royal Ballet's affairs including:

- strategic decision making including setting strategy and plans to respond to Arts Council England's National Portfolio Organisation funding programme.
- appointment of the key management personnel the Chief Executive and 'The Director'. The day-to-day management of the affairs of Birmingham Royal Ballet is delegated to the Chief Executive, Caroline Miller, who is responsible for overall organisational management. The Director, Carlos Acosta, is responsible for artistic vision and strategy and for managing artistic activities.
- approval of budgets, approval of major capital expenditure projects, and development of key policies including general treasury and risk management policies.

The Governors of the Royal Ballet have the right to nominate one of their members to be a member of the Board of Directors; Birmingham City Council nominate one representative (usually a Councillor) to be a member of the Board of Directors. All such nominations are approved and appointed by the Board of Directors. The Board of Directors is responsible for the appointment of a Chair.

In order to carry out their duties as effectively as possible the Board of Directors is assisted by a number of sub committees including:

- **The Finance and General Purposes Committee** - responsible for detailed review of financial reports, planning documents, budgets and policies prior to recommendation for approval. The Finance and General Purposes Committee fulfilled the role of the Audit Committee until November 2022
- **The Audit and Risk Committee** – responsible for the oversight of the external audit and auditors including agreeing scope and fees and receiving auditors report and annual report and accounts. Advising the Board any actions required to ensure that the organisations risk profile and risk management procedures remain effective. Advising the Board on any actions to maintain the effective governance of the organisation in line with statutory, funders and Charity Commission requirements.
- **The Nominations and Governance Committee** – is responsible for the review of general governance including BRB's response to the recommendations of the Charity Governance code as well as recommendation of candidates for appointment as Directors bearing in mind the particular needs of the Board at the time as well as the future needs of the Board (succession planning). The Nominations Committee is also responsible for ensuring the appropriate induction and training of new directors. It is the responsibility of the Board of Directors as a whole to approve candidates for appointment.
- **The Appointments and Remuneration Committee** - responsible and overseeing the appointment of The Chair of the Board, senior officers and for reviewing their remuneration and making appropriate recommendations for the Board of Directors as a whole to approve.
- **The Investment Committee** - responsible for overseeing implementation of the investment policy and monitoring performance of invested funds.

Other working groups may be convened and carry out specific tasks as directed by the Board.

To enable the Directors to perform their duties all directors have full access to relevant information and to services of the Company Secretary and the Officers of the Company. If necessary, the Directors may take independent professional advice at the Company's expense.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

All new Directors receive a comprehensive information pack, a tour of the company and opportunities to meet with The Director, Chief Executive, Chief Operating Officer and other senior members of staff. All Directors have regular access to performances, other events and activities so that they are familiar with the work of the company. An extended Board session is held annually to discuss subjects such as artistic policy, business strategy and governance. An extended Board meeting was held on 23 February 2022 to discuss Arts Council England's 'Let's Create' strategy and BRB's forthcoming application for funding 2023 – 2026.

The primary governance and organisational objectives for the period were to:

- Reviewing the governance framework for BRB including establishment of an Audit and Risk Committee in November 2022
- Continuing negotiations to modernise artist contracts including media agreement buy out for filming / broadcast rights
- Improving environmental performance through adapting productions to reduce transport requirements

In November 2022 we started to formalise the split between the work of F&GP Committee and a fledgling Audit and Risk Committee (which was formally constituted in May 2023). The focus of the November 2022 meeting was on the progress of 2022 audit and review of BRB's risk register.

We prioritised pay during 2022-23 settling a 4% pay award from 1 October 2022 followed by a 5% uplift from 1 April 2023 in recognition of the rising cost of living for all staff. We have agreed media payments for the broadcast of Don Quixote in cinema and on BBC i-player and for City of 1000 Trades on Marquee TV

We were delighted to establish a new BRB Equality, Diversity and Inclusion Staff Group in early 2023. This has been driven by BRB Digital Apprentice Henry McNabb supported at a senior level by Claire Owen (HR Director) and Board member Christine Ondimu an expert on diversity and inclusion in the workplace through her role at HSBC. Further to organising BRB's participation in Birmingham Pride in September 2022 Henry has been our champion for diversity

*'Being part of the Pride project introduced me to the many conversations taking place right across the organisation, all considering BRB's approach to the challenges of equality, diversity and inclusivity both within the Company and across our sector. In all of these discussions, the one thing everyone recognised was that to actually make a difference, we need to listen to all of the amazingly diverse voices already working here at BRB.'*

The group will have an internal focus, initially looking at

- What current data say about how diverse we are
- Action plans for addressing gaps and changes in recruitment strategy
- Updating BRB's EDI policy
- The transparency of BRB EDI journey including stats on website and plans, progress on plans
- Training & educations for staff on EDI, dignity at work, etc

BRB monitors its environmental performance through Julie's Bicycle creative green tools. BRB has reduced its carbon footprint by reducing the office space it occupies and through adapting performances to reduce their scale for transport. In 2022-23 this included Coppelia and Swan Lake. The newly refurbished Nutcracker sets are made of lighter more durable materials which means they will outlast the 30 year life of the original sets and are easier to transport.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **PUBLIC BENEFIT**

In shaping objectives and planning activities for the year, the Directors have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee-charging.

Birmingham Royal Ballet is one of the UK's most creative and exciting ballet companies and aims to inspire audiences with work that is entertaining, relevant, exciting and technically excellent. It is committed to inclusion and access as ballet, dance and music are art forms for everyone to experience, participate in and enjoy.

Creating new ballet is an essential part of ensuring that the art form remains vibrant and relevant. Birmingham Royal Ballet creates new one act and full-length narrative ballets and regularly commissions new music for these works, adding richness to the national cultural ecology. Birmingham Royal Ballet plays an important role in preserving the classical and heritage repertoire, in particular those works associated with the English tradition of classical ballet, ensuring their continued existence for future generations to enjoy.

With the support of its major funder, Arts Council England, Birmingham Royal Ballet presents world-class performances of the widest possible range of repertory throughout the United Kingdom in both large scale and middle scale venues. The company also tours internationally on a regular basis.

Birmingham Royal Ballet is committed to the principle that cost should not prohibit access to performances. Tickets for performances in the UK are priced across affordable ranges (between £10 and £85) which reflect the regional economies where the company performs. A wide range of concessions and special offers are available on tickets including discounts for school groups. Access to live performances is supported through a programme of children's performances, touch tours, audio description and relaxed performances.

Birmingham Royal Ballet offers free talks, open classes and activity days to support performances and membership schemes such as Birmingham Royal Ballet Friends and The Dancers' Circle give opportunities to attend talks, rehearsals and other special events that help to give a greater insight into and understanding of the work of the company.

Birmingham Royal Ballet extends its reach and accessibility through learning, engagement and participation (LEAP) work. Programmes include free ballet training for talented individuals, repertory based programmes for schools and community groups, disability led work and continuing professional development for professional dancers and teachers. Many projects include free access to a Birmingham Royal Ballet performance. Birmingham Royal Ballet continues to expand and develop how it takes work into the community; presenting it in new and unusual settings and co-creating works and performances with community groups.

Access to performance, engagement and participation activity is amplified through Birmingham Royal Ballet's growing digital offer which includes both free and paid for content which can range from a brilliant still images to made for digital films like *Empty Stage*. Whatever the format, BRB's digital content shares the same production values and striving for excellence that drives all of BRB's artistic work. Digital production is no longer limited to 'show marketing' but is part of the artistic and cultural aims of the Company and based on fundamental principles to 'Entertain, Educate and Inspire'

Above all, Birmingham Royal Ballet believes in the importance of taking the arts to everyone and will work hard, through ballet, dance and music, to break down barriers perceived or real that prevent people from the pleasure of experiencing or engaging with the arts in its many and varied forms.

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### STRATEGIC REVIEW

#### CHARITABLE ACTIVITIES

##### Performance and Production

The Birmingham Royal Ballet group of companies (Birmingham Royal Ballet and its subsidiaries BRB Production Services Limited and BRB Trading Limited) produce and perform ballet dance and music of the highest quality ensuring access to world class performances to audiences throughout the United Kingdom as well as internationally.

BRB's artistic and performance related objectives for the 2022-23 period were to:

- Prepare detailed programme plans to 30 June 2024 and outline plans through to 2025-26
- Raise the quality and profile of BRB by working with different choreographers that artistically stretch our dancers and offer audiences programmes ranging from classical, heritage and contemporary repertoire
- Work with leading creative artists to create new work including commissioning new music or orchestral arrangements for ballet
- Develop our 'Music and Dance' programme as an accessible and varied showcase for our artform. This includes programmes aimed at schools and families.
- Perform as part of the Commonwealth Games' Opening Ceremony in July 2022 which was televised to a world-wide audience
- Progress the integration of digital culture through a cost-effective production to deliver both show-promotional content and innovative creative content to 'Entertain, Educate and Inspire'

2022-2023 financial year was the second year of major investment in new and new to BRB programmes; critical for the successful embedding of Carlos Acosta's vision for Birmingham Royal Ballet, and for the company to transition its plans to deliver Arts Council England's new strategic plan, *Let's Create*.

Returning to a full programme of live performance, distribution through touring and face to face participation and engagement activity was the driving force behind plans for 2022-23 with the theme of connecting and re-connecting was central to the 2022-23 period.

In 2022-23 the company gave 100 performances; 54 in Birmingham and 46 on tour across the UK (2021-22: 100 performances; 61 in Birmingham and 39 on tour). Live audiences were approximately 139,000 (2021-22: 82,000) plus estimated digital audiences of 90,000 (2021-22: 2,000) for broadcast or video on demand performances.

The complete repertory performed during the year was:

| BALLET                                  | CHOREOGRAPHY                                                    | MUSIC                    |
|-----------------------------------------|-----------------------------------------------------------------|--------------------------|
| Interlinked                             | Juliano Nunes                                                   | Luke Howard              |
| Lazuli Sky                              | William Tuckett                                                 | John Adams               |
| '24'                                    | Jorge Crecis                                                    | Vincenzo Lamagna         |
| Coppelia                                | Marius Petipa                                                   | Leo Delibes              |
| Forgotten Land                          | Jiri Kylian                                                     | Benjamin Britten         |
| Hotel                                   | Morgann Runacre-Temple                                          | Mikael Karlsson          |
| Seventh Symphony                        | Uwe Scholz                                                      | Ludvig van Beethoven     |
| The Nutcracker                          | Lev Ivanov, Sir Peter Wright, Vincent Redmon                    | Pyotr Ilyich Tchaikovsky |
| The Nutcracker at The Royal Albert Hall | Lev Ivanov, Sir Peter Wright, Vincent Redmon, Sir David Bintley | Pyotr Ilyich Tchaikovsky |
| Swan Lake                               | Lev Ivanov, Marius Petipa, Sir Peter Wright                     | Pyotr Ilyich Tchaikovsky |

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

Full repertory by venue was as follows:

| VENUE (S)                                                                                                                                           | DATE                     | PROGRAMME                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------------|
| Royal Concert Hall, Nottingham<br>Birmingham Rep                                                                                                    | May 2022                 | An Evening of Music and Dance<br>Family Dance and Music |
| Birmingham Hippodrome                                                                                                                               | June 2022                | On Your Marks                                           |
| Sadlers Wells Theatre, London                                                                                                                       | July 2022                | Don Quixote                                             |
| Theatre Royal, Plymouth<br>Birmingham Hippodrome                                                                                                    | October 2022             | Coppelia                                                |
| Birmingham Hippodrome<br>Sadlers Wells Theatre, London                                                                                              | October 2022             | Into the Music                                          |
| Birmingham Hippodrome<br>Royal Albert Hall                                                                                                          | November & December 2022 | The Nutcracker                                          |
| Mayflower Southampton<br>Birmingham Hippodrome<br>The Lowry, Salford<br>Sunderland Empire<br>Theatre Royal, Plymouth<br>Festival Theatre, Edinburgh | January to March 2023    | Swan Lake                                               |

We opened the year with adapted versions of our popular ‘An Evening of Music and Dance’ shows at the Royal Concert Hall, Nottingham and The REP to test different formats for encouraging new audiences to enjoy ballet and orchestral music. This included a new family format for Music and Dance aimed at multi-generational groups. The shows proved more challenging to sell than pre-covid but we will continue to look at how we develop this format which can offer variety and is adaptable to a range of venues.

23-25 of June the company presented the *On Your Marks!* Triple bill as part of the Birmingham International Dance Festival 2022. *On Your Marks!* celebrated and marked the occasion of the Commonwealth Games in Birmingham. The programme was technically very challenging but highlighted the skill and versatility of the company. *On your Marks!* consisted of a new piece by choreographer Julianos Nunes *Interlinked*, Jorge Cesis’ *24*, and Will Tuckett’s *Lazuli Sky*. *Interlinked* received a great response from audiences and critics alike and we were delighted to welcome 12 dancers from Acosta Danza who joined BRB in performing *24*. The collaboration with Acosta Danza produced some incredibly energetic and exciting performances that were greatly enjoyed by audiences and all of the dancers involved.

BRB brought *Don Quixote* to Sadler’s Wells week commencing 4<sup>th</sup> July for six performances and it was the first time that Sadler’s Wells Theatre had presented a production of that ballet. Despite the limited amount of time to re-rehearse Don Q, the company performed exceptionally to enthusiastic audiences.

In early August 2022, 12 dancers from BRB participated in a performance at the Opening Ceremony for the Commonwealth Games in Birmingham choreographed by Corey Baker. It was wonderful for BRB to be connected with the City of Birmingham and the Commonwealth Games for such a high-profile event.

Autumn performances commenced September 2022 in Plymouth with six shows of *Coppelia*. At the suggestion of the show’s creator Sir Peter Wright, Act 3 was performed in the Act 1 sets to help reduce transport requirements on tour.

Birmingham Hippodrome performances opened with our ambitious *Into the Into the Music* triple bill. Each of the three new pieces in BRB’s repertoire presented unique difficulties with tight timelines to achieve the desired quality of

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

performance. Morgann Runacre-Temple's *Hotel*, the eighth work in BRB's 'Ballet Now' programme, which included live projection was both interesting and entertaining. *Forgotten Land* and *Seventh Symphony* were praised for their presentation and dancer performance. Six more performances of *Coppelia* followed the triple bill, making a strong showing at the box office.

BRB's return to Birmingham Hippodrome with *The Nutcracker* in November 2022 was a triumph. The magnificent newly rebuilt and reimagined sets, designed by John McFarlane, sparkled and dazzled with an intensity of colour that had faded after 30 years use of the original sets. The performances received many five star reviews and audiences were thrilled to see our flagship production return for the first time since 2019.

It was a pleasure to be able to return to The Royal Albert Hall in 2022 after a two-year hiatus and present our magnificent version of *The Nutcracker* that was created for the venue. Audiences were strong and as enthusiastic as ever.

Our classical tour of *Swan Lake* opened with four performances in Southampton to great audience response and positive reviews following fourteen performances of *Swan Lake* at the Birmingham Hippodrome. The tour of *Swan Lake* then continued through Salford, Sunderland, Plymouth and Edinburgh. In our ambition to present the world's greatest artists on stages outside of London, Polina Semionova performed the role of Odette/Odile for two performances in Birmingham and Royal Ballet Principal Vadim Muntagirov danced the role of Prince Siegfried for two performances in Plymouth.

#### Music & Orchestra

BRB's orchestra the Royal Ballet Sinfonia has enjoyed a return of work and projects in addition to its BRB performance schedule

In September 2022 RBS was the chosen orchestra for *Nureyev Legend and Legacy* at the Theatre Royal, Drury Lane; a dazzling array of highlights from Nureyev's transformative career with each piece selected to represent different aspects of his incredible life and work.

On 11<sup>th</sup> of Feb BRB returned to Birmingham Symphony Hall with an Evening of Music and Dance. This was our first visit back to Symphony Hall since 2019. The performance had a fantastic response from the audience.

The Royal Ballet Sinfonia supported the Disasters Emergency Committee's Ukraine Appeal, 23 February 2023 through a recording of a work by Mykola Lysenko for cello and string orchestra which had been performed live by the RBS in 2022. The piece was available to download for free with a requested donation to support the DEC appeal.

We welcomed Alex Hucknall, a final year undergraduate student at Royal Birmingham Conservatoire as the new Student-in-Residence with the Royal Ballet Sinfonia for 2023. Alex Hucknall said: "*Having seen the BRB productions and been taught by some of the orchestra's brass players, it has long been an ambition of mine to work with them.*"

Charlotte Politti continued in her second year as Constant Lambert Conducting Fellow working on productions including *Coppelia*, *The Nutcracker* and *Swan Lake*.

#### Digital production

Some highlights of our digital, film and broadcast programme include

A Broadcast of *Don Quixote* in cinemas during October 2022 and subsequently available on BBC iplayer

Selection to participate in Bloomberg Philanthropies Digital Accelerator programme which will enable Birmingham Royal Ballet to explore the use of immersive technology with the first project to create a *Swan Lake* VR experience.

#### Audience Reach and Growth

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

The primary Audience Development objectives for 2022-23 were to:

- **Re-building audiences to pre-pandemic levels over the next three years** - The work will be informed by the audience growth strategy from the programme of work with TRG funded initially through Culture Recovery Funding.
- **Growing new audiences for dance across the country** - Our strategy for the 2022-23 season will be based on data informed decisions to engage, attract and retain audiences as well as allowing us to test, measure, adapt, respond and listen to audiences more intently. There will be an active drive to grow BRB's marketing and customer database.
- **Building and grow relationships with young people in Birmingham** - We know from previous research that BRB's core audience in Birmingham is made up of 5% under age 30, however 30% of the Birmingham population is age 30 and under. We are looking at how we can use both the younger age group of BRB dancers, new work and targeting use of unsold tickets to build affinity amongst younger attenders.

We have exceeded our box office targets for *Swan Lake*, helping to recover some of the ticket income we didn't achieve in the autumn. Our target was to sell 44,192 tickets / £1,276,950.00 income for the tour. To date, we have sold 52,313 tickets / £1,641,795.18. (To give this context, we sold 62,461 tickets / £2,656,134.63 for *The Nutcracker* in B'ham and London).

BRB demonstrated bold new ideas when we announced a Black Sabbath ballet, with the world premiere on 15 September 2023. Carlos Acosta appeared with Tony Iommi, co-founder of Black Sabbath on BBC Radio 4's Today programme. There was a huge amount of news coverage in the UK and around the world about the announcement.

We didn't know how audiences would react, but The Hippodrome's box office was overwhelmed with people trying to buy tickets and we sold out all 7 Birmingham shows in just 3 weeks! As we had no precedent for basing the sales target for "Black Sabbath- The Ballet" our original target proved conservative. We budgeted to sell 9808 tickets for Birmingham and Plymouth's autumn performances, with an income target of £302,528. We have already sold 12,550 tickets, generating income of £385,048.41 and we still have plenty of ticket stock to sell for Plymouth to generate more income. Plus, we haven't gone on sale for our London shows at Sadler's Wells yet. On 22 February, 64% of BRB Black Sabbath bookers in Birmingham have never seen BRB before. 39% of Black Sabbath ballet bookers have never attended a show at the Hippodrome. We have ticket buyers from 13 different foreign countries including Finland, New Zealand, Australia, South Africa and the USA.

We are working to increase our local community engagement, connecting BRB with the Windrush 75th anniversary in Birmingham and the LGBTQ+ community. For World Aids Day on 1 December 2022 Celine Gittens & Brandon Lawrence performed at a multi-denominational church service. Local youth worker Simeon Moore has been helping BRB connect with community groups and invited them to watch BRB shows for the first time including *On Your Marks* and *Coppelia*.

We have increased Facebook subscribers to 152,000 (2021-22: 147,000) and Instagram subscribers to 65,000 (2021-22: 60,500)

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### Engagement and Participation

Offering opportunities to connect with Birmingham Royal Ballet through learning, engagement, access and participation (LEAP) programmes is one of the ways in which the company can take ballet and associated activities out beyond the traditional theatre presentations making ballet, dance, drama and music accessible art forms for everyone.

In 2022-23 BRB has delivered 758 LEAP sessions to around 13,072 participants.

Our LEAP objectives for the year were to:

- Re-engage and re-connect with participants and stakeholders across BRB's LEAP programme to get back to a regular programme of 'in-person' workshops and classes by September 2022
- Launch Dance Track 25 at Birmingham Rep in May 2022. A year of celebration and re-engagement with Dance Track Alumni; gathering stories and anecdotes of the impact the programme has had on the lives of the students and their families
- Re-establish a full programme of 'wrap around' events including pre-performance talks/discussions, class on stage, insight events, audio description and touch tours by March 2023
- Plan a celebration of Freefall Dance Company at 21 and use the opportunity to consult with parents/guardians and other project stakeholders to help inform the future of the company and project
- Continue work with BRB's music team and orchestra to integrate music into BRB's LEAP activity building on our popular 'Music and Dance' programmes
- Support teaching of dance and music in primary schools through the '*Ballet Unwrapped*' programme

**Dance Track** - BRB's talent development programme for primary school children. Classes started back in BRB studios and our other Dance Track centres in Birmingham in autumn 2021. 2022 was the 25<sup>th</sup> anniversary of this programme and over the years Dance Track has touched the lives of some 36,000 primary school children in Birmingham. From relatively modest beginnings, Dance Track has now grown to operate in more than 40 Birmingham primary schools. The programme has nurtured raw dance talent in primary schools across Birmingham and had a positive, life-enriching impact on thousands of young people aged six to eight. The programme has also provided top-quality dance training to talented young people in Birmingham who might otherwise not have the opportunity to benefit from dance training.

The LEAP team produced a sold out show to celebrate Dance Track's 25<sup>th</sup> anniversary. The show was presented by Carlos Acosta, BRB Board member Shireenah Ingram, Bob Parker (Director of Elmhurst) and Chris Powney (Director of the Royal Ballet School). Over 100 young people took part, including Dance Track graduates who are now studying at The Royal Ballet School and Elmhurst. A former Dance Track student who is now a member of Northern Ballet performed and at the end of the show Carlos offered a former Dance Track student, a permanent contract in BRB for next season. He is the first Dance Track student who has become a professional dancer in BRB.

**Freefall Dance Company (talented adults with severe learning difficulties)** - Freefall Dance Company is an ensemble of highly gifted dancers with severe learning disabilities. Throughout the pandemic, Lee Fisher; Artistic Director of Freefall delivered classes via zoom and our priority during 2022-23 was to start welcoming the company back to BRB studios for rehearsal as the company prepares to celebrate its 21<sup>st</sup> anniversary in 2023

**LEAP Ambassadors** - (formerly BRB Ambassadors) programme was re-launched in September 2019 as a FREE year long residency with BRB for young people aged 16-25 with limited access to ballet, the arts, culture and education. The focus of the programme was to provide young people with the skills needed to create, take part in and contribute to community arts projects in the future. The 2022-23 cohort comprised 9 ambassadors

Our new *Nutcracker Unwrapped* schools workshops have been well received and we tested some music workshops to support this developing programme.

We resumed our popular repertoire training classes for dance students of all ages to learn variations from BRB's most famous ballets both in Birmingham and on tour.

# **BIRMINGHAM ROYAL BALLET**

## **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

### **FINANCIAL REVIEW**

Birmingham Royal Ballet's primary financial objectives for the period

- Grow general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover.
- Undertake a thorough review of financial systems, controls and management information to ensure that these are fit for purpose and future proof to support BRB's artistic and financial strategy for the next 10 years

The group and charity results for the period are set out in the financial statements on page 30 onwards.

The period to 31 March 2023 ended with a deficit on activities including the endowment fund of £444,779 (2021-22 deficit £1,751,212) giving total accumulated reserves of £8,067,627 (2021-22 £8,512,406).

The year-end result reflects our agreed strategy of two years investment in new and new to BRB artistic programming celebrating the artistic vision of Director Carlos Acosta.

The deficit analysed across funds was as follows:

- General unrestricted funds – £(139,361)
- Restricted funds – £81,578
- Endowment funds – £(386,996)

Unrestricted revenue reserves (excluding the capital reserve of £1,741,268 for the refurbishment of BRB's Thorp Street premises) presently stand at £2,565,975. Total unrestricted reserves are £4,307,243 (2021-22: £4,446,604) including the designated capital refurbishment reserve of £1,741,268 (2021-22: £1,850,098). General, undesignated reserves presently stand at £1,738,699 (2021-22: £1,769,230) and our strategy for the period from 2023 – 2026 will be to rebuild these reserves back towards £2.3m in line with our stated reserve policy.

### **Raising Funds**

Primary objectives 2022-23 were to

- Deliver a full NPO application by 26 April 2022 and achieve a successful outcome through confirmation of funding in November 22. This funding was duly confirmed in November 2022.
- Increase fundraising targets

As in previous years our principal funding sources are:

- Arts Council England – £8,036,194 (2021-22: £8,036,194) revenue funding to contribute towards Birmingham Royal Ballet's core operating costs and the costs of delivering performances and activities including touring nationally, middle scale touring, audience development activity and our learning and outreach programme.
- Birmingham City Council – £157,850 (2021-22: £157,850) revenue funding to contribute towards BRB's core operating costs and the costs of delivering performances and learning and outreach activities primarily in Birmingham.

Core revenue funding from our major revenue funders, Arts Council England and Birmingham City Council, accounted for 49% of total income (2021-22: 61%).

Arts Council England funding for the next 3 years is committed as standstill.

Total income from donations, membership schemes and other fundraising activity during the year was £2,079,387 (2021-22: £1,506,476) of which donations (excluding legacies) from private individuals were £878,298 (2021-22 £645,988).

Income from trusts and foundations for the year was £849,061 (2021-22: £642,523).

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

We thank all the trusts and foundations that have supported Birmingham Royal Ballet during 2022-23 including:

Amar-Franses and Foster-Jenkins Trust  
Austin and Hope Pilkington Trust  
Baron Davenport's Charity  
Bayfield Charitable Trust  
BHSF Medical Charity and Welfare Trust  
Birmingham Common Good Trust  
Calouste Gulbenkian Foundation  
City Of Birmingham Orchestral Endowment Fund  
DramaLink Theatre Company  
Dumbreck Charity  
Ensix Charitable Trust  
Eric W Vincent Trust Fund  
George Fentham Birmingham Charity  
GJW Turner Trust  
Henry James Sayer Charity  
Howard Victor Skan Charitable Trust  
IMI Critical Engineering  
John Feeney Charitable Trust  
Langdale Trust  
M K Rose Charitable Trust  
Oak Foundation  
Provincial Grand Lodge of Warwickshire  
Quayle Charitable Trust  
Richard Kilcuppe (Otherwise Field) Charity  
Rogers Stirk Harbour and Partners Charitable Foundation Limited  
Royal Opera House Benevolent Fund  
Sabina Sutherland Charitable Trust  
Scops Arts Trust  
Souter Charitable Trust  
St Jude's Trust  
St Thomas' Dole Charity  
The Alan Woodfield Charitable Trust  
The Alison Hillman Charitable Trust  
The Arts Society Birmingham  
The Aspinwall Educational Trust

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

The Bernard Piggott Charitable Trust  
The Blakebank Trust  
The Boshier-Hinton Foundation  
The Brian Shaw Memorial Trust  
The Calleva Foundation  
The Cecil King Memorial Foundation  
The Charles Brotherton Trust  
The Chatwin Trust  
The DWF Charitable Foundation  
The Edgar E. Lawley Foundation  
The Garrick Charitable Trust  
The Geoff Hill Charitable Trust  
The George Henry Collins Charity  
The Gerald and Gail Ronson Family Foundation  
The Grantham Yorke Trust  
The Grimmitt Trust  
The H Steven & P E Wood Charitable Trust  
The Hawthorne Charitable Trust  
The Helen Rachael Mackaness Charitable Trust  
The Idlewild Trust  
The James Frederick & Ethel Anne Measures Charity  
The John Avins Trust  
The John S Cohen Foundation  
The John Thaw Foundation  
The Keith Coombs Trust  
The Kirby Laing Foundation  
The Linbury Trust  
The Loppylugs and Barbara Morrison Charitable Trust  
The Lord Austin Trust  
The Marchus Trust  
The Marsh Charitable Trust  
The Michael Bishop Foundation  
The Michael Marsh Charitable Trust  
The Misses C M Pearson & M V Williams Charitable Trust  
The Norton Foundation  
The Oakley Charitable Trust

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

The Owen Family Trust

The Patricia Routledge Foundation

The S and D Lloyd Charity

The Sterry Family Foundation

The Sylvia Adams Charitable Trust

The Thistle Trust

The Uncle Bill Trust

The Vandervell Foundation

Thriplow Charitable Trust

W E Dunn Charitable Trust

William A Cadbury Charitable Trust

And those Trusts & Foundations that prefer to remain anonymous

#### **Charitable Activities**

Income from charitable activities in 2022-23 was £5,866,668 (2021-22: £3,238,639).

Birmingham Royal Ballet received Theatre Tax Credit income of £946,571 in respect of 2021-22 (against an initial estimate of £945,000). It is estimated that Theatre Tax Credit for the group for 2022-23 will be in the region of £1,818,252 as a result of the significant investment in programme during the year including the spectacular refreshed and reimaged production The Nutcracker and the higher rates introduced in October 2021. The Theatre Tax Credit regime remains a vital contribution to BRB's income mix and a positive recognition of the contribution that both commercial and subsidised theatre makes to the economy. Theatre Tax Credit enables BRB to continue its commitment to investment in both new works and major revivals.

Expenditure on charitable activities in the year was £16,140,888 equivalent to 96% of total expenditure (2021-22: £14,564,635 equivalent to 96% of total expenditure). 2022-23 was the second of two years' of investment in Carlos Acosta's new artistic vision including the 'On Your Marks' programme as part of the Birmingham 2022 Festival, Into the Music and The Nutcracker.

We have commenced a comprehensive review of processes, systems and controls to support management accountability and control through dynamic budgeting to match resource to strategic priorities and active cost control which responds to a changing economic environment. The Board have agreed to investment in a new finance system, to be implemented in the following financial year, which will improve efficiency in financial processing and give budget holders access to real time information.

#### **Financial Stability will be supported through:**

- Formulating detailed financial resilience plans for 2023 – 2026 to rebuild general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover.
- Completing the review of financial systems, controls and management information and to ensure that these are fit for purpose and future proof to support BRB's artistic and financial strategy for the next 10 years

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

BRB has successfully applied for NPO funding for 2023-2026 period for funding of £8,036,194 per annum which means that BRB has confirmed funding through to 31 March 2026. BRB is well placed to respond to the expectations of Arts Council England's new 10 year strategy, 'Let's Create'. Carlos Acosta's programming is gaining international recognition, BRB is rated 'strong' for the Creative Case for Diversity (critical achievement for securing future funding) and an emerging skills strategy will focus on talent development and routes into theatre and creative industries.

Budgets for the period through to 31 March 2024 have been approved and outline financial modelling to 2026 has been included in our 2023-2026 Business Plan.

The financial strategy for the new NPO funding period 2023-26 comprises three elements to ensure cost effective, flexible and efficient delivery of BRB's complex and ambitious artistic and creative skills programme. These plans are set in a financial context of real terms funding erosion, soaring inflation and uncertain box office making 2023-26 the most financially challenging period the company has faced

- **Stabilise** – establish an affordable cost base and a leaner infrastructure by balancing fixed and variable costs to deliver BRB's response to 'Let's Create'.
- **Consolidate** – deliver core activity within agreed cost base. Driving accountability through improved financial management information systems to drive financial awareness and collective management responsibility
- **Grow** - Enhancement and amplification of activity through partnerships, co-production and fundraising. Improving return on investment by growing earned income from performances through a combination of audience growth and strategic pricing.

BRB's advance sales for 2023 and 2024 are strong with *Black Sabbath -The Ballet* sold out and *The Nutcracker* and *The Sleeping Beauty* tracking ahead of equivalent programmes in 2022-23.

The Directors continue to take all available steps to maintain sufficient resources in order that Birmingham Royal Ballet can continue. Based on projections and available information, the Directors have a reasonable expectation that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of signing these financial statements and therefore have prepared the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

### RISK MANAGEMENT

Birmingham Royal Ballet has a comprehensive strategic business plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Directors review the plans regularly. As part of this process, the Directors have implemented a risk management strategy, which comprises:

- an annual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The primary risks during 2022-23 were identified as

- key person dependency
- cost and pay pressure
- uncertainty regarding box office income

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

During 2022-23 BRB has successfully managed risk through a combination of:

- Prioritising pay awards and finding compensating savings elsewhere across BRB budgets
- Adapting performances to manage cost and reduce labour requirements
- Focussing our marketing and communications activities to raise awareness of forthcoming performances and maximise sales. Sales income has exceeded expectation since December 2022.

### **PLANS FOR FUTURE PERIODS**

Our strategic plans and decision making will be driven and informed by our values which are

- Creative to the Core
- Devoted to Brilliance
- Diverse and Different
- Full of Heart

### **RAISING FUNDS**

- Grow fundraised income from philanthropists, trusts and foundations by focusing on larger grants and donations
- Grow our number of supporters and membership income by providing an excellent experience and service.

### **CHARITABLE ACTIVITIES:**

**Performance and Production** – we will perform and tour extensively presenting a range of programmes from large-scale classical ballets to adapted accessible programmes accompanied by high quality orchestral music to ensure audiences have the opportunity to attend live performance scale and quality, wherever they live.

#### **The primary objectives for 2023-25**

- launch BRB2 - a training pipeline for the next generation of exceptional ballet dancers and the new junior company of Birmingham Royal Ballet.
- World premiere of *Black Sabbath the ballet*
- USA tour including New York premiere of *Interlinked*
- Continue to bring the greatest stars to perform to audiences outside London

**Audience Reach and Development** – Birmingham Royal Ballet will continue to engage with as wide and varied an audience as possible to demonstrate that ballet is an art form for all by:

- prioritising audience growth to sell more tickets to drive increased ticket revenue to bolster BRB's income.
- **3-year community engagement strategy** enabling BRB to connect and communicate with local communities to build awareness and understanding of BRB's artistic programme. This includes a strategy for low engaged audiences who have had no previous experience of ballet or even attending the theatre.
- Developing the creative potential of 3-D filming and augmented reality with the support of funding from Bloomberg Philanthropies. This includes 3D mapping of productions and immersive technology which gives audiences the opportunity to experience being side stage and on stage.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

**Learning, Access, Engagement and Participation LEAP** – BRB has a record of delivering excellence on stage and in education, developing diverse creative talent and providing exciting creative opportunities for the public. The company is at a turning point. In 2023 – 2026 our goal is to re-focus on the programme to take our most successful long-term artistic, education and community activities, learning from them, discussing them with the communities and partners to move onto a new level to achieve greater ambition and impact within resources available.

- Rebuild Dance Track programme to a minimum of 50 schools.
- deliver educational outreach on tour around BRB2 programmes including a new partnership from 2023 with Landmark/Sellador in Peterborough
- Celebrate Freefall's 21<sup>st</sup> Anniversary year in 2023 and BRB will present a specially curated special programme including a performance at Birmingham Hippodrome, a virtual reality film project, an academic research study and a photographic exhibition
- Expand LEAP Ambassadors
- Deliver BRB's fourth Dreams project giving dance students of all ages the opportunity to train and rehearse with professional ballet dancers and perform an adapted version of *The Sleeping Beauty*

### **GOVERNANCE AND ORGANISATIONAL DEVELOPMENT**

BRB's strategic priorities are underpinned by governance, organisational development and resilience strategies. These will focus on

- Reviewing the Board work plan to respond to and monitor the new Arts Council England NPO relationship framework
- Agreeing a pay settlement for a minimum of two years
- Updating BRB's 'staff handbook' and staff induction process
- Trialling a new 'personal development review' programme

**FINANCIAL STABILITY** will be supported by formulating detailed financial resilience plans for 2023 – 2026 to rebuild general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover. BRB's financial strategy will be based on 6 themes

1. Rhythm of the year and marketplace
2. Earned income and Audiences
3. Productions and Performances – maximising ROI
4. Managing salary costs
5. Commercial digital activities
6. Rebuilding general reserves

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### KEY POLICIES

#### Financial Management:

- **Board authority** - the Board is responsible for agreement of Birmingham Royal Ballet's overall strategy including agreement of business plans and approval of key organisational policies to meet Birmingham Royal Ballet's legal obligations, operational requirements and/or strategy implementation. This includes approval of the Annual Budget prepared in accordance with agreed activity plans, approval of proposals for significant capital investment projects over £50,000, approval of fundraising programmes, significant changes in financial procedures and other internal controls, approval of the Annual Report, the appointment of Bankers and investment managers, approval of changes to banking arrangements and approval of the reserves, investment and remuneration policies.
- **Budget setting and control** – the Senior Leadership Team is responsible for proposing their departmental budgets based on the planned activity for the year. These departmental budgets are reviewed and combined to build a master budget for Birmingham Royal Ballet as a whole. The Chief Operating Officer and Chief Executive are responsible for proposing a final balanced budget for approval by the Board of Directors. Senior Managers are authorised to commit expenditure in accordance with their final approved budgets unless these are subject to further revision during the course of a financial year in the light of prevailing circumstances (see under financial reporting and review). All expenditure is reviewed and approved for payment by the Finance Director or Chief Operating Officer.
- **Financial reporting and review** – A company finance report and forecast to the year-end is presented at each Board and Finance and General Purposes Committee meeting. All Senior Managers receive a copy of this finance report in addition to their individual monthly budget reports. Where significant variances against budget are identified, compensating actions are identified and agreed by the Senior Management Team. This will usually involve identifying cost savings as performing activity for the year is fixed at least a year in advance and our major sources of income are also fixed. The major financial risk that faces the organisation is a shortfall in earned income sources such as box office income and fundraising income. Both these income sources can be highly variable and are subject to a number of influences that are outside the direct control of Birmingham Royal Ballet. As a result the key to financial stability is careful cost control in conjunction with growing existing income and identifying and developing new income streams.

#### Management remuneration

BRB is committed to paying staff fairly and in a way to attract and retain the right skills to deliver its charitable objectives.

The Board is responsible for agreeing the annual pay award for the staff as a whole and a sub-committee of the Board will be convened as necessary to consider the remuneration of the Chief Executive and The Director.

The main responsibilities of the Board in respect of remuneration are to:

- Determine the remuneration package of the key management personnel - the Chief Executive and 'The Director';
- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account prevailing inflation rates and recommendations from the Chief Executive; and
- Approve pension arrangements and pension policy.

In determining BRB's remuneration, the Board takes into account all factors which are deemed necessary and remuneration policy, benefits and rewards strategy is reviewed as part of the strategic planning process. Investing in skills and employment is a priority as delivery of BRB's charitable objectives is dependent on our highly skilled performers and staff. Staff and staff related costs constitute the largest single element of charitable expenditure.

# BIRMINGHAM ROYAL BALLET

## DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

### Reserves

The reserves policy was reviewed and approved by the Board in March 2021.

The covid pandemic has brought renewed consideration to the level of reserves held by arts organisations such that the Culture Recovery Funding programme included a criteria that funding could be used for reflation reserves up to the equivalent of up to eight weeks. It was agreed that BRB's reserves policy be revised to increase our target for general, undesignated reserves to the equivalent of eight weeks turnover which is approximately £2.3m.

Other designated funds include:

- **Thorp Street Refurbishment** - being the funds relating to the Thorp Street refurbishment works. This fund is expended over 25 years from 2014/15. This fund could only be realised by disposal of the BRB Thorp Street premises which is leased by Birmingham Royal Ballet from Birmingham Hippodrome on a 125 year lease from 2001
- **Community Engagement Fund** – represents funds received from the sale of investments by Birmingham Royal Ballet Trust prior to the winding up of the Trust on 31 March 2005 to support educational activities particularly in association with dance and choreographic training. The use of these funds has been widened and re-designated to support further development of our community engagement activity in accordance with our 2015-18 Business Plan. This fund will be used to support the development of our participation and engagement programmes in Birmingham and on tour particularly in support of open access opportunities with the intention that the fund will be expended by 2025
- **New Productions Fund** - to support investment in new productions that will increase the repertory available for performances where funding is not available from private philanthropic sources. This fund will be used to support productions of new one act ballets in the NPO period to 2026.

**Restricted funds** - Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor.

**Endowment funds** - Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. There is presently one endowment fund.

**The Catalyst/Cadbury Family Expendable Endowment Fund** for the purpose of funding dance fellowships (The Robin Cadbury Dance Fellowships) to support young dancers with teaching, training and mentoring in perpetuity. The donations received are matched by funding from Arts Council Catalyst Endowment Scheme. This endowment period is 25 years until 1 November 2037 after which the fund is expendable.

### Investments:

**General objectives** - The cash and other investments of Birmingham Royal Ballet must be managed in such a way as to safeguard the capital value of those assets to enable Birmingham Royal Ballet to carry out its charitable purposes effectively in both the short term and over the longer term. Where possible, the value of invested assets should be enhanced so as to at least keep pace with inflation.

**Short-term cash and cash contingency funds** - To retain flexibility and availability of these funds, current account monies in excess of monthly operating requirements are transferred to higher rate call accounts or short-term fixed interest money market deposit accounts to maximise interest rates received. Cash investments mature on a rolling basis to ensure availability of funds and no cash investment is invested for notice periods exceeding 12 months.

**Medium-term investments** - Where there are surplus cash funds available for investment in excess of one year but likely to be required for expenditure within a three to five year time frame fixed interest vehicles such as gilts, bonds including index linked bonds can be considered. Investment in such vehicles should be assessed for:

- Financial return;
- Protection against inflation in addition to offering a financial return;
- Risk of default; and
- Tradeability in the event of the need to liquidate assets.

There are no medium term investments held by Birmingham Royal Ballet at present.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

**Long-term investments and endowment funds** - Funds held for the long term (a minimum of three years but more likely to be in excess of five years) or as expendable endowment funds are held for the purpose of securing a financial return which can be applied in the furtherance of Birmingham Royal Ballet's charitable objects and cannot be used in a way which would erode the capital of the fund, subject to any special provisions which would allow the expenditure of capital in certain circumstances.

**Acceptable risk** - Funds invested for the short to medium term will be held in low risk deposit accounts or fixed interest investments in order to avoid significant reductions in capital value and will be available to liquidate over a maximum of 12 months. Long term investments and endowments will be held across a mixed portfolio of investments to achieve both capital growth and return over the long term (minimum of five to seven years). It is accepted that some investments within the portfolio may be higher risk but overall the portfolio should not be exposed to more than a medium risk profile to balance the opportunity for increased investment returns against the risk of capital loss. It is accepted that the investments held for the long term are likely to see volatility over the short to medium term and may even have periods of negative return for certain asset classes.

Funds are managed in accordance with the investment strategy agreed with Smith and Williamson and the performance of the fund to date is in line with our policy of achieving a balance between income and capital growth in accordance with the investment policy for endowment funds.

#### **TAXATION**

The Company is a charity for tax purposes and is entitled to claim charitable tax exemptions. The Company has no liability to tax on its charitable activities.

This Directors Report (including the Strategic Report) was approved and authorised for issue by the Directors on:



Sir David Normington

Chair of the Board

23/11/23

Date: .....

# **BIRMINGHAM ROYAL BALLET**

## **TRUSTEES' RESPONSIBILITIES STATEMENT**

The directors (who are also trustees of Birmingham Royal Ballet for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

### **Auditor**

We have been appointed under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

### **Disclosure of information to auditor**

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Opinion**

We have audited the financial statements of Birmingham Royal Ballet (the “parent charitable company”) and its subsidiaries (the “group”) for the year ended 31 March 2023 which comprise of the Group and Charity Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and parent charitable company’s affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees’ report (incorporating the directors’ report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees’ report (incorporating the directors’ report) has been prepared in accordance with applicable legal requirements.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

## **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charitable Company and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## **Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **Extent to which the audit was capable of identifying irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julie Flintoff  
Azets Audit Services Limited

**Julie Flintoff (Senior Statutory Auditor)**  
**For and on behalf of Azets Audit Services Limited**

**Chartered Accountants**  
**Statutory Auditor**

Date: 6/12/23

8 Pittman Court  
Pittman Way  
Preston  
United Kingdom  
PR2 9ZG

# BIRMINGHAM ROYAL BALLET

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Including consolidated income and expenditure account)

Year ended 31 March 2023

|                                                                    | Notes | Unrestricted<br>2023<br>£ | Restricted<br>2023<br>£ | Endowment<br>2023<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 9,583,172                 | 564,054                 | -                      | 10,147,226         | 9,910,675          |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 5,866,668                 | -                       | -                      | 5,866,668          | 3,238,639          |
| Other trading activities                                           | 5     | 485,334                   | -                       | -                      | 485,334            | 163,781            |
| Investments                                                        | 6     | 2,422                     | -                       | 74,380                 | 76,802             | 79,271             |
| <b>Total income</b>                                                |       | <b>15,937,596</b>         | <b>564,054</b>          | <b>74,380</b>          | <b>16,576,030</b>  | <b>13,392,366</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 616,345                   | -                       | -                      | 616,345            | 651,959            |
| Charitable activities                                              |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 14,962,107                | 480,476                 | -                      | 15,442,583         | 14,065,376         |
| Orchestra Projects                                                 | 8     | 149,936                   | -                       | -                      | 149,936            | 37,679             |
| Education Projects                                                 | 8     | 529,113                   | 2,000                   | -                      | 531,113            | 441,480            |
| Other expenditure                                                  |       | -                         | -                       | 17,256                 | 17,256             | 20,100             |
| <b>Total expenditure</b>                                           |       | <b>16,257,501</b>         | <b>482,476</b>          | <b>17,256</b>          | <b>16,757,233</b>  | <b>15,216,594</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(319,905)</b>          | <b>81,578</b>           | <b>57,124</b>          | <b>(181,203)</b>   | <b>(1,824,228)</b> |
| Net gain/(loss) on investments                                     |       | -                         | -                       | (263,576)              | (263,576)          | 73,016             |
| <b>Net income/(loss) for the year</b>                              |       | <b>(319,905)</b>          | <b>81,578</b>           | <b>(206,452)</b>       | <b>(444,779)</b>   | <b>(1,751,212)</b> |
| Transfers between funds                                            | 18    | 180,544                   | -                       | (180,544)              | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(139,361)</b>          | <b>81,578</b>           | <b>(386,996)</b>       | <b>(444,779)</b>   | <b>(1,751,212)</b> |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 4,446,604                 | 912,687                 | 3,153,115              | 8,512,406          | 10,263,618         |
| Net movement in funds for the year                                 |       | (139,361)                 | 81,578                  | (386,996)              | (444,779)          | (1,751,212)        |
| <b>Total funds carried forward</b>                                 | 18    | <b>4,307,243</b>          | <b>994,265</b>          | <b>2,766,119</b>       | <b>8,067,627</b>   | <b>8,512,406</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

See note 12 for comparative Statement of Financial Activities for the period ended 31 March 2022.

# BIRMINGHAM ROYAL BALLET

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES

(Including charity income and expenditure account)

Year ended 31 March 2023

|                                                                    | Notes | Unrestricted<br>2023<br>£ | Restricted<br>2023<br>£ | Endowment<br>2023<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 9,583,172                 | 564,054                 | -                      | 10,147,226         | 9,910,675          |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 6,210,620                 | -                       | -                      | 6,210,620          | 3,238,639          |
| Other trading activities                                           | 5     | 92,873                    | -                       | -                      | 92,873             | 97,114             |
| Investments                                                        | 6     | 2,422                     | -                       | 74,380                 | 76,802             | 79,271             |
| <b>Total income</b>                                                |       | <b>15,889,087</b>         | <b>564,054</b>          | <b>74,380</b>          | <b>16,527,521</b>  | <b>13,325,699</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 616,345                   | -                       | -                      | 616,345            | 651,959            |
| Charitable activities                                              |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 14,939,321                | 480,476                 | -                      | 15,419,797         | 13,998,709         |
| Orchestra Projects                                                 | 8     | 149,936                   | -                       | -                      | 149,936            | 37,679             |
| Education Projects                                                 | 8     | 529,113                   | 2,000                   | -                      | 531,113            | 441,480            |
| Other expenditure                                                  |       | -                         | -                       | 17,256                 | 17,256             | 20,100             |
| <b>Total expenditure</b>                                           |       | <b>16,234,715</b>         | <b>482,476</b>          | <b>17,256</b>          | <b>16,734,447</b>  | <b>15,149,927</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(345,628)</b>          | <b>81,578</b>           | <b>57,124</b>          | <b>(206,926)</b>   | <b>(1,824,228)</b> |
| Net gain/(loss) on investments                                     |       | -                         | -                       | (263,576)              | (263,576)          | 73,016             |
| <b>Net income/(loss) for the year</b>                              |       | <b>(345,628)</b>          | <b>81,578</b>           | <b>(206,452)</b>       | <b>(470,502)</b>   | <b>(1,751,212)</b> |
| Transfers between funds                                            | 18    | 180,544                   | -                       | (180,544)              | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(165,084)</b>          | <b>81,578</b>           | <b>(386,996)</b>       | <b>(470,502)</b>   | <b>(1,751,212)</b> |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 4,446,604                 | 912,687                 | 3,153,117              | 8,512,408          | 10,263,620         |
| Net movement in funds for the year                                 |       | (165,084)                 | 81,578                  | (386,996)              | (470,502)          | (1,751,212)        |
| <b>Total funds carried forward</b>                                 | 18    | <b>4,281,520</b>          | <b>994,265</b>          | <b>2,766,121</b>       | <b>8,041,906</b>   | <b>8,512,408</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

# BIRMINGHAM ROYAL BALLET

## BALANCE SHEET As at 31 March 2023

|                                                       | Note | 2023<br>Group<br>£      | 2022<br>Group<br>£      | 2023<br>Charity<br>£    | 2022<br>Charity<br>£    |
|-------------------------------------------------------|------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>FIXED ASSETS</b>                                   |      |                         |                         |                         |                         |
| Tangible assets                                       | 13   | 2,713,077               | 2,804,250               | 2,713,077               | 2,804,250               |
| Investment assets                                     | 14   | 2,766,119               | 3,153,115               | 2,766,121               | 3,153,117               |
|                                                       |      | <u>5,479,196</u>        | <u>5,957,365</u>        | <u>5,479,198</u>        | <u>5,957,367</u>        |
| <b>CURRENT ASSETS</b>                                 |      |                         |                         |                         |                         |
| Stocks                                                | 15   | 79,202                  | 95,476                  | 79,202                  | 95,476                  |
| Debtors                                               | 16   | 4,483,382               | 2,766,718               | 4,052,428               | 2,833,385               |
| Cash at bank and in hand                              |      | 281,971                 | 1,222,898               | 256,165                 | 1,222,898               |
|                                                       |      | <u>4,844,555</u>        | <u>4,085,092</u>        | <u>4,387,795</u>        | <u>4,151,759</u>        |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>(2,256,124)</u>      | <u>(1,530,051)</u>      | <u>(1,825,087)</u>      | <u>(1,596,718)</u>      |
| <b>Net Current Assets</b>                             |      | <u>2,588,431</u>        | <u>2,555,041</u>        | <u>2,562,708</u>        | <u>2,555,041</u>        |
| <b>Total Assets Less Current Liabilities</b>          |      | <u>8,067,627</u>        | <u>8,512,406</u>        | <u>8,041,906</u>        | <u>8,512,408</u>        |
| Creditors: amounts falling after one year             |      | <u>-</u>                | <u>-</u>                | <u>-</u>                | <u>-</u>                |
| <b>NET ASSETS</b>                                     |      | <u><u>8,067,627</u></u> | <u><u>8,512,406</u></u> | <u><u>8,041,906</u></u> | <u><u>8,512,408</u></u> |
| <b>FUNDS</b>                                          |      |                         |                         |                         |                         |
| Unrestricted funds:                                   |      |                         |                         |                         |                         |
| General Funds                                         | 18   | 1,738,699               | 1,769,230               | 1,712,976               | 1,769,230               |
| Designated funds                                      | 18   | 2,568,544               | 2,677,374               | 2,568,544               | 2,677,374               |
| Restricted funds                                      | 18   | 994,265                 | 912,687                 | 994,265                 | 912,687                 |
| Endowment funds                                       | 18   | 2,766,119               | 3,153,115               | 2,766,121               | 3,153,117               |
|                                                       |      | <u>8,067,627</u>        | <u>8,512,406</u>        | <u>8,041,906</u>        | <u>8,512,408</u>        |

These financial statements of Birmingham Royal Ballet registered number 3320538 were approved by the Board of Directors and authorised for issue on **23/11** 2023. They were signed on its behalf by:



Sir David Normington  
Chair of the Board

**Company Registration Number: 03320538**

# BIRMINGHAM ROYAL BALLET

## CONSOLIDATED CASH FLOW STATEMENT Year ended 31 March 2023

|                                                             | Notes | Total<br>2023<br>£ | Total<br>2022<br>£ |
|-------------------------------------------------------------|-------|--------------------|--------------------|
| <b>Cash flows from operating activities:</b>                |       |                    |                    |
| <i>Net cash (used in)/provided by operating activities</i>  | 22    | (929,760)          | (2,466,549)        |
| <b>Cash flows from investing activities:</b>                |       |                    |                    |
| Dividends, interest and rents from investments              |       | 76,802             | 79,271             |
| Proceeds from the sale of fixed assets                      |       | -                  | -                  |
| Purchase of fixed assets                                    |       | (211,390)          | (856,722)          |
| Proceeds from the sale of investments                       |       | 371,167            | 117,596            |
| Purchase of investments                                     |       | (247,746)          | (177,087)          |
| <i>Net cash flows (used in) by investing activities</i>     |       | (11,167)           | (836,942)          |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       | (940,927)          | (3,303,491)        |
| <b>Cash and cash equivalents at beginning of year</b>       |       | 1,222,898          | 4,526,389          |
| <b>Cash and cash equivalents at the end of the year</b>     |       | 281,971            | 1,222,898          |
| <b>Reconciliation to cash at bank and in hand:</b>          |       |                    |                    |
| Cash at bank and in hand                                    |       | 281,971            | 1,222,898          |
| Cash equivalents                                            |       | -                  | -                  |
| <b>Cash and cash equivalents</b>                            |       | 281,971            | 1,222,898          |

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2023**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are set out below.

#### **Company and charitable status**

Birmingham Royal Ballet, a public benefit entity, is incorporated in the UK and registered in England and Wales as a company limited by guarantee not having a share capital. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

BRB Production Services Limited and BRB Trading Limited are a wholly owned subsidiaries of Birmingham Royal Ballet.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2019 and the Companies Act 2006.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

#### **Basis of Consolidation**

Group financial statements have been prepared in respect of the company and its wholly owned subsidiaries BRB Production Services Limited and BRB Trading Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 14.

#### **Preparation of financial statements - going concern basis**

These accounts have been prepared on the going concern basis.

The group and company's activities and future plans are set out in the directors' report.

The group and company manages its activities with positive unrestricted bank balances. The company's forecasts and projections are cautious with the option to withdraw funding from the Endowment Fund if required. The recent announcement (October 2021) of an increase in the rate of Theatre Tax Relief show that the company should be able to continue to operate on this basis.

Revenue grant funding represents the company's largest income stream and Birmingham Royal Ballet is dependent on the continuing financial support of Arts Council England which has confirmed its commitment to fund Birmingham Royal Ballet to 31 March 2024; committing revenue funding of £8,036,000 per annum for the period.

The directors review and manage short-term fluctuations in our other income streams: box office, commercial and development income.

The company also relies on support from other funders including individuals, trusts, foundations and corporate bodies for maintaining the high standards and diversity of its output.

Based on the above, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 1. ACCOUNTING POLICIES (continued)

#### Income

##### *Box office income, performance related fees and programmes*

Box office income, performance related fees and income generated from the sale of programmes are recognised in the period of the related performances which is the point at which the charity is considered to meet the income recognition criteria (probable, entitlement and measurement) as per the accounting standards.

##### *Donations and legacies*

Donations and legacies are credited to the statement of financial activities when entitlement has passed and the income is probable to be received unless donated for a specific future period by the donor in which case income will be deferred to the relevant period.

##### *Deferred income*

Amounts invoiced in advance and other income, which is subject to conditions imposed by the donor relating to the charity's entitlement to the funds, are carried forward as deferred income in the balance sheet. Amounts are recognised as income when the services are performed or the conditions imposed by the donor are satisfied.

##### *Grants receivable*

Capital grants receivable are recognised in the year of receipt. Revenue grants receivable are recognised in the year to which the grants relate. Revenue grants received in advance of the year to which they relate are carried forward as a creditor in the balance sheet.

Capital funds comprise grants/donations towards the cost of fixed assets to be used by the company for its charitable purposes. Such income may not be treated as a deduction from the capital cost.

##### *Investment income*

Investment income is recognised on an accruals basis.

#### Expenditure

All expenditure is accounted for on an accruals basis. Expenditure categories include salaries, depreciation and other costs as analysed in note 9.

Expenditure on raising funds is the costs associated with generating core funding grants, legacies and donations. These include any direct costs associated with these activities as well as an appropriate proportion of relevant staff costs, support costs, premises costs and depreciation.

Costs of activities for generating funds are the direct costs of our membership schemes, sponsorship and merchandising activities including direct staff costs and an appropriate proportion of support costs, premises costs and depreciation.

Costs of charitable activities include all costs relating to delivering the charitable objectives of the company as stated in the Directors' report plus an appropriate proportion of support costs, premises costs and depreciation.

Support costs include general administration, management and governance costs including allocations of Chief Executive and Chief Operating Officer salaries, HR functions, finance, IT, audit fees, certain legal fees meetings and appropriate proportion of premises costs and depreciation. These costs are necessary for delivering activities but do not directly produce or constitute the activity.

Costs (including support and governance costs) have been allocated on a direct basis whenever possible and on an appropriate alternative basis primarily based on staff numbers or relevant head count. Chief Executive and Chief Operating officer salaries have been allocated based on an estimate of time spent in relation to governance of the organisation.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2023**

### **1. ACCOUNTING POLICIES (continued)**

#### **New production and revivals**

The costs to the company of sets and wardrobe for new productions are charged in full to the relevant production's initial performance season. Where the performance season spans more than one financial year the costs are amortised evenly over the total number of performances of the tour.

Revival costs are written off on the first night of the relevant production's performance.

Costs incurred in the transport and set up of a production are assigned to the appropriate tour, in the year in which the tour occurred.

Prepayments for the next season are made in respect of productions to be presented in the next financial year.

#### **Fund accounting**

##### ***Unrestricted funds***

Unrestricted funds are those which are expendable at the discretion of the Directors in furtherance of the objects of the charity.

##### ***Restricted funds***

Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

##### ***Designated funds***

Designated funds are amounts which have been put aside at the discretion of the Directors and comprise funds for specific projects.

##### ***Expendable endowment fund***

Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

#### **Taxation**

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2023**

### **Tangible fixed assets and depreciation**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                     |                       |
|---------------------|-----------------------|
| Office equipment    | 5% - 25% per annum    |
| Computer equipment  | 25% per annum         |
| Technical equipment | 10% - 33.3% per annum |
| Premises            | 4%/life of the lease  |

### **Investments**

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals on a quarterly basis.

Investments in subsidiary undertakings are measured at cost less impairment.

### **Stocks**

Stock consists of ballet shoes and merchandise for sale and are stated at the lower of cost and net realisable value.

### **Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

### **Employee benefits**

All permanent employees of the group and company are eligible to be members of one of the following defined contribution pension schemes:

- Birmingham Royal Ballet Pension Scheme; and
- Musicians' Union Pension Scheme.

The pension costs charged to the statement of financial activities represents the amount of contributions payable by the company to the pension schemes in respect of the accounting year.

### **Financial instruments**

Financial assets and financial liabilities are recognised when the group and company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash 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. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group and company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

### 3. INCOME FROM GRANTS, DONATIONS & LEGACIES

|                                 | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Restricted<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|---------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity and group</b>        |                                    |                                  |                             |                                    |                                  |                             |
| <i>Arts Council England</i>     |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                 | 8,036,194                          | -                                | 8,036,194                   | 8,036,194                          | -                                | 8,036,194                   |
| Digital Transformation Project  | -                                  | -                                | -                           | -                                  | 40,000                           | 40,000                      |
| Culture Recovery Fund           | -                                  | -                                | -                           | 175,000                            | -                                | 175,000                     |
| <i>Birmingham City Council</i>  |                                    |                                  |                             |                                    |                                  |                             |
| Revenue funding                 | 157,850                            | -                                | 157,850                     | 157,850                            | -                                | 157,850                     |
| <i>Donations</i>                |                                    |                                  |                             |                                    |                                  |                             |
| Grants – Trusts and Foundations | 498,061                            | 351,000                          | 849,061                     | 116,789                            | 525,734                          | 642,523                     |
| Donations                       | 878,298                            | -                                | 878,298                     | 492,913                            | 153,075                          | 645,988                     |
| Legacies                        | 12,769                             | 213,054                          | 225,823                     | 54,184                             | -                                | 54,184                      |
| <i>Job Retention Scheme</i>     |                                    |                                  |                             |                                    |                                  |                             |
| Furlough                        | -                                  | -                                | -                           | -                                  | 158,936                          | 158,936                     |
| <b>Total</b>                    | <b>9,583,172</b>                   | <b>564,054</b>                   | <b>10,147,226</b>           | <b>9,032,930</b>                   | <b>877,745</b>                   | <b>9,910,675</b>            |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 4. INCOME FROM PERFORMANCE AND RELATED ACTIVITIES

|                                | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Restricted<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>                 |                                    |                                  |                             |                                    |                                  |                             |
| Box office income              | 3,393,011                          | -                                | 3,393,011                   | 1,968,056                          | -                                | 1,968,056                   |
| Production sales and hires     | 118,442                            | -                                | 118,442                     | 148,500                            | -                                | 148,500                     |
| Programmes                     | 87,578                             | -                                | 87,578                      | 45,112                             | -                                | 45,112                      |
| Livestream and video on demand | 70,000                             | -                                | 70,000                      | -                                  | -                                | -                           |
| Orchestra projects             | 92,041                             | -                                | 92,041                      | 13,300                             | -                                | 13,300                      |
| Education                      | 51,943                             | -                                | 51,943                      | 46,974                             | -                                | 46,974                      |
| Other fees and services        | 747,412                            | -                                | 747,412                     | 40,051                             | -                                | 40,051                      |
| Theatre tax credit             | 1,650,193                          | -                                | 1,650,193                   | 976,646                            | -                                | 976,646                     |
| <b>Group</b>                   |                                    |                                  |                             |                                    |                                  |                             |
| Box office income              | 3,393,011                          | -                                | 3,393,011                   | 1,968,056                          | -                                | 1,968,056                   |
| Production sales and hires     | 118,442                            | -                                | 118,442                     | 148,500                            | -                                | 148,500                     |
| Programmes                     | 87,578                             | -                                | 87,578                      | 45,112                             | -                                | 45,112                      |
| Livestream and video on demand | 70,000                             | -                                | 70,000                      | -                                  | -                                | -                           |
| Orchestra projects             | 92,041                             | -                                | 92,041                      | 13,300                             | -                                | 13,300                      |
| Education                      | 51,943                             | -                                | 51,943                      | 46,974                             | -                                | 46,974                      |
| Other fees and services        | 235,401                            | -                                | 235,401                     | 40,051                             | -                                | 40,051                      |
| Theatre tax credit             | 1,818,252                          | -                                | 1,818,252                   | 976,646                            | -                                | 976,646                     |
| <b>Charity</b>                 | 6,210,620                          | -                                | 6,210,620                   | 3,238,639                          | -                                | 3,238,639                   |
| <b>Group</b>                   | 5,866,668                          | -                                | 5,866,668                   | 3,238,639                          | -                                | 3,238,639                   |

### 5. OTHER TRADING ACTIVITIES

|                   | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Restricted<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Restricted<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>Charity</b>    |                                    |                                  |                             |                                    |                                  |                             |
| Memberships       | 86,442                             | -                                | 86,442                      | 92,114                             | -                                | 92,114                      |
| Sponsorship       | 6,431                              | -                                | 6,431                       | 5,000                              | -                                | 5,000                       |
| Royal Albert Hall | -                                  | -                                | -                           | -                                  | -                                | -                           |
| <b>Group</b>      |                                    |                                  |                             |                                    |                                  |                             |
| Memberships       | 86,442                             | -                                | 86,442                      | 92,114                             | -                                | 92,114                      |
| Sponsorship       | 39,763                             | -                                | 39,763                      | 71,667                             | -                                | 71,667                      |
| Royal Albert Hall | 359,129                            | -                                | 359,129                     | -                                  | -                                | -                           |
| <b>Charity</b>    | 92,873                             | -                                | 92,873                      | 97,114                             | -                                | 97,114                      |
| <b>Group</b>      | 485,334                            | -                                | 485,334                     | 163,781                            | -                                | 163,781                     |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 6. ANALYSIS OF INCOME FROM INVESTMENTS

|                          | 2023<br>Unrestricted<br>Funds<br>£ | 2023<br>Endowment<br>Funds<br>£ | 2023<br>Total<br>Funds<br>£ | 2022<br>Unrestricted<br>Funds<br>£ | 2022<br>Endowment<br>Funds<br>£ | 2022<br>Total<br>Funds<br>£ |
|--------------------------|------------------------------------|---------------------------------|-----------------------------|------------------------------------|---------------------------------|-----------------------------|
| <b>Charity and group</b> |                                    |                                 |                             |                                    |                                 |                             |
| Bank interest            | 2,422                              | -                               | 2,422                       | 1,293                              | -                               | 1,293                       |
| Dividends                | -                                  | 74,380                          | 74,380                      | -                                  | 77,978                          | 77,978                      |
| <b>Total</b>             | <b>2,422</b>                       | <b>74,380</b>                   | <b>76,802</b>               | <b>1,293</b>                       | <b>77,978</b>                   | <b>79,271</b>               |

### 7. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

|                                        | 2023<br>Activities<br>Undertaken<br>Directly<br>£ | 2023<br>Support<br>Costs<br>£ | 2023<br>Total<br>£ | 2022<br>Activities<br>Undertaken<br>Directly<br>£ | 2022<br>Support<br>Costs<br>£ | 2022<br>Total<br>£ |
|----------------------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity and group</b>               |                                                   |                               |                    |                                                   |                               |                    |
| Raising donations, grants and legacies | 328,400                                           | 232,473                       | 560,873            | 403,133                                           | 193,533                       | 596,666            |
| Memberships and subscription schemes   | 55,472                                            | -                             | 55,472             | 34,766                                            | 20,527                        | 55,293             |
| <b>Total</b>                           | <b>383,872</b>                                    | <b>232,473</b>                | <b>616,345</b>     | <b>437,899</b>                                    | <b>214,060</b>                | <b>651,959</b>     |

All expenditure relates to unrestricted funds.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

#### *Unrestricted*

|                            | 2023<br>Activities<br>Undertaken<br>Directly<br>£ | 2023<br>Support<br>Costs<br>£ | 2023<br>Total<br>£ | 2022<br>Activities<br>Undertaken<br>Directly<br>£ | 2022<br>Support<br>Costs<br>£ | 2022<br>Total<br>£ |
|----------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity</b>             |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 12,782,198                                        | 2,157,123                     | 14,939,321         | 11,604,163                                        | 1,875,692                     | 13,479,855         |
| Orchestra projects         | 138,789                                           | 11,147                        | 149,936            | 27,415                                            | 10,264                        | 37,679             |
| Education projects         | 458,648                                           | 70,465                        | 529,113            | 220,146                                           | 64,884                        | 285,030            |
| <b>Group</b>               |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 12,804,984                                        | 2,157,123                     | 14,962,107         | 11,670,830                                        | 1,875,692                     | 13,546,522         |
| Orchestra projects         | 138,789                                           | 11,147                        | 149,936            | 27,415                                            | 10,264                        | 37,679             |
| Education projects         | 458,648                                           | 70,465                        | 529,113            | 220,146                                           | 64,884                        | 285,030            |
| <b>Charity</b>             | 13,379,635                                        | 2,238,735                     | 15,618,370         | 11,851,724                                        | 1,950,840                     | 13,802,564         |
| <b>Group</b>               | 13,402,421                                        | 2,238,735                     | 15,641,156         | 11,918,391                                        | 1,950,840                     | 13,869,231         |

#### *Restricted*

|                            | 2023<br>Activities<br>Undertaken<br>Directly<br>£ | 2023<br>Support<br>Costs<br>£ | 2023<br>Total<br>£ | 2022<br>Activities<br>Undertaken<br>Directly<br>£ | 2022<br>Support<br>Costs<br>£ | 2022<br>Total<br>£ |
|----------------------------|---------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|-------------------------------|--------------------|
| <b>Charity and group</b>   |                                                   |                               |                    |                                                   |                               |                    |
| Performance and production | 418,761                                           | 61,715                        | 480,476            | 451,659                                           | 67,195                        | 518,854            |
| Orchestra projects         | -                                                 | -                             | -                  | -                                                 | -                             | -                  |
| Education projects         | 2,000                                             | -                             | 2,000              | 156,450                                           | -                             | 156,450            |
| <b>Total</b>               | 420,761                                           | 61,715                        | 482,476            | 608,109                                           | 67,195                        | 675,304            |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 9. ANALYSIS OF SUPPORT COSTS

|                                       | 2023<br>Raising<br>Funds<br>£ | 2023<br>Production<br>And<br>Performance<br>£ | 2023<br>Orchestra<br>Projects<br>£ | 2023<br>Education<br>Projects<br>£ | 2023<br>Total<br>£ |
|---------------------------------------|-------------------------------|-----------------------------------------------|------------------------------------|------------------------------------|--------------------|
| Staff costs                           | 84,081                        | 763,146                                       | 4,032                              | 25,485                             | 876,744            |
| Recruitment, training and development | 9,288                         | 84,303                                        | 446                                | 2,815                              | 96,852             |
| Office infrastructure                 | 49,097                        | 445,619                                       | 2,354                              | 14,882                             | 511,952            |
| Insurance                             | 13,522                        | 122,729                                       | 648                                | 4,099                              | 140,998            |
| Premises costs                        | 63,678                        | 516,253                                       | 3,053                              | 19,302                             | 602,286            |
| Depreciation                          | 12,807                        | 286,788                                       | 614                                | 3,882                              | 304,091            |
|                                       | <u>232,473</u>                | <u>2,218,838</u>                              | <u>11,147</u>                      | <u>70,465</u>                      | <u>2,532,923</u>   |

Governance costs included in the above amount to £6,543.

|                                       | 2022<br>Raising<br>Funds<br>£ | 2022<br>Production<br>And<br>Performance<br>£ | 2022<br>Orchestra<br>Projects<br>£ | 2022<br>Education<br>Projects<br>£ | 2022<br>Total<br>£ |
|---------------------------------------|-------------------------------|-----------------------------------------------|------------------------------------|------------------------------------|--------------------|
| Staff costs                           | 66,855                        | 644,603                                       | 2,598                              | 15,590                             | 729,646            |
| Recruitment, training and development | 4,460                         | 100,000                                       | 565                                | 3,388                              | 108,413            |
| Office infrastructure                 | 103,222                       | 306,664                                       | 2,101                              | 15,906                             | 427,893            |
| Insurance                             | 5,177                         | 116,064                                       | 655                                | 3,932                              | 125,828            |
| Premises costs                        | 30,136                        | 557,323                                       | 3,815                              | 22,888                             | 614,162            |
| Depreciation                          | 4,209                         | 218,234                                       | 530                                | 3,180                              | 226,153            |
|                                       | <u>214,059</u>                | <u>1,942,888</u>                              | <u>10,264</u>                      | <u>64,884</u>                      | <u>2,232,095</u>   |

Governance costs included in the above amount to £229,057.

### 10. NET INCOME/(EXPENDITURE) FOR THE YEAR

|                                                                                                    | 2023<br>£     | 2022<br>£    |
|----------------------------------------------------------------------------------------------------|---------------|--------------|
| Income (Expenditure) is stated after charging:                                                     |               |              |
| Depreciation of owned assets                                                                       | 304,091       | 287,869      |
| Rentals under operating leases                                                                     | 225,007       | 224,293      |
| Auditor's remuneration:                                                                            |               |              |
| - Fees payable to the company's auditor for the audit of the company's annual financial statements | 24,000        | 23,000       |
| - Fees payable for the audit of the charity's subsidiaries                                         | 8,000         | 8,200        |
|                                                                                                    | <u>24,000</u> | <u>8,200</u> |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

#### 11. ANALYSIS OF GROUP AND CHARITY STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

The average monthly number of employees for the Group and Charity was:

|                       | 2023<br>No. | 2022<br>No. |
|-----------------------|-------------|-------------|
| Raising funds         | 7           | 7           |
| Charitable activities | 184         | 164         |
| Support               | 17          | 17          |
|                       | <u>208</u>  | <u>188</u>  |

Their aggregate remuneration comprised:

|                                                           | 2023<br>£        | 2022<br>£        |
|-----------------------------------------------------------|------------------|------------------|
| Wages and salaries                                        | 7,823,747        | 7,266,351        |
| Social security costs                                     | 763,833          | 673,006          |
| Pension costs (including Dancers Career Development fund) | 358,467          | 349,885          |
|                                                           | <u>8,946,047</u> | <u>8,289,242</u> |

The aggregate remuneration above includes termination payments of £nil (2021-22: £57,536) including £nil additional pension contributions (2021-22 £nil). All amounts were fully paid in cash during the year.

The number of employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

|                     | 2023<br>No. | 2022<br>No. |
|---------------------|-------------|-------------|
| £60,001 - £70,000   | 7           | 8           |
| £70,001 - £80,000   | 6           | 4           |
| £80,001 - £90,000   | 4           | 3           |
| £110,001 - £120,000 | -           | 1           |
| £120,001 - £130,000 | 1           | -           |
| £250,001 - £260,000 | -           | 1           |
| £290,001 - £300,000 | 1           | -           |
|                     | <u>1</u>    | <u>-</u>    |

The key management personnel of the Group are listed on page 7. The total remuneration (including pension contributions and social security costs) of the key management personnel of the Group and Charity for the year totalled £490,773 (2021-22: £417,243).

#### Directors' Remuneration

No Directors received remuneration during the current or prior year. Total travel and subsistence expenses of £420 (2022: £95) were paid to a director (2022: Two directors).

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

### 12. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 March 2022

|                                                                    | Notes | Unrestricted<br>2022<br>£ | Restricted<br>2022<br>£ | Endowment<br>2022<br>£ | Total<br>2022<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |
| Grants, Donations and Legacies                                     | 3     | 9,032,930                 | 877,745                 | -                      | 9,910,675          |
| Charitable activities:                                             |       |                           |                         |                        |                    |
| Performance and related activities                                 | 4     | 3,238,639                 | -                       | -                      | 3,238,639          |
| Other trading activities                                           | 5     | 163,781                   | -                       | -                      | 163,781            |
| Investments                                                        | 6     | 1,293                     | -                       | 77,978                 | 79,271             |
| <b>Total income</b>                                                |       | <b>12,436,643</b>         | <b>877,745</b>          | <b>77,978</b>          | <b>13,392,366</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |
| Raising funds                                                      | 7     | 651,959                   | -                       | -                      | 651,959            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |
| Production and Performance                                         | 8     | 13,546,522                | 518,854                 | -                      | 14,065,376         |
| Orchestra Projects                                                 | 8     | 37,679                    | -                       | -                      | 37,679             |
| Education Projects                                                 | 8     | 285,030                   | 156,450                 | -                      | 441,480            |
| Other expenditure                                                  |       | 1,613                     | -                       | 18,487                 | 20,100             |
| <b>Total expenditure</b>                                           |       | <b>14,522,803</b>         | <b>675,304</b>          | <b>18,487</b>          | <b>15,216,594</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(2,086,160)</b>        | <b>202,441</b>          | <b>59,491</b>          | <b>(1,824,228)</b> |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 73,016                 | 73,016             |
| <b>Net income/(loss) for the year</b>                              |       | <b>(2,086,160)</b>        | <b>202,441</b>          | <b>132,507</b>         | <b>(1,751,212)</b> |
| Transfers between funds                                            | 18    | 158,936                   | (158,936)               | -                      | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(1,927,224)</b>        | <b>43,505</b>           | <b>132,507</b>         | <b>(1,751,212)</b> |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |
| Total funds brought forward                                        |       | 6,373,828                 | 869,182                 | 3,020,608              | 10,263,618         |
| Net movement in funds for the year                                 |       | (1,927,224)               | 43,505                  | 132,507                | (1,751,212)        |
| <b>Total funds carried forward</b>                                 | 18    | <b>4,446,604</b>          | <b>912,687</b>          | <b>3,153,115</b>       | <b>8,512,406</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

|                         | Short<br>Leasehold<br>property<br>£ | Computers<br>£       | Fixtures,<br>fittings and<br>equipment<br>£ | Total<br>£              |
|-------------------------|-------------------------------------|----------------------|---------------------------------------------|-------------------------|
| <b>Cost</b>             |                                     |                      |                                             |                         |
| At 1 April 2022         | 3,022,621                           | 452,944              | 2,262,719                                   | 5,738,284               |
| Additions               | -                                   | 67,456               | 143,934                                     | 211,390                 |
| Disposals               | (11,555)                            | -                    | (111,042)                                   | (122,597)               |
| At 31 March 2023        | <u>3,011,066</u>                    | <u>520,420</u>       | <u>2,295,611</u>                            | <u>5,827,077</u>        |
| <b>Depreciation</b>     |                                     |                      |                                             |                         |
| At 1 April 2022         | 1,071,599                           | 426,026              | 1,436,409                                   | 2,934,034               |
| Charge for the year     | 120,498                             | 30,941               | 152,652                                     | 304,091                 |
| Disposals               | (10,834)                            | -                    | (113,291)                                   | (124,125)               |
| At 31 March 2023        | <u>1,181,263</u>                    | <u>456,967</u>       | <u>1,475,770</u>                            | <u>3,114,000</u>        |
| <b>Net book value</b>   |                                     |                      |                                             |                         |
| <b>At 31 March 2023</b> | <u><b>1,829,803</b></u>             | <u><b>63,433</b></u> | <u><b>819,841</b></u>                       | <u><b>2,713,077</b></u> |
| At 31 March 2022        | <u><b>1,951,022</b></u>             | <u><b>26,918</b></u> | <u><b>826,310</b></u>                       | <u><b>2,804,250</b></u> |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

| 14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY             | 2023<br>Group<br>£ | 2022<br>Group<br>£ | 2023<br>Charity<br>£ | 2022<br>Charity<br>£ |
|-------------------------------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Investments listed or traded on a recognised stock exchange | 2,766,119          | 3,153,115          | 2,766,119            | 3,153,115            |
| Subsidiary undertakings                                     | -                  | -                  | 2                    | 2                    |
|                                                             | <u>2,766,119</u>   | <u>3,153,115</u>   | <u>2,766,121</u>     | <u>3,153,117</u>     |

|                                                                    | 2023<br>£        | 2022<br>£        |
|--------------------------------------------------------------------|------------------|------------------|
| <b>Investments listed or traded on a recognised stock exchange</b> |                  |                  |
| Market value at 1 April 2022                                       | 3,153,115        | 2,939,160        |
| Additions                                                          | 247,746          | 68,938           |
| Disposal proceeds                                                  | (247,013)        | (117,596)        |
| Unrealised/realised investment gains/(losses)                      | (263,576)        | 73,016           |
| Movement in cash                                                   | (124,153)        | 189,597          |
| <b>Closing value at 31 March 2023</b>                              | <u>2,766,119</u> | <u>3,153,115</u> |

|                       | 2023<br>Market<br>value<br>£ | % of<br>portfolio | 2022<br>Market<br>value<br>£ | % of<br>portfolio |
|-----------------------|------------------------------|-------------------|------------------------------|-------------------|
| UK equities           | 707,070                      | 26%               | 830,998                      | 27%               |
| Overseas equities     | 944,243                      | 34%               | 1,173,676                    | 37%               |
| UK fixed income       | 243,340                      | 9%                | 199,107                      | 6%                |
| Overseas fixed income | -                            | -%                | 67,211                       | 2%                |
| Alternative assets    | 579,388                      | 21%               | 375,640                      | 12%               |
| UK property           | 226,634                      | 8%                | 316,886                      | 10%               |
| Cash                  | 65,444                       | 2%                | 189,597                      | 6%                |
|                       | <u>2,766,119</u>             | <u>100%</u>       | <u>3,153,115</u>             | <u>100%</u>       |

The historical cost of the investments is £2,308,137 (2022: £1,870,144).

|                                   | 2023<br>Group<br>£ | 2022<br>Group<br>£ | 2023<br>Charity<br>£ | 2022<br>Charity<br>£ |
|-----------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Subsidiary undertakings</b>    |                    |                    |                      |                      |
| <b>Cost</b>                       |                    |                    |                      |                      |
| At 1 April 2022 and 31 March 2023 | -                  | -                  | 2                    | 2                    |
|                                   | <u>-</u>           | <u>-</u>           | <u>2</u>             | <u>2</u>             |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

#### 14. FIXED ASSET INVESTMENTS (continued)

The company owns the entire issued ordinary share capital of BRB Production Services Limited (Company number: 09170372), incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is theatrical production.

The company owns the entire issued ordinary share capital of BRB Trading Limited (Company number: 13641651), incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is raising for BRB through trading services including commercial sponsorship, retail sales and other trading activity which are associated with ballet, arts and culture would not be classed as primary purpose for the charity.

The results of the Company's trading activities through its subsidiary undertakings are detailed below:

| <b>BRB Production Services Limited</b> | <b>2023</b> | <b>2022</b> |
|----------------------------------------|-------------|-------------|
|                                        | <b>£</b>    | <b>£</b>    |
| Turnover                               | 703,080     | -           |
| Expenditure                            | (871,140)   | -           |
| Profit/(loss) before tax               | (168,060)   | -           |
| Profit/(loss) after tax                | -           | -           |
| Assets                                 | 599,015     | 1           |
| Liabilities                            | (599,014)   | -           |
| Equity                                 | 1           | 1           |
| <b>BRB Trading Limited</b>             | <b>2023</b> | <b>2022</b> |
|                                        | <b>£</b>    | <b>£</b>    |
| Turnover                               | 33,333      | 66,667      |
| Expenditure                            | (83)        | (27,050)    |
| Profit/(loss) before tax               | 33,250      | 39,617      |
| Profit/(loss) after tax                | 25,723      | 39,617      |
| Assets                                 | 25,807      | 100,001     |
| Liabilities                            | (83)        | (100,000)   |
| Equity                                 | 25,724      | 1           |

## BIRMINGHAM ROYAL BALLET

### NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

#### 15. STOCKS - GROUP AND CHARITY

|             | 2023<br>£     | 2022<br>£     |
|-------------|---------------|---------------|
| Shoes       | 79,202        | 95,476        |
| Merchandise | -             | -             |
|             | <u>79,202</u> | <u>95,476</u> |

#### 16. DEBTORS

|                                        | 2023<br>Group<br>£ | 2022<br>Group<br>£ | 2023<br>Charity<br>£ | 2022<br>Charity<br>£ |
|----------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade debtors                          | 711,387            | 243,725            | 280,434              | 243,725              |
| Other debtors                          | 3,178,257          | 1,424,762          | 3,010,196            | 1,424,762            |
| Amount owed by subsidiary undertakings | -                  | -                  | 168,060              | 66,667               |
| Prepayments and accrued income         | 593,738            | 1,098,231          | 593,738              | 1,098,231            |
|                                        | <u>4,483,382</u>   | <u>2,766,718</u>   | <u>4,052,428</u>     | <u>2,833,385</u>     |

Other debtors include £63,375 (2022: £63,375) in respect of a rent deposit which is due in more than one year.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 17. CREDITORS: Amounts falling due within one year

|                                       | 2023<br>Group<br>£ | 2022<br>Group<br>£ | 2023<br>Charity<br>£ | 2022<br>Charity<br>£ |
|---------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade creditors                       | 1,158,277          | 764,698            | 727,323              | 764,698              |
| Other creditors                       | 407,564            | 366,873            | 407,481              | 466,873              |
| Amount due to subsidiary undertakings | -                  | -                  | -                    | -                    |
| Taxation and social security          | 295,482            | 40,700             | 295,482              | 40,700               |
| Accruals and deferred income          | 394,801            | 357,780            | 394,801              | 324,447              |
|                                       | <u>2,256,124</u>   | <u>1,530,051</u>   | <u>1,825,087</u>     | <u>1,596,718</u>     |

### Movements in deferred income:

|                                    | Group<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2023<br>£ | Charity<br>2022<br>£ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Balance at 1 April 2022            | 69,534             | 120,214            | 36,201               | 120,214              |
| Amounts released during the period | (70,394)           | (229,865)          | (37,061)             | (229,865)            |
| Deferred in the current period     | 24,677             | 179,185            | 24,677               | 145,852              |
| <b>Balance at 31 March 2023</b>    | <u>23,817</u>      | <u>69,534</u>      | <u>23,817</u>        | <u>36,201</u>        |

Deferred income at 1 April 2022 comprised grants, membership scheme income and donations and legacy income relating to activity in the periods to 31 March 2023.

Deferred income at 31 March 2023 comprised grants, membership scheme income, sponsorship and donations relating to activity in the periods to 31 March 2024.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 18. MOVEMENTS ON FUNDS

#### a) Restricted Funds (Group and Charity)

|                                 | At<br>1 April<br>2022<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|---------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation      | 538,284                    | -                            | (61,715)                          | -                              | 476,569                     |
| Skills Development Projects     | 18,000                     | -                            | -                                 | -                              | 18,000                      |
| Nutcracker (Big Give 2021)      | 112,700                    | -                            | (112,700)                         | -                              | -                           |
| Nutcracker (Big Give 2018 - 20) | 226,380                    | -                            | (226,380)                         | -                              | -                           |
| Jerwood Centre Equipment        | 17,323                     | -                            | -                                 | -                              | 17,323                      |
| Carol Barrie Legacy             | -                          | 213,054                      | (24,681)                          | -                              | 188,373                     |
| Bloomberg Philanthropies        | -                          | 125,000                      | (25,000)                          | -                              | 100,000                     |
| David Laing Foundation          | -                          | 91,000                       | (2,000)                           | -                              | 89,000                      |
| Linbury Trust                   | -                          | 75,000                       | -                                 | -                              | 75,000                      |
| Calouste Gulbenkian Foundation  | -                          | 50,000                       | (20,000)                          | -                              | 30,000                      |
| Peggy Dannenbau                 | -                          | 10,000                       | (10,000)                          | -                              | -                           |
|                                 | <u>912,687</u>             | <u>564,054</u>               | <u>(482,476)</u>                  | <u>-</u>                       | <u>994,265</u>              |

### 18. MOVEMENTS ON FUNDS (continued)

#### a) Restricted Funds (Group and Charity)

|                                      | At<br>1 April<br>2021<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|--------------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation           | 600,000                    | -                            | (61,716)                          | -                              | 538,284                     |
| Production and Performance           | -                          | 237,875                      | (237,875)                         | -                              | -                           |
| LEAP Projects                        | -                          | 156,450                      | (156,450)                         | -                              | -                           |
| Coronavirus Job Retention Scheme     | -                          | 158,936                      | -                                 | (158,936)                      | -                           |
| Skills Development Projects          | -                          | 53,284                       | (35,284)                          | -                              | 18,000                      |
| Health, Wellbeing and Training       | -                          | 118,500                      | (118,500)                         | -                              | -                           |
| Nutcracker (Big Give 2021)           | -                          | 112,700                      | -                                 | -                              | 112,700                     |
| Nutcracker (Big Give 2018 - 20)      | 226,380                    | -                            | -                                 | -                              | 226,380                     |
| Digital Transformation Project (ACE) | 20,000                     | 40,000                       | (60,000)                          | -                              | -                           |
| Jerwood Centre Equipment             | 22,802                     | -                            | (5,479)                           | -                              | 17,323                      |
|                                      | <u>869,182</u>             | <u>877,745</u>               | <u>(675,304)</u>                  | <u>(158,936)</u>               | <u>912,687</u>              |

There were a number of production and performance, engagement and education projects funded by restricted grants and donations:

Garfield Weston Foundation – Restricted funds are for the purchase and implementation of a new CRM system.

Skills Development Projects – Funds received for continuing skills development within the company.

Nutcracker – The Big Give 2019, 2020 & 2021 campaigns raised funds for the refurbishment of our Nutcracker sets and costumes. The Big Give 2018 campaign raised funds for the refurbishment of our Nutcracker costumes.

Jerwood Centre Equipment – Restricted funds are for the purchase of equipment and an ultrasound machine.

Carol Barrie Legacy – Funds received to support Student Award for Excellence

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

Bloomberg Philanthropies – Restricted funds were received for the Digital Transformation project which supports BRB’s evolving and growing digital content development programme.

David Laing Trust – Restricted funds were received for the charity’s education programme.

Linbury Trust – Funds to assist in establishing a new Junior Company

Calouste Gulbenkian Foundation – Funds given to research and develop the ‘College of Creativity’

Peggy Dannenbau – Restricted funds were received in support of The Carlos Acosta Syndicate

b) Designated funds (Group and Charity) comprise amounts set aside by the Directors in respect of:

|                            | At<br>1 April<br>2022<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|----------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Community Engagement Fund  | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund       | 650,000                    | -                            | -                                 | -                              | 650,000                     |
| Thorp Street Refurbishment | 1,850,098                  |                              | (108,830)                         | -                              | 1,741,268                   |
|                            | <u>2,677,374</u>           | <u>-</u>                     | <u>(108,830)</u>                  | <u>-</u>                       | <u>2,568,544</u>            |

|                                | At<br>1 April<br>2021<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|--------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Community Engagement Fund      | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund           | 650,000                    | -                            | -                                 | -                              | 650,000                     |
| Thorp Street Refurbishment     | 1,958,928                  |                              | (108,830)                         | -                              | 1,850,098                   |
| Digital Transformation Project | 379                        | -                            | (379)                             | -                              | -                           |
| New Artistic Vision            | 1,000,000                  | -                            | (1,000,000)                       | -                              | -                           |
|                                | <u>3,786,583</u>           | <u>-</u>                     | <u>(1,109,209)</u>                | <u>-</u>                       | <u>2,677,374</u>            |

Community Engagement Fund – This designated fund represents amounts received following the decision to wind up Birmingham Royal Ballet Trust.

New Productions Fund – This designated fund represents income designated to support major new productions that will extend the repertory available for Birmingham Royal Ballet performances.

Thorp Street Refurbishment – This designated fund represents amounts spent on capital assets.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 18. MOVEMENTS ON FUNDS (continued)

#### c) Unrestricted, undesignated funds (Group):

|               | At<br>1 April<br>2022<br>£ | Net<br>outflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|---------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------|
| General funds | 1,769,230                  | (211,075)                             | 180,544                        | 1,738,699                   |
|               | <u>1,769,230</u>           | <u>(211,075)</u>                      | <u>180,544</u>                 | <u>1,738,699</u>            |

|               | At<br>1 April<br>2021<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 2,587,245                  | (976,952)                            | 158,937                        | 1,769,230                   |
|               | <u>2,587,245</u>           | <u>(976,952)</u>                     | <u>158,937</u>                 | <u>1,769,230</u>            |

#### c) Unrestricted, undesignated funds (Charity):

|               | At<br>1 April<br>2022<br>£ | Net inflows<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2023<br>£ |
|---------------|----------------------------|-----------------------------------|--------------------------------|-----------------------------|
| General funds | 1,769,230                  | (236,798)                         | 180,544                        | 1,712,976                   |
|               | <u>1,769,230</u>           | <u>(236,798)</u>                  | <u>180,544</u>                 | <u>1,712,976</u>            |

|               | At<br>1 April<br>2021<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 2,587,246                  | (976,952)                            | 158,936                        | 1,769,230                   |
|               | <u>2,587,246</u>           | <u>(976,952)</u>                     | <u>158,936</u>                 | <u>1,769,230</u>            |

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2023**

### **18. MOVEMENTS ON FUNDS (continued)**

d) Endowment funds (Group):

|                                        | <b>At<br/>1 April<br/>2022<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2023<br/>£</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 3,153,115                            | (206,452)                              | (180,544)                               | 2,766,119                             |
|                                        | <u>3,153,115</u>                     | <u>(206,452)</u>                       | <u>(180,544)</u>                        | <u>2,766,119</u>                      |

|                                        | <b>At<br/>1 April<br/>2021<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2022<br/>£</b> |
|----------------------------------------|--------------------------------------|----------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 3,020,608                            | 132,506                                | -                                       | 3,153,115                             |
|                                        | <u>3,020,608</u>                     | <u>132,506</u>                         | <u>-</u>                                | <u>3,153,115</u>                      |

The Catalyst/Cadbury Family Endowment Fund represents donations received specifically for the purpose of funding dance fellowships to support young dancers with teaching, training and mentoring. The endowment period is 25 years until 1 November 2037 after which the fund is expendable.

Included within charity endowment funds are investments in subsidiaries totalling £2 (2022: £2)

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 18. MOVEMENTS ON FUNDS (continued)

e) Allocations of net assets between funds (Group):

|                          | 2023<br>Unrestricted<br>funds<br>£ | 2023<br>Restricted<br>funds<br>£ | 2023<br>Endowment<br>funds<br>£ | 2023<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 2,766,119                       | 2,766,119                   |
| Cash at Bank and in Hand | 69,971                             | 212,000                          | -                               | 281,971                     |
| Debtors                  | 4,195,009                          | 288,373                          | -                               | 4,483,382                   |
| Stocks                   | 79,202                             | -                                | -                               | 79,202                      |
| Fixed Assets             | 2,219,185                          | 493,892                          | -                               | 2,713,077                   |
| Creditors                | (2,256,124)                        | -                                | -                               | (2,256,124)                 |
|                          | <u>4,307,243</u>                   | <u>994,265</u>                   | <u>2,766,119</u>                | <u>8,067,627</u>            |

### 2022 Comparatives

|                          | 2022<br>Unrestricted<br>funds<br>£ | 2022<br>Restricted<br>funds<br>£ | 2022<br>Endowment<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,153,115                       | 3,153,115                   |
| Cash at Bank and in Hand | 865,818                            | 357,080                          | -                               | 1,222,898                   |
| Debtors                  | 2,766,718                          | -                                | -                               | 2,766,718                   |
| Stocks                   | 95,476                             | -                                | -                               | 95,476                      |
| Fixed Assets             | 2,248,643                          | 555,607                          | -                               | 2,804,250                   |
| Creditors                | (1,530,051)                        | -                                | -                               | (1,530,051)                 |
|                          | <u>4,446,604</u>                   | <u>912,687</u>                   | <u>3,153,115</u>                | <u>8,512,406</u>            |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 18. MOVEMENTS ON FUNDS (continued)

e) Allocations of net assets between funds (Charity):

|                          | 2023<br>Unrestricted<br>funds<br>£ | 2023<br>Restricted<br>funds<br>£ | 2023<br>Endowment<br>funds<br>£ | 2023<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 2,766,121                       | 2,766,121                   |
| Cash at Bank and in Hand | 44,165                             | 212,000                          | -                               | 256,165                     |
| Debtors                  | 3,764,055                          | 288,373                          | -                               | 4,052,428                   |
| Stocks                   | 79,202                             | -                                | -                               | 79,202                      |
| Fixed Assets             | 2,219,185                          | 493,892                          | -                               | 2,713,077                   |
| Creditors                | (1,825,087)                        | -                                | -                               | (1,825,087)                 |
|                          | <u>4,281,520</u>                   | <u>994,265</u>                   | <u>2,766,121</u>                | <u>8,041,906</u>            |

### 2022 Comparatives

|                          | 2022<br>Unrestricted<br>funds<br>£ | 2022<br>Restricted<br>funds<br>£ | 2022<br>Endowment<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | -                                  | -                                | 3,153,117                       | 3,153,117                   |
| Cash at Bank and in Hand | 865,818                            | 357,080                          | -                               | 1,222,898                   |
| Debtors                  | 2,833,385                          | -                                | -                               | 2,833,385                   |
| Stocks                   | 95,476                             | -                                | -                               | 95,476                      |
| Fixed Assets             | 2,248,643                          | 555,607                          | -                               | 2,804,250                   |
| Creditors                | (1,596,718)                        | -                                | -                               | (1,596,718)                 |
|                          | <u>4,446,604</u>                   | <u>912,687</u>                   | <u>3,153,117</u>                | <u>8,512,408</u>            |

### 19. EMPLOYEE RETIREMENT BENEFITS

The company contributes to two group personal pension schemes. The cost to the company for the period ended 31 March 2023 is equal to the amount of employer contributions paid in the period to each scheme, and is detailed below:

|                                        | 2023<br>£      | 2022<br>£      |
|----------------------------------------|----------------|----------------|
| Birmingham Royal Ballet Pension Scheme | 301,626        | 292,837        |
| Musicians' Union Pension Scheme        | 6,144          | 8,550          |
|                                        | <u>307,770</u> | <u>301,387</u> |

The company also contributes a fixed percentage of dancers' basic salaries to the Dancers' Career Development Fund. In 2022-23 the company contributed a total of £49,644 (2021-22: £47,470).

As of 31 March 2023, there were £56,154 outstanding contributions due in respect of the current reporting period (2022: £52,279).

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2023

### 20. FINANCIAL COMMITMENTS – GROUP AND CHARITY

#### Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

|                                       | 2023                       |              | 2022                       |               |
|---------------------------------------|----------------------------|--------------|----------------------------|---------------|
|                                       | Land and<br>buildings<br>£ | Other<br>£   | Land and<br>buildings<br>£ | Other<br>£    |
| <b>Charity</b>                        |                            |              |                            |               |
| - expiring within one year            | 218,000                    | 7,087        | 218,000                    | 7,087         |
| - expiring between one and five years | 872,000                    | 855          | 872,000                    | 6,110         |
| - expiring after five years           | 731,250                    | -            | 949,250                    | -             |
|                                       | <u>1,821,250</u>           | <u>7,942</u> | <u>2,039,250</u>           | <u>13,197</u> |

### 21. RELATED PARTY TRANSACTIONS

No Director received payment for professional or other services supplied to the charity during the year (2022: £nil).

Total donations received from the directors without conditions during the year was £16,615 (2022: £Nil).

All transactions between charity and the subsidiary, BRB Production Services Limited and BRB Trading Limited, are eliminated on consolidation.

### 22. CASHFLOW STATEMENT

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

|                                                                              | 2023<br>£        | 2022<br>£          |
|------------------------------------------------------------------------------|------------------|--------------------|
| Net income / (expenditure) for the year (before investment gains and losses) | (444,779)        | (1,751,212)        |
| Adjustments for:                                                             |                  |                    |
| Depreciation charges                                                         | 304,091          | 287,869            |
| (Gains)/losses on investments                                                | 263,576          | (73,016)           |
| Dividends, interest and rents from investments                               | (76,802)         | (79,271)           |
| Loss/(profit) on the sale of fixed assets                                    | (1,529)          | -                  |
| Operating cash flow before movement in working capital                       | <u>44,557</u>    | <u>(1,615,630)</u> |
| (Increase)/Decrease in stocks                                                | 16,272           | (6,433)            |
| (Increase)/Decrease in debtors                                               | (1,716,662)      | (915,839)          |
| Increase/(Decrease) in creditors                                             | <u>726,073</u>   | <u>71,353</u>      |
| <b>Net cash (used in) / provided by operating activities</b>                 | <u>(929,760)</u> | <u>(2,466,549)</u> |

All cash and cash equivalents in the current and prior year relate to cash in hand. There are no loans, overdrafts or finance leases.

**BIRMINGHAM ROYAL BALLET**

England & Wales - Charity number 1061012

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# Accounts

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**Company Registered Number 3320538**

**Charity Registered Number 1061012**

**Birmingham Royal Ballet  
(A Company Limited by Guarantee)**

**Report and Consolidated Financial Statements**

**For the year ended 31 March 2022**

# **BIRMINGHAM ROYAL BALLET**

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## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

Sir David Normington (Chair)  
Mr Ian Squires  
Mr Michael Elliott  
Ms Deborah Spence  
Ms Hemma Patel  
Mr Anthony Coombs  
Councillor Carl Rice (resigned 6 July 2022)  
Mr Barry Allen  
Ms Jeanetta Laurence OBE  
Ms Jane Hackett  
Ms Sandra Crossley  
Mrs Marverine Duffy (appointed June 2021)  
Ms Shireenah Ingram (appointed June 2021)  
Mrs Christine Ondimu (appointed June 2021)

#### **SECRETARY**

Mrs Anna Williams FCA, DChA

#### **REGISTERED IN ENGLAND & WALES**

Company Number: 3320538

Registered Charity Number: 1061012

#### **REGISTERED OFFICE**

Thorp Street  
Birmingham  
B5 4AU

#### **BANKERS**

HSBC Bank plc  
130 New Street  
Birmingham  
B2 4JU

#### **SOLICITORS**

Veale Wasborough Vizards LLP  
Second Floor, 3 Brindleyplace  
Birmingham  
B1 2JB

Level Law  
20-22 Sheldon Street  
London  
WC2H 9JJ

## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **INVESTMENT MANAGERS**

Evelyn Partners (formerly Smith and Williamson)  
9 Colmore Row  
Birmingham  
B3 2BJ

#### **AUDITOR**

Deloitte LLP  
Statutory auditor  
4 Brindley Place, Birmingham, United Kingdom, B1 2HZ

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

I wrote in my foreword to the 2020/21 annual report that there had never been a more challenging year in the 75 year history of Birmingham Royal Ballet and its predecessors. Well, the 2021/22 year ran it close: this was the second year in which the Covid pandemic continued to disrupt the company's plans. It required all our resilience, determination and ingenuity to get back on stage and to begin to implement our Director, Carlos Acosta's, much delayed artistic programme.

After several months of closure at the beginning of 2021, our first programmes in 2021/22 were a bold statement of Carlos's intent: a Triple Bill with three ballets new to Birmingham Royal Ballet, two of them new creations addressing contemporary themes; plus a return of David Bintley's much loved Cinderella. With the Birmingham Hippodrome still closed because of Covid, both programmes were performed at the Birmingham Rep in front of masked, socially distanced, but enthusiastic, audiences. Later in the summer, we took Cinderella to Plymouth - another bold statement, this time of our determination, despite Covid, to return to some of our loyal audiences around the country as soon as practicable. None of this was straightforward – to say the least. With David Bintley's help we reduced the grand scale of his Cinderella so that it did not need so many technical and stage staff; and in Birmingham our orchestra played in a separate space away from the auditorium. Our dancers were divided into bubbles to reduce the chance of Covid infections sweeping through the whole company.

Our triple bill opened, fittingly, with *City of a Thousand Trades*, our tribute to the people from many parts of the world who had built the great City of Birmingham. It was partnered with Daniela Cardim's *Imminent*, a story of how people cope with change; and Goyo Montero's beautiful and elegiac *Chacona*. We also took this triple bill to Sadlers Wells theatre in the autumn where Goyo Montero added a new pas de deux to *Chacona*, which was danced by Carlos and Alessandra Ferri with unsurpassed artistry. One feature of this triple bill was that some of our talented musicians from the Royal Ballet Sinfonia played on stage. In *City of a Thousand Trades* our timpanist and percussionist were high on a platform at the back of the stage, playing some of the implements with which the City was built.

By early autumn the Hippodrome was open again. Our autumn programme in Birmingham was built around different versions of the *Romeo and Juliet* story, enabling Carlos to continue his plans for interspersing the great classics with ballets new to BRB and to U.K. audiences. The programme included Macmillan's *Romeo and Juliet* with its great Prokofiev score; and Eduard Klug's *Radio and Juliet* danced to the iconic music of Radiohead. Both were wonderfully and memorably danced. We took *Romeo and Juliet* to Plymouth for a second visit to our good and enterprising friends at the Theatre Royal, where some of our younger dancers made fine debuts in the leading roles.

Covid infections began to spread again across the country as we began our traditional pre Christmas *Nutcracker* season at the Hippodrome. We decided to mount an adapted version of our Royal Albert Hall version in order to maintain some social distancing back stage. This also enabled us to continue the refurbishment of our traditional *Nutcracker* with a promise that we would bring it back, sparkling and bright, in 2022. Although we completed our Birmingham season, we took the decision jointly with the Royal Albert Hall to cancel our London season between Christmas and New Year because of the resurgence of the pandemic. This was a financial blow as well as being hugely disappointing for our audiences.

Despite everything we ended the 2021/22 year with a triumphant and joyful production of Carlos's own *Don Quixote*. Although first produced originally for the Royal Ballet, Carlos created a new version for Birmingham Royal Ballet, which, unlike the Royal Ballet version, could be taken on tour. There were new sets, including a memorable windmill, new costumes and new orchestrations vividly played by the Royal Ballet Sinfonia. It opened in Southampton to standing ovations which continued as we took the production to Birmingham, Manchester, Sunderland and Plymouth. In Birmingham we were thrilled to be joined for two performances by Royal Ballet stars, Marianella Nunez and Vadim Muntigirov in the principal roles.

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

There were increasing cast changes as Covid struck the company and at the start of our week in Manchester we did not have enough fit dancers to get the show on stage. At one point Laura Day put on beard, hat and trousers at short notice and gave an unforgettable account of Sancho Panza. It seemed to sum up the indomitable spirit of the company in this Covid dominated year.

I have written mainly so far about the dancers and musicians because they are the ones we see giving the live performances which is what BRB is ultimately all about. But of course that is only part of our story. For every production there is a large unseen team behind the scenes, leading the rehearsals, looking after the company's health and well being, lighting and dressing the productions, contracting the producers and creators, marketing the programmes, raising the money from our donors and supporters, making or commissioning the wigs and the costumes and so on and so on. Putting on five ballets new to BRB, including a completely new full length ballet, would be demanding in any year; in a year when the country was still grappling with Covid, it was sometimes close to a miracle that the shows actually got on stage. On the opening night of Don Q we were all cheering not just the brilliant dancers and musicians but all the people in the company who had risen to the challenge and made it possible. I am immensely grateful to all of them.

Some other unsung heroes are our LEAP team who throughout the pandemic kept alive our mission to open up the world of ballet and music to children and young people and make our skills and expertise available to the community in Birmingham and the West Midlands. As this report describes they managed to deliver over 600 sessions, many of them online, in 2021/22 to 11,500 people. Our dancers with learning difficulties in our Freefall company were particularly badly affected by the lockdowns and the weekly online sessions were a lifeline. Thank you to everyone who made this possible.

We have learned a lot during the Covid lockdowns about how to reach audiences with digital content online. This provides us with new ways of engaging with our audiences and building audience recognition worldwide. It remains an important priority for the next phase of BRB's development.

We could not have survived the two Covid years without the support from the Government through the furlough scheme and the cultural recovery fund; from the Arts Council; and from the many private individuals, trusts and foundations, who often advanced their payments and changed the conditions of grant to ensure that we had the necessary cash flow and the resources we needed to plan future programmes. Jayne Francis, Birmingham's Cabinet member for education and culture, with her colleagues at the City Council, took immense trouble to check in with us regularly to ensure we were coping. There were some heart-warming moments, particularly on the opening night of the Nutcracker, when some of our longest-standing friends and supporters, made a point of coming back into the theatre to express their support for the company. We are grateful to them all. The support for the arts – and for BRB – in this period was exceptional.

Despite this, it was a challenging year financially with the company reporting an operating deficit of over £1.75 million – one of the largest in its history. This was partly planned. It was always our intention to try to conserve resources during 2020/21 (when we made a surplus) in order to invest in new productions, like Don Quixote, and to continue with the rebuilding of our traditional Nutcracker. However the continuing prevalence of the pandemic meant that audiences throughout the year were disappointing and performances at the Royal Albert Hall were cancelled, so that our income was well below our expectations.

There are, therefore, some challenges ahead. We have great ambitions to widen our repertoire, to raise our international reputation and to continue to take great ballet with live music across the U.K. We want to step up our outreach, to attract new audiences and to give many more young people in Birmingham and beyond the opportunity to learn new skills and gain employment in the creative industries. But this requires investment at a time when public funding is falling in real terms, audiences have not yet returned to pre-Covid levels and costs are rising steeply.

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

We are determined not to miss the opportunity presented to us by having Carlos Acosta as our Director. We believe we can be the model for how a major performing arts organisation can flourish outside London and in the process make a major contribution to the economic, social and cultural life of city, region and country. So the question is, can we find the resources we need by containing our own costs, by growing our audiences and by raising more money from our supporters; and will the people, businesses and institutions of Birmingham and the West Midlands get behind us in this great endeavour?

My final words of thanks go to Carlos Acosta, to our Chief Executive, Caroline Miller, to Anna Williams ( who acted as CEO during Caroline's illness) and to everyone in the company who showed such remarkable resilience and flexibility during another challenging year. I am truly grateful to them all.

DocuSigned by:

*Sir David Normington*

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Sir David Normington

Chair of the Board

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT)**

The directors present their annual report (including the strategic report) and the audited financial statements for the year ended 31 March 2022.

#### **STATUS, OBJECTS AND POLICIES**

Birmingham Royal Ballet (BRB), a registered charity, is incorporated as a company limited by guarantee, not having a share capital.

BRB Production Services Limited is a wholly owned subsidiary of Birmingham Royal Ballet. The principal activity of the company is theatrical production for some co-productions and co-presentations such as The Nutcracker at the Royal Albert Hall. Due to covid the company did not trade during the years to 31 March 2021 and 31 March 2022.

The objects of Birmingham Royal Ballet in accordance with the Articles of Association are to advance the education of the public in the arts and sciences of ballet, dance, music and drama.

Birmingham Royal Ballet seeks to be the UK's foremost large-scale touring ballet company, enriching people's lives through dance, and aspiring to excellence in all that it does.

#### **DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS**

The Directors of the charitable company who are also trustees for the purpose of charity law, are referred to in this report as "Directors" or "the Board of Directors".

The names of the Directors, Officers and Professional Advisers who served throughout the year and at the date of signing are provided on page 3 - 4.

All of the SORP 2019 requirements of the Trustees Report have been included within this Directors' Report.

#### **Organisation**

The Board of Directors' membership includes those with appropriate professional experience of dance, education, arts and culture, fundraising, marketing and communications, general management and financial management.

#### **Directors' Interests in Related Bodies**

| <b>Body</b>                   | <b>Director</b>                               |
|-------------------------------|-----------------------------------------------|
| Governors of the Royal Ballet | Sir David Normington<br>Jeanetta Laurence OBE |
| Birmingham City Councillors   | Councillor Carl Rice (resigned 06 July 2022)  |

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### GOVERNANCE STRUCTURE

Birmingham Royal Ballet, as a company limited by guarantee, is governed by a board of non-executive directors (charitable trustees). In accordance with the Articles of Association the Directors are also the members of the company.

The Board of Directors are responsible for decisions covering the significant areas of Birmingham Royal Ballet's affairs including:

- over-all strategy and planning including setting strategy and plans to respond to Arts Council England's National Portfolio Organisation funding programme.
- appointment of the key management personnel the Chief Executive and 'The Director'. The day-to-day management of the affairs of Birmingham Royal Ballet is delegated to the Chief Executive, Caroline Miller, who is responsible for overall organisational management. The Director, Carlos Acosta, is responsible for artistic vision and strategy and for managing artistic activities.
- approval of budgets, approval of major capital expenditure projects, and development of key policies including general treasury and risk management policies.

The Governors of the Royal Ballet have the right to nominate one of their members to be a member of the Board of Directors; Birmingham City Council nominate one representative (usually a Councillor) to be a member of the Board of Directors. All such nominations are approved and appointed by the Board of Directors. The Board of Directors is responsible for the appointment of a Chair.

In order to carry out their duties as effectively as possible the Board of Directors is assisted by a number of sub committees including:

- **The Finance and General Purposes Committee** - responsible for detailed review of financial reports, planning documents, budgets and policies prior to recommendation for approval. The Finance and General Purposes Committee presently fulfils the role of the Audit Committee.
- **The Nominations and Governance Committee** – is responsible for the review of general governance including BRB's response to the recommendations of the Charity Governance code as well as recommendation of candidates for appointment as Directors bearing in mind the particular needs of the Board at the time as well as the future needs of the Board (succession planning). The Nominations Committee is also responsible for ensuring the appropriate induction and training of new directors. It is the responsibility of the Board of Directors as a whole to approve candidates for appointment.
- **The Appointments and Remuneration Committee** - responsible and overseeing the appointment of The Chair of the Board, senior officers and for reviewing their remuneration and making appropriate recommendations for the Board of Directors as a whole to approve.
- **The Investment Committee** - responsible for overseeing implementation of the investment policy and monitoring performance of invested funds.

Other working groups may be convened and carry out specific tasks as directed by the Board.

To enable the Directors to perform their duties all directors have full access to relevant information and to services of the Company Secretary and the Officers of the Company. If necessary, the Directors may take independent professional advice at the Company's expense.

All new Directors receive a comprehensive information pack, a tour of the company and opportunities to meet with The Director, Chief Executive, Chief Operating Officer and other senior members of staff. All Directors have regular access to performances, other events and activities so that they are familiar with the work of the company. An extended board session is held annually to discuss subjects such as artistic policy, business strategy and governance. An extended Board meeting was held on 23 February 2022 to discuss Arts Council England's 'Let's Create' strategy and BRB's forthcoming application for funding 2023 – 2026.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

The primary governance and organisational objectives for the period were to:

- Reviewing the governance framework for BRB including Board skills and sub-committee structure to ensure scrutiny of key activity and risk
- Negotiate new dancers & musicians' contracts including media agreement buy out for filming / broadcast rights
- Improving environmental performance through the reduction of office space occupied by the organisation and reducing transport through hybrid working

We were delighted to welcome Marverine Cole, Shireenah Ingram and Christine Ondimu as Board members in June 2021.

Marverine Cole is a radio and television presenter and news reporter from Birmingham and Director of the BA (Hons) Journalism course at Birmingham City University and works with the Sir Lenny Henry Centre for Media Diversity, an independent body working to achieve accurate representation of all sections of society across contemporary UK media.

Shireenah Ingram is an Actor, Presenter and Songwriter who began her performance career in 2012. Shireenah's relationship with BRB began as the youngest participant in and star of Channel 4's *Ballet Hoo, Ballet Changed My Life* and now she comes full circle to take her place as the youngest member on the Board.

Christine Ondimu is an experienced Banking professional who is passionate about workplace inclusion. Christine is a qualified Lawyer working as a Diversity & Inclusion Manager at HSBC UK.

As Board membership has increased in diversity we have made some important steps in increasing organisational understanding and developing our policies and strategies around equality, diversity and inclusion

On 7 June 2021, BRB partnered with Kauma Arts to host a free panel discussion on diversity in dance, the artform today, heritage and the workforce for dance professionals in the West Midlands. The event was an open invitation to representatives from across the dance sector in the West Midlands to join a panel of experts in a conversation about diversity in the industry with the aim of addressing issues, overcoming challenges and working out solutions to effect positive change in the region.

On 25 February 2022, BRB hosted a talk by the Black British Ballet project to celebrate and document the careers of Black dancers and choreographers in British ballet. The project aims to interview every Black British ballet professional from the last century to create a film and a dedicated website that showcases their achievements and experiences. The Celebration of Black British Ballet was a free event that included a short film screening a panel discussion with including former BRB ballet teacher and coach Julie Felix and BRB principal dancer Tyrone Singleton.

BRB is developing its thinking and approach to increasing diversity within the field of classical music. We are delighted to welcome Amira Campbell, a classical music student from Birmingham University, who will be supporting our work in this area.

BRB has also taken the first steps in the development of a 'Creative Academy' by undertaking research funded by the Calouste Gulbenkian Foundation to focus on opening up access to jobs and careers in the creative industries for a new generation in partnership with other Birmingham based arts organisations including Birmingham Rep and CBO.

As we endeavour to return to a more settled programme of work post-pandemic, our expectation is that all Board members should sit on at least one sub-committee or contribute relevant experience and expertise to support activity as required. With new members joining in a still disrupted year, it was important that they had an opportunity to establish their understanding of the organisation before finalising new committee membership and structures in 2022-23.

Contract negotiations have commenced through Equity and Musicians Union and will continue through to 2023.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

BRB monitors its environmental performance through Julie's Bicycle creative green tools. BRB has reduced its carbon footprint by reducing the office space it occupies and through adapting performances to reduce their scale for transport. In 2021-22 this included Cinderella and The Nutcracker.

#### **PUBLIC BENEFIT**

In shaping objectives and planning activities for the year, the Directors have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee-charging.

Birmingham Royal Ballet is one of the UK's most creative and exciting ballet companies and aims to inspire audiences with work that is entertaining, relevant, exciting and technically excellent. It is committed to inclusion and access as ballet, dance and music are art forms for everyone to experience, participate in and enjoy.

Creating new ballet is an essential part of ensuring that the art form remains vibrant and relevant. Birmingham Royal Ballet creates new one act and full-length narrative ballets and regularly commissions new music for these works, adding richness to the national cultural ecology. Birmingham Royal Ballet plays an important role in preserving the classical and heritage repertoire, in particular those works associated with the English tradition of classical ballet, ensuring their continued existence for future generations to enjoy.

With the support of its major funder, Arts Council England, Birmingham Royal Ballet presents world-class performances of the widest possible range of repertory throughout the United Kingdom in both large scale and middle scale venues. The company also tours internationally on a regular basis.

Birmingham Royal Ballet is committed to the principle that cost should not prohibit access to performances. Tickets for performances in the UK are priced across affordable ranges (between £10 and £85) which reflect the regional economies where the company performs. A wide range of concessions and special offers are available on tickets including discounts for school groups. Access to live performances is supported through a programme of children's performances, touch tours, audio description and relaxed performances.

Birmingham Royal Ballet offers free talks, open classes and activity days to support performances and membership schemes such as Birmingham Royal Ballet Friends and The Dancers' Circle give opportunities to attend talks, rehearsals and other special events that help to give a greater insight into and understanding of the work of the company.

Birmingham Royal Ballet extends its reach and accessibility through learning, engagement and participation (LEAP) work. Programmes include free ballet training for talented individuals, repertory based programmes for schools and community groups, disability led work and continuing professional development for professional dancers and teachers. Many projects include free access to a Birmingham Royal Ballet performance. Birmingham Royal Ballet continues to expand and develop how it takes work into the community; presenting it in new and unusual settings and co-creating works and performances with community groups.

Access to performance, engagement and participation activity is amplified through Birmingham Royal Ballet's growing digital offer which includes both free and paid for content which can range from a brilliant still images to made for digital films like *Empty Stage*. Whatever the format, BRB's digital content shares the same production values and striving for excellence that drives all of BRB's artistic work. Digital production is no longer limited to 'show marketing' but is part of the artistic and cultural aims of the Company and based on fundamental principles to 'Entertain, Educate or Inspire'

Above all, Birmingham Royal Ballet believes in the importance of taking the arts to everyone and will work hard, through ballet, dance and music, to break down barriers perceived or real that prevent people from the pleasure of experiencing or engaging with the arts in its many and varied forms.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### STRATEGIC REVIEW

#### CHARITABLE ACTIVITIES

##### Performance and Production

The Birmingham Royal Ballet group of companies (Birmingham Royal Ballet and its subsidiaries BRB Production Services and BRB Trading) produce and perform ballet dance and music of the highest quality ensuring access to world class performances to audiences throughout the United Kingdom as well as internationally.

BRB's artistic and performance related objectives for the 2021-22 period were to:

- Prepare detailed programme plans to 31 March 2023
- Launch Carlos Acosta's first full performance season with *Curated by Carlos Festival* at The Rep in June 2021
- Return to Birmingham Hippodrome in autumn 2021 for a season of programmes based on *Romeo and Juliet*
- Present an adapted and spectacular version of *The Nutcracker* at Birmingham Hippodrome in 2021 whilst the beautiful sets for BRB's flagship production of Sir Peter Wright's *Nutcracker* are being rebuilt for presentation in 2022.
- Returning to the Royal Albert Hall for a fourth season of performances of *The Nutcracker* in December 2021
- Premiere and tour a new production of *Don Quixote* in February 2022

In 2021-22 the company gave 100 performances; 61 in Birmingham and 39 on tour across the UK (2020-21: 8 in Birmingham and 5 in London of which 3 performances were behind closed doors due to covid and broadcast either live or video on demand). Live audiences were approximately 82,000 (2020-21: 2,400) plus estimated digital audiences of 2,000 (2020-21: 12,775) for live or video on demand performances.

The complete repertory performed during the year was:

| BALLET                                                   | CHOREOGRAPHY                                        | MUSIC                               |
|----------------------------------------------------------|-----------------------------------------------------|-------------------------------------|
| City of a Thousand Trades                                | Miguel Altunaga                                     | Mathias Coppens                     |
| Imminent                                                 | Daniela Cardim                                      | Paul Englishby                      |
| Chacona (extended at Sadlers Wells with new pas de deux) | Goyo Montero                                        | Johann Sebastian Bach               |
| Cinderella                                               | Sir David Bintley                                   | Sergei Prokofiev                    |
| Romeo and Juliet                                         | Sir Kenneth Macmillan                               | Sergei Prokofiev                    |
| Romeo + Juliet                                           | Rosie Kay                                           | Hector Berlioz                      |
| Radio and Juliet                                         | Edward Clug                                         | Radiohead                           |
| The Nutcracker                                           | Lev Ivanov<br>Sir Peter Wright<br>Sir David Bintley | Pyotr Ilyich Tchaicovsky            |
| Don Quixote                                              | Carlos Acosta                                       | Ludwig Minkus arr. Hans Vercauteren |

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

Full repertory by venue was as follows:

| VENUE (S)                                                                                                                | DATE                     | PROGRAMME                                                                |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------------------|
| Birmingham Repertory Theatre                                                                                             | June 2021                | Curated by Carlos – City of 1000 Trades, Imminent, Chacona               |
| Birmingham Repertory Theatre<br>Theatre Royal Plymouth                                                                   | June & July 2021         | Cinderella                                                               |
| Birmingham Hippodrome<br>Theatre Royal Plymouth                                                                          | October 2021             | Romeo and Juliet                                                         |
| Birmingham Hippodrome                                                                                                    | October 2021             | R&J Reimagined<br>R+J by Rosie Kay Dance Company<br>Radio and Juliet     |
| Sadlers Wells Theatre                                                                                                    | November 2021            | Curated by Carlos<br>City of 1000 Trades<br>Imminent<br>Chacona extended |
| Birmingham Hippodrome                                                                                                    | November & December 2021 | The Nutcracker                                                           |
| The Mayflower, Southampton<br>Birmingham Hippodrome<br>The Lowry, Salford<br>Sunderland Empire<br>Theatre Royal Plymouth | February & March 2022    | Don Quixote                                                              |

Building on our success and experience gained in 2020 of how to take a major live show on tour in the UK, BRB was eager to return to live performance after the hiatus of another lockdown period in early 2021. Working once again with our colleagues from The REP we worked together to present an ambitious performance season comprising an all new contemporary triple bill 'Curated by Carlos' including two world premieres and an adapted version of Sir David Bintley's much loved Cinderella, which also toured to Plymouth in July 2021. Given restrictions still in force, the company continued to work in bubbles to minimise the risk of infection. This complex logistical puzzle was a huge achievement, brilliantly devised and delivered by BRB's Ballet Staff and Company Management teams.

The triple bill comprised City of a Thousand Trades, co-produced with The Rep, as a celebration of Birmingham and the migrant communities that have built the city, Daniela Cardim's Imminent which was postponed from 2020 as part of the Ballet Now programme and Spanish choreographer **Goyo Montero**'s thrillingly physical work **Chacona**, set to electrifying music by J.S. Bach. Other than a limited number of solo musicians on stage, the live music for the programme was broadcast from 'the Door' theatre space to ensure a safe performance space for the Royal Ballet Sinfonia.

With the relaxing of restrictions over summer 2021, BRB was delighted to the main stage at our home theatre, Birmingham Hippodrome in autumn 2021 with a programme inspired by Romeo and Juliet. We performed Sir Kenneth MacMillan's passionate Romeo and Juliet with Prokofiev's glorious score performed live by the Royal Ballet Sinfonia; back in the orchestra pit at last. We also performed a contemporary programme, Carlos Curates: R&J Reimagined which saw Rosie Kay Dance Company's Romeo + Juliet, with Royal Ballet Sinfonia playing Berlioz' score, presented alongside BRB's premiere of Romanian choreographer Edward Clug's *Radio and Juliet*, set to the music of Radiohead.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

In October 2021, BRB returned to Sadler's Wells with *Curated by Carlos*, restaged for non-socially distanced performances which included Carlos Acosta and ballet superstar Alessandra Ferri performing a newly commissioned 10 minute duet as part of Goyo Montero's *Chacona*.

Christmas 2021 was celebrated with a return of *The Nutcracker*. Our initial plan had been to present a version which included the famous 'Red Room' sets that had been rebuilt over summer 2021. However, due to the risk of rising infection rates over the winter, in early August 2021 we made the bold decision to adapt the Royal Albert Hall presentation for Birmingham Hippodrome. This was an innovative response to ensure we could still present a magical christmas show and mitigate against infection. The orchestra were positioned above the stage on the platform build for use at Royal Albert Hall and spectacular projections filled the whole proscenium arch and boxes giving the feeling of sitting inside the set itself. The new star of the show was BRB's new state of the art, energy efficient lighting rig generously funded by Garfield Weston Foundation. The rig is lighter and easier to transport, reduces set up and focussing time, uses technology that enables a greater range of lighting effects and importantly, the LED lights use a fraction of the energy of old tungsten light bulbs. The rig was visible to the audience in *Nutcracker* and the moving lights with changing colours formed a beautiful arc above the stage.

We were fortunate that our Birmingham *Nutcracker* performances finished in the first half of December 2021 and we managed to complete the full run. Rising cases of the Omicron variant of covid decimated Christmas shows across the UK and it was with great regret that Birmingham Royal Ballet and Royal Albert Hall decided to postpone the December 2021 performances to December 2022.

Welcoming the new-year with renewed ambition we set to work on world premiere of a new production of Carlos Acosta's *Don Quixote* sets by award winning designer Tim Hatley, projections by Nina Dunne and a re-orchestration of the Minkus score by Hans Vercauteren. The biggest ballet show in terms of sets, dancers, crew and orchestra to go on UK tour since the pandemic began. An explosion of Spanish sunshine, spectacular dance and vivacious comedy had its world premiere at Southampton Mayflower, before touring to Birmingham, Salford, Sunderland and Plymouth. We welcomed ballet superstars Marianela Núñez and Vadim Muntagirov of the Royal Ballet to perform with BRB in *Don Quixote* at Birmingham Hippodrome. This was an incredibly rare chance to see two of the best dancers in the world perform outside London. Notwithstanding the ongoing battles with fluctuating covid rates (which still continue), we completed the long tour with the loss of only three performances in Salford; we would like to thank our colleagues at The Lowry for their support and understanding.

There were many incredible premieres and performances by BRB dancers throughout Don Q tour. The Board would like to thank the whole company for their versatility and dedication for changing roles and learning adapted choreography to keep the show on the road.

#### Orchestra

We were delighted that our orchestra 'The Royal Ballet Sinfonia' was the chosen orchestra for a fundraising gala for the eight British ballet companies at Royal Albert Hall in June 2021. The spectacular gala was organised and hosted by Dame Darcey Bussell.

The Sinfonia recorded *Cinderella* and the *Curated by Carlos* programmes as a contingency to protect the shows should players be absent due to covid. They also recorded music for LEAP's 'Orchestra in a Box' project.

#### Professional Development

BRB offers opportunities for artists to develop their professional careers

During 2021-22 students from Royal Ballet School, Elmhurst School for Dance, English National Ballet School and Central School of Ballet have performed roles in *Cinderella*, *Romeo and Juliet*, *The Nutcracker* and *Don Quixote*. Working alongside BRB dancers and gives students important work experience and insight into the adaptability, resilience and professionalism required for a career in classical ballet.

Three longstanding members of the Company. Jonathan Payn, Laura Day and Rory Mackay moved to new roles of Assistant Répétiteur, assisting the Director, Assistant Director and Ballet Staff by teaching class, directing rehearsals and taking on responsibilities including rehearsal scheduling and rehabilitation coaching. All three continue to perform as principle character artists including an unexpected and brilliant premier by Laura Day the role of Sancho Panza due to covid absences; personifying the 'can do' spirit of the company.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

BRB has continued working with the Royal Opera House to develop the specialist skills of conducting for dance through the Constant Lambert Conducting Fellowship. We were delighted to welcome Charlotte Politi as our 2021-22 fellow.

In January 2022, BRB established a Student in Residence partnership with the Royal Birmingham Conservatoire (part of Birmingham City University). The scheme will initially work with one student per annum to develop the selected student's performance skills. The aim is to provide intensive orchestral experience over the course of a year with the possibility of performance engagements with the Sinfonia in the future.

#### Audience Reach and Growth

2021-22 has been a critical moment for the Birmingham Royal Ballet. Building on successes of 2020-21 whilst emerging from the pandemic with new artistic leadership, new leadership in marketing and development, new digital audiences, a new brand and an imperative for growth of all audiences over the next five years among an ambitious artistic agenda. Whilst the disruption of covid continued throughout the financial year we laid important foundations for future success

The primary Audience Development objectives for 2021-22 were to:

- Re-structure the Brand and Marketing team and setting up new Digital team.
- Implement a new audience development strategy to re-build, grow and broaden audiences post pandemic
- Build on the success of 2020-21 investment in BRB's digital infrastructure, supported by Garfield Weston Foundation funding, and developing content to increase audiences and engagement

During 2021-22 we have been developing the 'Brand and Marketing' Team structure to an externally focused 'Sales, Marketing and Audiences' Team which includes content development, social media and film expertise. We were delighted that after a successful secondment with the team in 2020, Tom Rogers retired from dancing after 17 years and took up a new role at BRB as Digital Creative Producer, bringing ballet knowledge and creative vision in house to extend access and insight through film and digital technology. Tom has been supported in his successful career transition by the Dancers Career Development and Clore Foundation.

The planned strategy for 2021-22 had been based on rapid audience growth back to pre-pandemic levels with progress towards diversifying BRB's audiences would be ongoing and concurrent over a longer timeline. In reality, the impact of covid has continued to disrupt audiences returning and which has resulted in a review of our growth and earned income assumptions. The time horizon for returning to pre-pandemic levels in combination with change toward a more diverse audience is now based around a five year horizon. We are presently focussing on understanding the change between current and past audiences are so that we can develop targeted campaigns to re-build existing and develop new relationships.

BRB's developing digital programme sits within the *Shout Louder, Sell More Tickets* ethos that has driven much success since the arrival of Carlos Acosta as Director in January 2020. During 2021-22 BRB has continued to extend access to audiences through growing a successful and varied online programme of free and pay per view performances, events and behind the scenes access. We are confident that great content builds engagement not only to drive income growth but equally to broaden interaction and insight as part of our public benefit remit as a charity.

Some highlights of our digital, film and broadcast programme include

- **June 2021 Birmingham International Digital Dance Festival** - BRB broadcast of *City of a Thousand Trades*; an online Cinderella ballet class designed for children aged 6 – 11 years, Company Class from the stage, two dance film world premieres including *The Burning Building*, choreographed by Javier De Frutos and a new Freefall Dance Company film - *Stepping Out, Stepping Up*
- **Stepping Out, Stepping Up** - In spring 2021, Carlos Acosta proposed some music by Cuban/Iranian band Ariwo for artistic inspiration for BRB's Freefall Dance Company; BRB's company for learning disabled dancers. Having worked throughout lockdown via zoom to protect the dancers who are vulnerable to covid-19, we had to work out how to film the dancers safely. Having secured a roof terrace suitable for outdoor

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

filming each dancer was given a 30-minute solo filming slot (to minimise contact) across a day of recording. For many of the dancers - who had been shielding for over a year, it represented a first outing.

- **World Ballet Day October 2021** - BRB ran four different streams throughout the day for audiences worldwide in Australia, Japan, the UK and the Americas, presented by our dancers from those countries.
- **Curated BY CARLOS film** - November 2021; our film of the triple bill launched Sadler's Wells Digital Stage.
- **Behind-The-Scenes February 2022** - working with nine film-making students from Birmingham City University (BCU) who created a documentary, revealing the behind-the-scenes process of staging *Don Quixote*. The students were in their final year on the BA (Hons) Filmmaking course at the school of Games, Film and Animation at BCU.
- **Don Quixote** - award winning film maker, Ross MacGibbon, produced a beautiful film of the ballet, broadcast in cinema in autumn 2022.

BRB's social media strategy has focused on YouTube as its target area for growth. We have doubled our number of subscribers has doubled from 2,000 to 4,000. The focus for content has been "stories": short, attention-grabbing posts that disappear after 24 hours, allowing us to engage users with personality-led content designed for fast consumption. For example, in December 2021 BRB partnered with the Royal Academy of Dance on the #SugarCube dance challenge on Instagram and TikTok, featuring BRB dancers and the general public creating their own Cuban-inspired dance moves to a short piece of music based on *The Nutcracker*. The project received over 148,000 views.

We have increased Facebook subscribers to 147,000 (2020-21: 130,000) and Instagram subscribers to 60,500 (2020-21: 54,800)

#### Engagement and Participation

Offering opportunities to connect with Birmingham Royal Ballet through learning, engagement, access and participation (LEAP) programmes is one of the ways in which the company can take ballet and associated activities out beyond the traditional theatre presentations making ballet, dance, drama and music accessible art forms for everyone.

In 2021-22 BRB has delivered 604 LEAP sessions to around 11,500 participants.

Our LEAP objectives for the year were to:

- Continuing to provide classes for DanceTrack and Freefall online prior to the return of live classes which re-commenced in autumn 2021
- Recruiting a new cohort of ambassadors to start working with BRB in 2022
- Offering a programme of online classes, activities and events to provide new insights and build engagement and interactions
- Devising and testing LEAP activities focussing on music
- Undertaking research funded by Calouste Gulbenkian Foundation to inform BRB as to how it can support skills development and routes into working in theatre and creative industries

**Dance Track** - BRB's talent development programme for primary school children. Classes started back in BRB studios and our other Dance Track centres in Birmingham in autumn 2021. 2022 is the 25<sup>th</sup> anniversary of this programme and over the years Dance Track has touched the lives of some 36,000 primary school children in Birmingham. From relatively modest beginnings, Dance Track has now grown to operate in more than 40 Birmingham primary schools. The programme has nurtured raw dance talent in primary schools across Birmingham and had a positive, life-enriching impact on thousands of young people aged six to eight. The programme has also provided top-quality dance training to talented young people in Birmingham who might otherwise not have the opportunity to benefit from dance training.

**Freefall Dance Company (talented adults with severe learning difficulties)** - Freefall Dance Company is an ensemble of highly gifted dancers with severe learning disabilities. Throughout the pandemic, Lee Fisher; Artistic

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

Director of Freefall delivered classes via zoom and our priority during 2021-22 was to start welcoming the company back to BRB studios for rehearsal

**LEAP Ambassadors** - (formerly BRB Ambassadors) programme was re-launched in September 2019 as a FREE year long residency with BRB for young people aged 16-25 with limited access to ballet, the arts, culture and education. The focus of the programme was to provide young people with the skills needed to create, take part in and contribute to community arts projects in the future. Following a successful pilot year in 19/20 and a year break due to the pandemic 2021-22 cohort of 8 ambassadors started in November 2021 for an eight month programme culminating in July 2022.

**Music Programme** – we are keen to ensure that music as well as dance is reflected in our LEAP offer for schools and the LEAP and music teams have researched how our present schools programme can include music. During the year the orchestra have recorded extracts for an online 'Music and Dance' presentation for schools.

**Skills and employability** – Creative Alliance were engaged to undertake research with young adults, existing and potential stakeholders to explore and inform first steps in opening up access to jobs, training and careers for a new generation of West Midlands young people. BRB, in partnership with a group of Birmingham based cultural organisations, are working on building a more equitable Creative Industries workforce over a ten-year period. The research, funded by Calouste Gulbenkian Foundation, commenced in February 2022.

**Royal Academy of Dance Partnership** is a new programme announced in October 2021 and launched February 2022 for BRB work alongside RAD teachers and students. Working in Birmingham and with venue partners across the country BRB will help connect students and teachers with dancers, musicians and technical staff. The programme will create the opportunity for hundreds of students and teachers to come and experience Birmingham Royal Ballet productions live throughout 2022 both live and will harness digital technology to share activity and support RAD teaching throughout the world.

### FINANCIAL REVIEW

Birmingham Royal Ballet's primary financial objectives for the period

- Grow general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover.
- Undertake a thorough review of financial systems, controls and management information to ensure that these are fit for purpose and future proof to support BRB's artistic and financial strategy for the next 10 years

The group results for the period are set out in the financial statements on page xx onwards.

The period to 31 March 2022 ended with a deficit on activities including the endowment fund of £1,751,208 (2020-21 surplus £4,318,830) giving total accumulated reserves of £8,512,410 (2020-21 £10,263,618).

The year-end result reflects our agreed strategy of two years investment in new and new to BRB artistic programming celebrating the artistic vision of Director Carlos Acosta.

The deficit analysed across funds was as follows:

- General unrestricted funds - £(1,927,220)
- Restricted funds – £43,505
- Endowment funds £132,507

Unrestricted revenue reserves (excluding the capital reserve of £1,850,098 for the refurbishment of BRB's Thorp Street premises) presently stand at £2,596,510. Total unrestricted reserves are £4,446,608 (2020-21: £6,373,828) including the designated capital refurbishment reserve of £1,850,098 (2020-21: £1,958,928). General, undesignated

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

reserves presently stand at £1,769,234 and our strategy for the period from 2023 – 2026 will be to rebuild these reserves back towards £2.3m in line with our stated reserve policy

#### **Raising Funds**

Primary objectives 2021-22 were to

- Continuing to meet the funding requirements of Arts Council England wherever possible through a revised programme of live and digital performances and LEAP activity through to 31 March 2021 as a bridge to 2021-22 and beyond in preparation for a new NPO funding round in 2023
- Submitting an application to Arts Council England for the extension of NPO funding for period to 31 March 2023. The application was submitted on 15 September 2021 and funding for 2022-23 was confirmed on 17 December 2021
- Outline strategic goals to respond to Arts Council England's 'Lets Create' strategy and deliver a full NPO application by 26 April 2022

As in previous years our principal funding sources are:

- Arts Council England – £8,036,194 (2020-21: £8,036,194) revenue funding to contribute towards Birmingham Royal Ballet's core operating costs and the costs of delivering performances and activities including touring nationally, middle scale touring, audience development activity and our learning and outreach programme.
- Birmingham City Council – £157,850 (2020-21: £157,850) revenue funding to contribute towards BRB's core operating costs and the costs of delivering performances and learning and outreach activities primarily in Birmingham.

Core revenue funding from our major revenue funders, Arts Council England and Birmingham City Council, accounted for 61% of total income (2020-21: 60%).

Arts Council England funding for the next 3 years is committed as standstill.

Birmingham Royal Ballet received £158,936 furlough grant income from the government towards a total staff cost of £8,289,242 for the year. BRB made its final furlough grant claim for May 2021. Furlough grant income has been vital in enabling BRB to preserve vital skills to enable the company to adapt its activity, return to performance and thereby continue to thrive during the covid pandemic.

BRB was awarded £175,000 (2020-21: £500,000) from Arts Council England's first round of Culture Recovery Funding to support investment in digital content development and a contribution towards capital investment in improved and 'covid-safe' office space at BRB stores.

In February 2021, BRB had been awarded £600,000 from the Garfield Weston Foundation to support recovery from the impact of the COVID-19 pandemic. The grant was one of the largest awards and enabled BRB to invest in a state-of-the-art, energy-efficient lighting rig which was first used to spectacular effect in The Nutcracker at Birmingham Hippodrome 2021.

Total income from donations, membership schemes and other fundraising activity during the year was £1,506,476 (2020-21: £2,378,953) of which donations (excluding legacies) from private individuals were £645,988 (2020-21: £570,653).

Income from trusts and foundations for the year was £ 642,523 (2020-21: £1,510,957).

We would like to thank the following trusts and foundations that have supported Birmingham Royal Ballet during 2021-22:

Alan Woodfield Trust

Albert and Elizabeth Clark Trust

Alison Hillman Charitable Trust

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

Amar-franses & Foster-Jenkins Trust

Baron Davenports Charity

Bayfield Charitable

BHSF Medical Charity and Welfare Trust

Birmingham Common Good Trust

Brian Shaw Memorial Trust

Calouste Gulbenkia Foundation

Cecil King Memorial Foundation

Charles Brotherton Trust

Chatwin Trust

Clare King Charitable Trust

David and Helen Lowe Charitable Trust

David Solomons Trust

Dumbreck Charity

Edgar E Lawley Foundation

Edward & Dorothy Cadbury Trust

Ensix Charitable Trust

Eric W Vincent Trust Fund

Eveson Charitable Trust

Garrick Charitable Trust

George Fentham Birmingham Charity

George Henry Collins Charity

GJW Turner Trust

Grantham Yorke Trust

Grey Court Trust

Hawthorne Charitable Trust

IMI Critical Engineering Trust

J Thaw Foundation

John H Cohen Foundation

Keith Coombs Trust

Langdale Trust

London Ballet Circle

London Community Foundation

Loppylugs and Barbara Morrison Charities Trust

Lord Austin Trust

M K Rose Charitable Trust

Marsh Charitable Trust

Oakley Trust

Peter and Teresa Harris Charitable Trust

Quayle Charitable Trust

Rhianna Dance SG KH London

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

Richard Cadbury Charitable Trust  
Roger and Douglas Turner Charitable Trust  
Roughley Trust  
S Sutherland Charitable Trust  
Saintbury Trust  
SCOPS Art Trust  
Sir John Sumner's Trust  
Souter Charitable Trust  
Southampton Road Trust  
St Jude's Trust  
St Thomas Dole Charity  
Sylvia Adams Trust  
The Arts Society  
The Aspinwall Charitable Trust  
The Calleva Foundation  
The Charlotte Bonham-Carter Trust  
The D Oyly Carte Charitable Trust  
The Edward Cadbury Charitable Trust  
The Grimmitt Trust  
The H Steven & PE Wood Trust  
The Hawthorne Charitable Trust  
The Helen Rachael Mackaness Charitable Trust  
The John Avins Trust  
The Michael Bishop Foundation  
The Norton Foundation  
The Royal Opera House Benevolent Fund  
The Rix-Thompson-Rothenberg (RTR) Foundation  
The Stanley Picker Trust  
The Sterry Family Foundation  
The Vandervell Foundation  
Thistle Trust  
Thriplow Charity  
Trustees of S D Lloyd  
Uncle Bill Trust  
W.E.D Charitable Trust  
Warwickshire Masonic Charitable Trust  
Wilmcote Charitable Trust

#### **Charitable Activities**

Income from charitable activities in 2021-22 was £3,238,639 (2020-21: £508,405) reflecting re-opening of the theatre sector and the return to a non-socially distanced programme of performances in autumn 2021. The covid pandemic

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

continued to disrupt attendances throughout the year and our season of performances at Royal Albert Hall (December 2021) and three performances at The Lowry (March 2022) were cancelled due to covid.

Birmingham Royal Ballet received Theatre Tax Credit income of £236,574 in respect of 2020-21 (against an initial estimate of £160,000). It is estimated that Theatre Tax Credit for 2021-22 will be in the region of £900,000 as a result of the significant investment in programme during the year including the spectacular new production of Don Quixote. The Theatre Tax Credit regime remains a vital contribution to BRB's income mix and a positive recognition of the contribution that both commercial and subsidised theatre makes to the economy. Theatre Tax Credit enables BRB to continue its commitment to investment in both new works and major revivals.

Expenditure on charitable activities in the year was £14,564,635 equivalent to 96% of total expenditure (2020-21: £10,168,223 equivalent to 94% of total expenditure). 2021-22 was the first of two years' of investment in Carlos Acosta's new artistic vision including the 'Curated by Carlos' programme and Don Quixote which were both postponed from 2020 due to covid.

We have commenced a comprehensive review of processes, systems and controls to support management accountability and control through dynamic budgeting to match resource to strategic priorities and active cost control which responds to a changing economic environment. The Board have agreed to investment in a new finance system, to be implemented in the following financial year, which will improve efficiency in financial processing and give budget holders access to real time information

### GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

BRB has successfully applied for NPO funding for the transitional 2022-23 financial year for funding of £8,036,000 which means that BRB has confirmed funding through to 31 March 2023. BRB is well placed to respond to the expectations of Arts Council England's new 10 year strategy, 'Let's Create'. Carlos Acosta's programming is gaining international recognition, BRB is rated 'strong' for the Creative Case for Diversity (critical achievement for securing future funding) and an emerging skills strategy will focus on talent development and routes into theatre and creative industries.

Financial modelling for the period through to 31 March 2023 is based on a second year of investment in new artistic programming supported by reserves set aside for this purpose, as outlined in the updated reserves policy, and growth in fundraising. Further to the voluntary leavers programme in 2021 organisational structure and operations will be kept under review throughout 2022 and 2023. BRB's fixed cost base is managed through contract reviews, review of vacancies prior to any recruitment. We have established a procurement programme for recurring services, programme and capital investments.

The financial strategy for the new NPO funding period 2023-26 comprises three elements to ensure cost effective, flexible and efficient delivery of BRB's complex and ambitious artistic and creative skills programme. These plans are set in a financial context of real terms funding erosion, soaring inflation and uncertain box office making 2023-26 the most financially challenging period the company has faced

- **Stabilise** – establish an affordable cost base and a leaner infrastructure by balancing fixed and variable costs to deliver BRB's response to 'Let's Create'.
- **Consolidate** – deliver core activity within agreed cost base. Driving accountability through improved financial management information systems to drive financial awareness and collective management responsibility
- **Grow** - Enhancement and amplification of activity through partnerships, co-production and fundraising. Improving return on investment by growing earned income from performances through a combination of audience growth and strategic pricing.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

Programme plans for the period to 31 March 2023 have been finalised and plans through to 2025 are well progressed enabling BRB to return to longer planning timelines which will support cost control by reducing the reactive decision making required during the covid pandemic.

Should earned income be lower than anticipated due to ongoing uncertainty reducing audience confidence in combination with inflationary pressures, the Board will consider requesting permission from Arts Council England to use a portion of the ACE Catalyst Funding, which contributed the match funding for BRB's Catalyst/Cadbury Family Endowment, to support financial resilience as outlined in Culture Recovery Funding guidelines.

The Directors continue to take all available steps to maintain sufficient resources in order that Birmingham Royal Ballet can continue. Based on projections and available information, the Directors have a reasonable expectation that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of signing these financial statements and therefore have prepared the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

### **RISK MANAGEMENT**

Birmingham Royal Ballet has a comprehensive strategic business plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Directors review the plans regularly. As part of this process, the Directors have implemented a risk management strategy, which comprises:

- an annual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The primary risks during 2021-22 was the ongoing impact of the covid pandemic on the long-term stability of Birmingham Royal Ballet and the wider performing arts and theatre sector. These were identified as

- Organisational structure appropriate to deliver BRB's mission and vision in the short to medium term. The most immediate risks being key person dependency and staff burn out compounded by labour shortages particularly in technical skills
- Impact of covid on audiences and earned income assumptions
- Managing a covid safe workplace for staff, contractors and visitors as new variants emerge
- Risk of losing shows due to covid
- Income growth outpaced by inflation of costs. These include additional costs arising from covid management as well as general inflation

During 2021-22 BRB has successfully managed risk through a combination of:

- Corona Virus Job Retention Scheme to fund salary cost and protect jobs in the early part of the year whilst restrictions remained in place
- Supporting and increasing staff capacity through short term contracts recognising that covid has driven complexity into or increased the time required for many activities and tasks
- Culture Recovery funding to fund digital content development
- Managed return to performing activity to maintain performance capability and earn income
- Maintaining and adapting infection management protocols throughout the year to limit infection risk balanced with the need to encourage all staff back into the workplace on a regular basis

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- Adapting performances to manage cost and reduce labour requirements whilst earned income potential was reduced due to social distancing requirements

#### PLANS FOR FUTURE PERIODS

2022 / 2023 financial year is crucial for the successful embedding of Carlos Acosta's vision for Birmingham Royal Ballet, and for the company to transition its plans to deliver Arts Council England's new strategic plan, *Let's Create*.

BRB has been one of the most successful organisations in maintaining a programme of live and digital performance and activity. However, ballet as art form relies at its heart on a live relationship with audiences and participants to thrive and connect. Returning to a full programme of live performance, distribution through touring and face to face participation and engagement activity is the driving force behind plans for 2022-23.

The theme of connecting and re-connecting is central to the 2022-23 period. The start of calendar year 2022 through to March 2023 will be the first period where activity reflects the scale of artistic ambition and distribution that would have been typical of BRB pre-pandemic.

The strategic priorities for the period to March 2023 are to ensure that BRB continues to be a resilient and sustainable organisation which is structured and resourced to :

#### RAISING FUNDS

- Deliver a full NPO application by 26 April 2022 and achieve a successful outcome through confirmation of funding in November 22. This funding was duly confirmed in November 2022.
- Increase fundraising targets

#### CHARITABLE ACTIVITIES:

**Performance and Production** – we will perform and tour extensively presenting a range of programmes from large-scale classical ballets to adapted accessible programmes accompanied by high quality orchestral music to ensure audiences have the opportunity to attend live performance scale and quality, wherever they live.

##### The primary objectives for 2022-23

- Prepare detailed programme plans to 30 June 2024 and outline plans through to 2025-26
- Raise the quality and profile of BRB by working with different choreographers that artistically stretch our dancers and offer audiences programmes ranging from classical, heritage and contemporary repertoire
- Work with leading creative artists to create new work including commissioning new music or orchestral arrangements for ballet
- Develop our 'Music and Dance' programme as an accessible and varied showcase for our artform. This includes programmes aimed at schools and families.
- Perform as part of the Commonwealth Games' Opening Ceremony in July 2022 which will be televised to a world-wide audience
- Progress the integration of digital culture through a cost-effective production to deliver both show-promotional content and innovative creative content to 'Entertain, Educate and Inspire'

**Audience Reach and Development** – Birmingham Royal Ballet will continue to engage with as wide and varied an audience as possible to demonstrate that ballet is an art form for all by:

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- **Re-building audiences to pre-pandemic levels over the next three years** - The work will be informed by the audience growth strategy from the programme of work with TRG funded initially through Culture Recovery Funding.
- **Growing new audiences for dance across the country** - Our strategy for the 2022-23 season will be based on data informed decisions to engage, attract and retain audiences as well allowing us to test, measure, adapt, respond and listen to audiences more intently. There will be an active drive to grow BRB's marketing and customer database.
- **Building and grow relationships with young people in Birmingham** - We know from previous research that BRB's core audience in Birmingham is made up of 5% under age 30, however 30% of the Birmingham population is age 30 and under. We are looking at how we can use both the younger age group of BRB dancers, new work and targeting use of unsold tickets to build affinity amongst younger attenders.

**Learning, Access, Engagement and Participation LEAP** – Birmingham Royal Ballet will offer unique opportunities and high quality experiences for people of all ages and backgrounds to engage with and participate in ballet and the performing arts. Priorities for the future are to:

- Re-engage and re-connect with participants and stakeholders across BRB's LEAP programme to get back to a regular programme of 'in-person' workshops and classes by September 2022
- Launch Dance Track 25 at Birmingham Rep in May 2022. A year of celebration and re-engagement with Dance Track Alumni; gathering stories and anecdotes of the impact the programme has had on the lives of the students and their families
- Re-establish a full programme of 'wrap around' events including pre-performance talks/discussions, class on stage, insight events, audio description and touch tours by March 2023
- Plan a celebration of Freefall Dance Company at 21 and use the opportunity to consult with parents/guardians and other project stakeholders to help inform the future of the company and project
- Continue work with BRB's music team and orchestra to integrate music into BRB's LEAP activity building on our popular 'Music and Dance' programmes
- Support teaching of dance and music in primary schools through the 'Ballet Unwrapped' programme

### GOVERNANCE AND ORGANISATIONAL DEVELOPMENT

BRB's strategic priorities are underpinned by governance, organisational development and resilience strategies. These will focus on

- Reviewing the governance framework for BRB including establishment of an Audit and Risk Committee in November 2022
- Continuing negotiations to modernise artist contracts including media agreement buy out for filming / broadcast rights
- Improving environmental performance through adapting productions to reduce transport requirements

### FINANCIAL STABILITY will be supported through

- Formulating detailed financial resilience plans for 2023 – 2026 to rebuild general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- Completing the review of financial systems, controls and management information and to ensure that these are fit for purpose and future proof to support BRB's artistic and financial strategy for the next 10 years

#### KEY POLICIES

##### Financial Management:

- **Board authority** - the Board is responsible for agreement of Birmingham Royal Ballet's overall strategy including agreement of business plans and approval of key organisational policies to meet Birmingham Royal Ballet's legal obligations, operational requirements and/or strategy implementation. This includes approval of the Annual Budget prepared in accordance with agreed activity plans, approval of proposals for significant capital investment projects over £50,000, approval of fundraising programmes, significant changes in financial procedures and other internal controls, approval of the Annual Report, the appointment of Bankers and investment managers, approval of changes to banking arrangements and approval of the reserves, investment and remuneration policies.
- **Budget setting and control** – the Senior Leadership Team is responsible for proposing their departmental budgets based on the planned activity for the year. These departmental budgets are reviewed and combined to build a master budget for Birmingham Royal Ballet as a whole. The Chief Operating Officer and Chief Executive are responsible for proposing a final balanced budget for approval by the Board of Directors. Senior Managers are authorised to commit expenditure in accordance with their final approved budgets unless these are subject to further revision during the course of a financial year in the light of prevailing circumstances (see under financial reporting and review). All expenditure is reviewed and approved for payment by the Finance Director or Chief Operating Officer.
- **Financial reporting and review** – A company finance report and forecast to the year-end is presented at each Board and Finance and General Purposes Committee meeting. All Senior Managers receive a copy of this finance report in addition to their individual monthly budget reports. Where significant variances against budget are identified, compensating actions are identified and agreed by the Senior Management Team. This will usually involve identifying cost savings as performing activity for the year is fixed at least a year in advance and our major sources of income are also fixed. The major financial risk that faces the organisation is a shortfall in earned income sources such as box office income and fundraising income. Both these income sources can be highly variable and are subject to a number of influences that are outside the direct control of Birmingham Royal Ballet. As a result the key to financial stability is careful cost control in conjunction with growing existing income and identifying and developing new income streams.

##### Management remuneration

BRB is committed to paying staff fairly and in a way to attract and retain the right skills to deliver its charitable objectives.

The Board is responsible for agreeing the annual pay award for the staff as a whole and a sub-committee of the Board will be convened as necessary to consider the remuneration of the Chief Executive and The Director.

The main responsibilities of the Board in respect of remuneration are to:

- Determine the remuneration package of the key management personnel - the Chief Executive and 'The Director';

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account prevailing inflation rates and recommendations from the Chief Executive; and
- Approve pension arrangements and pension policy.

In determining BRB's remuneration, the Board takes into account all factors which are deemed necessary and remuneration policy, benefits and rewards strategy is reviewed as part of the strategic planning process. Investing in skills and employment is a priority as delivery of BRB's charitable objectives is dependent on our highly skilled performers and staff. Staff and staff related costs constitute the largest single element of charitable expenditure.

#### Reserves

The reserves policy was reviewed and approved by the Board in March 2021.

The covid pandemic has brought renewed consideration to the level of reserves held by arts organisations such that the Culture Recovery Funding programme included a criteria that funding could be used for re-inflating reserves up to the equivalent of up to eight weeks'.

It was agreed that BRB's reserves policy be revised to increase our target for general, undesignated reserves to the equivalent of eight weeks turnover which is approximately £2.3m.

In addition to the increased target for general reserves it was agreed that £1.5m be set aside in designated reserves to fund activity postponed from 2020-21 as follows

- £1m – Carlos Acosta's new artistic vision including the 'Created by Carlos' programmes (Summer and Autumn 2021) and a new production of Don Quixote
- £500k – to complete the re-design and rebuild of BRB's flagship production of The Nutcracker based on John McFarlane's original designs updated for 2022. The refurbishment of 'The Red Room' has been raised through the Big Give and the additional commitment will enable BRB to complete the full production.

Other designated funds include:

- **Capital Grant Fund** – being funds designated for investment in major projects to purchase new or replace existing fixed assets. This fund will be used to support further investment in BRB's premises to ensure space is used to best effect and that all office work areas are of an appropriate standard. This fund will be used to support reconfiguration of office space to create a safe, post Covid work environment in 2020-21
- **Thorp Street Refurbishment** - being the funds relating to the Thorp Street refurbishment works. This fund is expended over 25 years from 2014/15. This fund could only be realised by disposal of the BRB Thorp Street premises which is leased by Birmingham Royal Ballet from Birmingham Hippodrome on a 125 year lease from 2001
- **Community Engagement Fund** – represents funds received from the sale of investments by Birmingham Royal Ballet Trust prior to the winding up of the Trust on 31 March 2005 to support educational activities particularly in association with dance and choreographic training. The use of these funds has been widened and re-designated to support further development of our community engagement activity in accordance with our 2015-18 Business Plan. This fund will be used to support the development of our participation and engagement programmes in Birmingham and on tour particularly in support of open access opportunities with the intention that the fund will be expended by 2025
- **New Productions Fund** - to support investment in new productions that will increase the repertory available for performances where funding is not available from private philanthropic sources. This fund will be used to support productions of new one act ballets in the NPO period to 2022.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

**Restricted funds** - Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor.

**Endowment funds** - Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. There is presently one endowment fund.

**The Catalyst/Cadbury Family Expendable Endowment Fund** for the purpose of funding dance fellowships (The Robin Cadbury Dance Fellowships) to support young dancers with teaching, training and mentoring in perpetuity. The donations received are matched by funding from Arts Council Catalyst Endowment Scheme. This endowment period is 25 years until 1 November 2037 after which the fund is expendable.

#### Investments:

**General objectives** - The cash and other investments of Birmingham Royal Ballet must be managed in such a way as to safeguard the capital value of those assets to enable Birmingham Royal Ballet to carry out its charitable purposes effectively in both the short term and over the longer term. Where possible, the value of invested assets should be enhanced so as to at least keep pace with inflation.

**Short-term cash and cash contingency funds** - To retain flexibility and availability of these funds, current account monies in excess of monthly operating requirements are transferred to higher rate call accounts or short-term fixed interest money market deposit accounts to maximise interest rates received. Cash investments mature on a rolling basis to ensure availability of funds and no cash investment is invested for notice periods exceeding 12 months.

**Medium-term investments** - Where there are surplus cash funds available for investment in excess of one year but likely to be required for expenditure within a three to five year time frame fixed interest vehicles such as gilts, bonds including index linked bonds can be considered. Investment in such vehicles should be assessed for:

- Financial return;
- Protection against inflation in addition to offering a financial return;
- Risk of default; and
- Tradeability in the event of the need to liquidate assets.

There are no medium term investments held by Birmingham Royal Ballet at present.

**Long-term investments and endowment funds** - Funds held for the long term (a minimum of three years but more likely to be in excess of five years) or as expendable endowment funds are held for the purpose of securing a financial return which can be applied in the furtherance of Birmingham Royal Ballet's charitable objects and cannot be used in a way which would erode the capital of the fund, subject to any special provisions which would allow the expenditure of capital in certain circumstances.

**Acceptable risk** - Funds invested for the short to medium term will be held in low risk deposit accounts or fixed interest investments in order to avoid significant reductions in capital value and will be available to liquidate over a maximum of 12 months. Long term investments and endowments will be held across a mixed portfolio of investments to achieve both capital growth and return over the long term (minimum of five to seven years). It is accepted that some investments within the portfolio may be higher risk but overall the portfolio should not be exposed to more than a medium risk profile to balance the opportunity for increased investment returns against the risk of capital loss. It is accepted that the investments held for the long term are likely to see volatility over the short to medium term and may even have periods of negative return for certain asset classes.

Funds are managed in accordance with the investment strategy agreed with Smith and Williamson and the performance of the fund to date is in line with our policy of achieving a balance between income and capital growth in accordance with the investment policy for endowment funds.

#### TAXATION

The Company is a charity for tax purposes and is entitled to claim charitable tax exemptions. The Company has no liability to tax on its charitable activities.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **AUDITOR**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP will step down as Birmingham Royal Ballet's Auditor at the forthcoming Annual General Meeting. A new Auditor will be appointed in early 2023

This Directors Report (including the Strategic Report) was approved and authorised for issue by the Directors on 21 December 2022.

DocuSigned by:  
  
D51BFE9056C04A6...  
Sir David Normington  
Chair of the Board

## **BIRMINGHAM ROYAL BALLET**

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The directors (who are also trustees of Birmingham Royal Ballet for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of Birmingham Royal Ballet (the 'charitable company') and its subsidiaries ('the group'):

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31<sup>st</sup> March 2022 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of financial activities (including summary income and expenditure account);
- the consolidated and parent charitable company balance sheets;
- the consolidated cash flow statement; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

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

We have nothing to report in this regard.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements, which included UK Charities Act, UK Companies Act, pensions and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty, which included regulations of the Charity Commission for England and Wales (Charity Commission).

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address it are described below:

- completeness of grant income. To address this risk we have tested a sample of grants from source records to their supporting evidence and recorded income, and assessed the classification of the income as either restricted or unrestricted; and
- classification of funds between restricted and unrestricted. To address this risk we have tested a sample of restricted income and expenditure to their supporting evidence to assess whether they have been classified appropriately.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

### **Report on other legal and regulatory requirements**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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Jonathan Dodworth (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

21 December 2022

**BIRMINGHAM ROYAL BALLET****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES****(Including consolidated income and expenditure account)****Year ended 31 March 2022**

|                                                                    | Notes | Unrestricted<br>2022<br>£ | Restricted<br>2022<br>£ | Endowment<br>2022<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 9,032,930                 | 877,745                 | -                      | 9,910,675          | 13,749,892         |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 3,238,639                 | -                       | -                      | 3,238,639          | 508,405            |
| Other trading activities                                           | 5     | 163,781                   | -                       | -                      | 163,781            | 103,523            |
| Investments                                                        | 6     | 1,293                     | -                       | 77,978                 | 79,271             | 61,521             |
| <b>Total income</b>                                                |       | <b>12,436,643</b>         | <b>877,745</b>          | <b>77,978</b>          | <b>13,392,366</b>  | <b>14,423,341</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 651,959                   | -                       | -                      | 651,959            | 632,887            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 13,546,522                | 518,854                 | -                      | 14,065,376         | 9,758,478          |
| Orchestra Projects                                                 | 8     | 37,679                    | -                       | -                      | 37,679             | 62,244             |
| Education Projects                                                 | 8     | 285,030                   | 156,450                 | -                      | 441,480            | 332,687            |
| Other expenditure                                                  |       | 1,613                     | -                       | 18,487                 | 20,100             | 14,814             |
| <b>Total expenditure</b>                                           |       | <b>14,522,803</b>         | <b>675,304</b>          | <b>18,487</b>          | <b>15,216,594</b>  | <b>10,801,110</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>(2,086,160)</b>        | <b>202,441</b>          | <b>59,491</b>          | <b>(1,824,228)</b> | <b>3,622,231</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 73,016                 | 73,016             | 696,599            |
| <b>Net income/(loss) for the year</b>                              |       | <b>(2,086,160)</b>        | <b>202,441</b>          | <b>132,507</b>         | <b>(1,751,212)</b> | <b>4,318,830</b>   |
| Transfers between funds                                            | 18    | 158,936                   | (158,936)               | -                      | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>(1,927,224)</b>        | <b>43,505</b>           | <b>132,507</b>         | <b>(1,751,212)</b> | <b>4,318,830</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 6,373,828                 | 869,182                 | 3,020,608              | 10,263,618         | 5,944,788          |
| Net movement in funds for the year                                 |       | (1,927,224)               | 43,505                  | 132,507                | (1,751,212)        | 4,318,830          |
| <b>Total funds carried forward</b>                                 | 18    | <b>4,446,604</b>          | <b>912,687</b>          | <b>3,153,115</b>       | <b>8,512,406</b>   | <b>10,263,618</b>  |

## **BIRMINGHAM ROYAL BALLET**

### **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including consolidated income and expenditure account) Year ended 31 March 2022**

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The net (expenditure)/income of parent charity for the year for Companies Act purposes is £(1,751,208) (2021: £3,318,830). As permitted by Section 408 of the Companies Act 2006, no separate Statement of financial activities is presented in respect of the parent charity.

See note 12 for comparative Statement of Financial Activities for the period ended 31 March 2021.

**BIRMINGHAM ROYAL BALLET****BALANCE SHEETS****As at 31 March 2022**

|                                                       | Note | 2022<br>Group<br>£ | 2021<br>Group<br>£ | 2022<br>Charity<br>£ | 2021<br>Charity<br>£ |
|-------------------------------------------------------|------|--------------------|--------------------|----------------------|----------------------|
| <b>FIXED ASSETS</b>                                   |      |                    |                    |                      |                      |
| Tangible assets                                       | 13   | 2,804,250          | 2,235,397          | 2,804,250            | 2,235,397            |
| Investment assets                                     | 14   | 3,153,115          | 3,020,608          | 3,153,117            | 3,020,609            |
|                                                       |      | <u>5,957,365</u>   | <u>5,256,005</u>   | <u>5,957,367</u>     | <u>5,256,006</u>     |
| <b>CURRENT ASSETS</b>                                 |      |                    |                    |                      |                      |
| Stocks                                                | 15   | 95,474             | 89,041             | 95,474               | 89,041               |
| Debtors                                               | 16   | 2,766,720          | 1,850,881          | 2,833,387            | 1,850,882            |
| Cash at bank and in hand                              |      | 1,222,898          | 4,526,389          | 1,222,898            | 4,526,389            |
|                                                       |      | <u>4,085,091</u>   | <u>6,466,311</u>   | <u>4,151,759</u>     | <u>6,466,312</u>     |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>(1,530,051)</u> | <u>(1,458,698)</u> | <u>(1,596,718)</u>   | <u>(1,458,698)</u>   |
| <b>Net Current Assets</b>                             |      | 2,555,041          | 5,007,613          | 2,555,041            | 5,007,613            |
| <b>Total Assets Less Current Liabilities</b>          |      | <u>8,512,406</u>   | <u>10,263,618</u>  | <u>8,512,408</u>     | <u>10,263,618</u>    |
| Creditors: amounts falling after one year             |      | -                  | -                  | -                    | -                    |
| <b>NET ASSETS</b>                                     |      | <u>8,512,406</u>   | <u>10,263,618</u>  | <u>8,512,408</u>     | <u>10,263,618</u>    |
| <b>FUNDS</b>                                          |      |                    |                    |                      |                      |
| Unrestricted funds:                                   |      |                    |                    |                      |                      |
| General Funds                                         | 18   | 1,769,230          | 2,587,245          | 1,769,230            | 2,587,246            |
| Designated funds                                      | 18   | 2,677,374          | 3,786,583          | 2,677,374            | 3,786,583            |
| Restricted funds                                      | 18   | 912,687            | 869,182            | 912,687              | 869,182              |
| Endowment funds                                       | 18   | 3,153,115          | 3,020,608          | 3,153,117            | 3,020,608            |
|                                                       |      | <u>8,512,406</u>   | <u>10,263,618</u>  | <u>8,512,408</u>     | <u>10,263,618</u>    |

These financial statements of Birmingham Royal Ballet registered number 3320538 were approved by the Board of Directors and authorised for issue on 21 December 2021. They were signed on its behalf by:

DocuSigned by:  
  
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Sir David Normington

Chair of the Board

**BIRMINGHAM ROYAL BALLET****CONSOLIDATED CASH FLOW STATEMENT**  
**Year ended 31 March 2022**

|                                                             | Notes | Total<br>2022<br>£ | Total<br>2021<br>£ |
|-------------------------------------------------------------|-------|--------------------|--------------------|
| <b>Cash flows from operating activities:</b>                |       |                    |                    |
| <i>Net cash (used in)/provided by operating activities</i>  | 22    | (2,466,549)        | 4,077,097          |
| <b>Cash flows from investing activities:</b>                |       |                    |                    |
| Interest received                                           |       | 1,293              | 5,437              |
| Dividends received                                          |       | 77,978             | 56,084             |
| Purchase of property, plant and equipment                   |       | (856,722)          | (125,686)          |
| Proceeds from sale of tangible fixed asset                  |       | -                  | 3,181              |
| Movements in investment portfolio                           |       | (59,491)           | (41,271)           |
| <i>Net cash flows (used in) by investing activities</i>     |       | (836,942)          | (102,255)          |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |       | (3,303,491)        | 3,974,842          |
| <b>Cash and cash equivalents at beginning of year</b>       |       | 4,526,389          | 551,547            |
| <b>Cash and cash equivalents at the end of the year</b>     |       | 1,222,898          | 4,526,389          |
| <b>Reconciliation to cash at bank and in hand:</b>          |       |                    |                    |
| Cash at bank and in hand                                    |       | 1,222,898          | 4,526,389          |
| Cash equivalents                                            |       | -                  | -                  |
| <b>Cash and cash equivalents</b>                            |       | 1,222,898          | 4,526,389          |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

**Year ended 31 March 2022**

### 1. ACCOUNTING POLICIES

The principal accounting policies are set out below.

#### **Company and charitable status**

Birmingham Royal Ballet, a public benefit entity, is incorporated in the UK and registered in England and Wales as a company limited by guarantee not having a share capital. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

BRB Production Services Limited and BRB Trading Limited are a wholly owned subsidiaries of Birmingham Royal Ballet.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP 2019)” applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2019 and the Companies Act 2006.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

#### **Basis of Consolidation**

Group financial statements have been prepared in respect of the company and its wholly owned subsidiaries BRB Production Services Limited and BEB Trading Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 14.

#### **Preparation of financial statements - going concern basis**

These accounts have been prepared on the going concern basis.

The group and company’s activities and future plans are set out in the directors’ report.

The group and company manages its activities with positive unrestricted bank balances. The company’s forecasts and projections are cautious with the option to withdraw funding from the Endowment Fund if required. The recent announcement (October 2021) of an increase in the rate of Theatre Tax Relief show that the company should be able to continue to operate on this basis.

Revenue grant funding represents the company’s largest income stream and Birmingham Royal Ballet is dependent on the continuing financial support of Arts Council England which has confirmed its commitment to fund Birmingham Royal Ballet to 31 March 2023; committing revenue funding of £8,036,000 per annum for the period.

The directors review and manage short-term fluctuations in our other income streams: box office, commercial and development income.

The company also relies on support from other funders including individuals, trusts, foundations and corporate bodies for maintaining the high standards and diversity of its output.

Based on the above, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2022

### 1. ACCOUNTING POLICIES (continued)

#### Income

##### *Box office income, performance related fees and programmes*

Box office income, performance related fees and income generated from the sale of programmes are recognised in the period of the related performances which is the point at which the charity is considered to meet the income recognition criteria (probable, entitlement and measurement) as per the accounting standards.

##### *Donations and legacies*

Donations and legacies are credited to the statement of financial activities when entitlement has passed and the income is probable to be received unless donated for a specific future period by the donor in which case income will be deferred to the relevant period.

##### *Deferred income*

Amounts invoiced in advance and other income, which is subject to conditions imposed by the donor relating to the charity's entitlement to the funds, are carried forward as deferred income in the balance sheet. Amounts are recognised as income when the services are performed or the conditions imposed by the donor are satisfied.

##### *Grants receivable*

Capital grants receivable are recognised in the year of receipt. Revenue grants receivable are recognised in the year to which the grants relate. Revenue grants received in advance of the year to which they relate are carried forward as a creditor in the balance sheet.

Capital funds comprise grants/donations towards the cost of fixed assets to be used by the company for its charitable purposes. Such income may not be treated as a deduction from the capital cost.

##### *Investment income*

Investment income is recognised on an accruals basis.

#### Expenditure

All expenditure is accounted for on an accruals basis. Expenditure categories include salaries, depreciation and other costs as analysed in note 9.

Expenditure on raising funds is the costs associated with generating core funding grants, legacies and donations. These include any direct costs associated with these activities as well as an appropriate proportion of relevant staff costs, support costs, premises costs and depreciation.

Costs of activities for generating funds are the direct costs of our membership schemes, sponsorship and merchandising activities including direct staff costs and an appropriate proportion of support costs, premises costs and depreciation.

Costs of charitable activities include all costs relating to delivering the charitable objectives of the company as stated in the Directors' report plus an appropriate proportion of support costs, premises costs and depreciation.

Support costs include general administration, management and governance costs including allocations of Chief Executive and Chief Operating Officer salaries, HR functions, finance, IT, audit fees, certain legal fees meetings and appropriate proportion of premises costs and depreciation. These costs are necessary for delivering activities but do not directly produce or constitute the activity.

Costs (including support and governance costs) have been allocated on a direct basis whenever possible and on an appropriate alternative basis primarily based on staff numbers or relevant head count. Chief Executive and Chief Operating officer salaries have been allocated based on an estimate of time spent in relation to governance of the organisation.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

### 1. ACCOUNTING POLICIES (continued)

#### **New production and revivals**

The costs to the company of sets and wardrobe for new productions are charged in full to the relevant production's initial performance season. Where the performance season spans more than one financial year the costs are amortised evenly over the total number of performances of the tour.

Revival costs are written off on the first night of the relevant production's performance.

Costs incurred in the transport and set up of a production are assigned to the appropriate tour, in the year in which the tour occurred.

Prepayments for the next season are made in respect of productions to be presented in the next financial year.

#### **Fund accounting**

##### ***Unrestricted funds***

Unrestricted funds are those which are expendable at the discretion of the Directors in furtherance of the objects of the charity.

##### ***Restricted funds***

Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

##### ***Designated funds***

Designated funds are amounts which have been put aside at the discretion of the Directors and comprise funds for specific projects.

##### ***Expendable endowment fund***

Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

#### **Taxation**

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

## **BIRMINGHAM ROYAL BALLET**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2022**

#### **Tangible fixed assets and depreciation**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                                              |                                                  |
|----------------------------------------------|--------------------------------------------------|
| Office equipment                             | 5% - 25% per annum                               |
| Computer equipment                           | 25% per annum                                    |
| Technical equipment                          | 10% - 33.3% per annum                            |
| Premises transferred from Royal Opera House: | Written off over the remaining life of the lease |

#### **Investments**

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals on a quarterly basis.

Investments in subsidiary undertakings are measured at cost less impairment.

#### **Stocks**

Stock consists of ballet shoes and merchandise for sale and are stated at the lower of cost and net realisable value.

# **BIRMINGHAM ROYAL BALLET**

## **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2022**

### **1. ACCOUNTING POLICIES (continued)**

#### **Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

#### **Employee benefits**

All permanent employees of the group and company are eligible to be members of one of the following defined contribution pension schemes:

- Birmingham Royal Ballet Pension Scheme; and
- Musicians' Union Pension Scheme.

The pension costs charged to the statement of financial activities represents the amount of contributions payable by the company to the pension schemes in respect of the accounting year.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the group and company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash 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. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### **2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the group and company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****3. INCOME FROM GRANTS, DONATIONS & LEGACIES**

|                                         | <b>2022<br/>Un-<br/>restricted<br/>funds<br/>£</b> | <b>2022<br/>Restricted<br/>funds<br/>£</b> | <b>2022<br/>Endowment<br/>funds<br/>£</b> | <b>2022<br/>Total<br/>funds<br/>£</b> |
|-----------------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| <b>Arts Council England</b>             |                                                    |                                            |                                           |                                       |
| Revenue funding                         | 8,036,194                                          | -                                          | -                                         | 8,036,194                             |
| Cross Border Touring                    | -                                                  | -                                          | -                                         | -                                     |
| Digital Transformation Project          | -                                                  | 40,000                                     | -                                         | 40,000                                |
| Culture Recovery Fund                   | 175,000                                            | -                                          | -                                         | 175,000                               |
| <b>Birmingham City Council</b>          |                                                    |                                            |                                           |                                       |
| Revenue funding                         | 157,850                                            | -                                          | -                                         | 157,850                               |
| Other                                   |                                                    | -                                          | -                                         | -                                     |
| <b>Donations</b>                        |                                                    |                                            |                                           |                                       |
| Grants – Trusts and Foundations         | 116,789                                            | 525,734                                    | -                                         | 642,523                               |
| Donations                               | 492,913                                            | 153,075                                    | -                                         | 645,988                               |
| Legacies                                | 54,184                                             | -                                          | -                                         | 54,184                                |
| <b>Coronavirus Job Retention Scheme</b> |                                                    |                                            |                                           |                                       |
| Furlough                                | -                                                  | 158,936                                    | -                                         | 158,936                               |
|                                         | <u>9,032,930</u>                                   | <u>877,745</u>                             | <u>-</u>                                  | <u>9,910,675</u>                      |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2022**

|                                         | <b>2021<br/>Un-<br/>restricted<br/>funds<br/>£</b> | <b>2021<br/>Restricted<br/>funds<br/>£</b> | <b>2021<br/>Endowment<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>funds<br/>£</b> |
|-----------------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| <b>Arts Council England</b>             |                                                    |                                            |                                           |                                       |
| Revenue funding                         | 8,036,194                                          | -                                          | -                                         | 8,036,194                             |
| Cross Border Touring                    | -                                                  | -                                          | -                                         | -                                     |
| Digital Transformation Project          | -                                                  | -                                          | -                                         | -                                     |
| Culture Recovery Fund                   | 500,000                                            | -                                          | -                                         | 500,000                               |
| <b>Birmingham City Council</b>          |                                                    |                                            |                                           |                                       |
| Revenue funding                         | 157,850                                            | -                                          | -                                         | 157,850                               |
| Other                                   | 2,500                                              | -                                          | -                                         | 2,500                                 |
| <b>Donations</b>                        |                                                    |                                            |                                           |                                       |
| Grants – Trusts and Foundations         | 573,950                                            | 937,007                                    | -                                         | 1,510,957                             |
| Donations                               | 431,248                                            | 139,405                                    | -                                         | 570,653                               |
| Legacies                                | 191,820                                            | 2,000                                      | -                                         | 193,820                               |
| <b>Coronavirus Job Retention Scheme</b> |                                                    |                                            |                                           |                                       |
| Furlough                                | -                                                  | 2,777,918                                  | -                                         | 2,777,918                             |
|                                         | <b>9,893,562</b>                                   | <b>3,856,330</b>                           | <b>-</b>                                  | <b>13,749,892</b>                     |

**4. INCOME FROM PERFORMANCE AND RELATED ACTIVITIES**

|                                | <b>2022<br/>Un-<br/>Restricted<br/>Funds<br/>£</b> | <b>2022<br/>Restricted<br/>funds<br/>£</b> | <b>2022<br/>Endowment<br/>funds<br/>£</b> | <b>2022<br/>Total<br/>Funds<br/>£</b> |
|--------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| Box office income              | 1,968,056                                          | -                                          | -                                         | 1,968,056                             |
| Production sales and hires     | 148,500                                            | -                                          | -                                         | 148,500                               |
| Programmes                     | 45,112                                             | -                                          | -                                         | 45,112                                |
| Livestream and Video on Demand | 0                                                  | -                                          | -                                         | 0                                     |
| Friends                        | 0                                                  | -                                          | -                                         | 0                                     |
| Orchestra projects             | 13,300                                             | -                                          | -                                         | 13,300                                |
| Education                      | 46,974                                             | -                                          | -                                         | 46,974                                |
| Co-production fee              | 0                                                  | -                                          | -                                         | 0                                     |
| Other fees and services        | 40,051                                             | -                                          | -                                         | 40,051                                |
| Theatre Tax Credit             | 976,646                                            | -                                          | -                                         | 976,646                               |
|                                | <b>3,238,639</b>                                   | <b>-</b>                                   | <b>-</b>                                  | <b>3,238,639</b>                      |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2022**

|                                | <b>2021<br/>Un-<br/>Restricted<br/>Funds</b> | <b>2021<br/>Restricted<br/>funds</b> | <b>2021<br/>Endowment<br/>funds</b> | <b>2021<br/>Total<br/>Funds</b> |
|--------------------------------|----------------------------------------------|--------------------------------------|-------------------------------------|---------------------------------|
|                                | <b>£</b>                                     | <b>£</b>                             | <b>£</b>                            | <b>£</b>                        |
| Box office income              | 37,706                                       | -                                    | -                                   | 37,706                          |
| Production sales and hires     | 55,344                                       | -                                    | -                                   | 55,344                          |
| Programmes                     | -                                            | -                                    | -                                   | -                               |
| Livestream and Video on Demand | 115,301                                      | -                                    | -                                   | 115,301                         |
|                                |                                              | -                                    | -                                   |                                 |
| Friends                        | -                                            | -                                    | -                                   | -                               |
| Orchestra projects             | 24,650                                       | -                                    | -                                   | 24,650                          |
| Education                      | 5,826                                        | -                                    | -                                   | 5,826                           |
| Co-production fee              | -                                            | -                                    | -                                   | -                               |
| Other fees and services        | 250                                          | -                                    | -                                   | 250                             |
| Theatre Tax Credit             | 269,328                                      | -                                    | -                                   | 269,328                         |
|                                | <u>508,405</u>                               | <u>-</u>                             | <u>-</u>                            | <u>508,405</u>                  |

**5. OTHER TRADING ACTIVITIES**

|                     | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|---------------------|-------------------|-------------------|
| Memberships         | 92,114            | 103,523           |
| Sponsorship         | 71,667            | -                 |
| Sale of merchandise | -                 | -                 |
| Commissioning Fee   | -                 | -                 |
|                     | <u>163,781</u>    | <u>103,523</u>    |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****6. ANALYSIS OF INCOME FROM INVESTMENTS**

|               | <b>Unrestricted<br/>£</b> | <b>2022<br/>Restricted<br/>£</b> | <b>Endowment<br/>£</b> | <b>Total<br/>£</b> |
|---------------|---------------------------|----------------------------------|------------------------|--------------------|
| Bank interest | 1,293                     | -                                | -                      | 1,293              |
| Dividends     | -                         | -                                | 77,978                 | 77,978             |
|               | <u>1,293</u>              | <u>-</u>                         | <u>77,978</u>          | <u>79,271</u>      |

|               | <b>Unrestricted<br/>£</b> | <b>2021<br/>Restricted<br/>£</b> | <b>Endowment<br/>£</b> | <b>Total<br/>£</b> |
|---------------|---------------------------|----------------------------------|------------------------|--------------------|
| Bank interest | 5,437                     | -                                | -                      | 5,437              |
| Dividends     | -                         | -                                | 56,084                 | 56,084             |
|               | <u>5,437</u>              | <u>-</u>                         | <u>56,084</u>          | <u>61,521</u>      |

**7. ANALYSIS OF EXPENDITURE ON RAISING FUNDS**

| <b>Activity</b>                        | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2022<br/>£</b> |
|----------------------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
| Raising donations, grants and legacies | 403,133                                             | 193,533                        | 596,666                     |
| Memberships and Subscription Schemes   | 34,766                                              | 20,527                         | 55,293                      |
|                                        | <u>437,899</u>                                      | <u>214,060</u>                 | <u>651,959</u>              |

| <b>Activity</b>                        | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|----------------------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
| Raising donations, grants and legacies | 392,475                                             | 185,601                        | 578,076                     |
| Memberships and Subscription Schemes   | 33,183                                              | 21,628                         | 54,811                      |
|                                        | <u>425,658</u>                                      | <u>207,229</u>                 | <u>632,887</u>              |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

| <b>Activity</b>            | <b>Unrestricted</b>                   |                      |                   |
|----------------------------|---------------------------------------|----------------------|-------------------|
|                            | <b>Activities undertaken directly</b> | <b>Support costs</b> | <b>Total 2022</b> |
|                            | <b>£</b>                              | <b>£</b>             | <b>£</b>          |
| Performance and production | 11,670,830                            | 1,875,692            | 13,546,522        |
| Orchestra Projects         | 27,415                                | 10,264               | 37,679            |
| Education Projects         | 220,146                               | 64,884               | 285,030           |
|                            | <u>11,918,391</u>                     | <u>1,950,840</u>     | <u>13,869,231</u> |

| <b>Activity</b>            | <b>Restricted</b>                     |                      |                   |
|----------------------------|---------------------------------------|----------------------|-------------------|
|                            | <b>Activities undertaken directly</b> | <b>Support costs</b> | <b>Total 2022</b> |
|                            | <b>£</b>                              | <b>£</b>             | <b>£</b>          |
| Performance and production | 451,659                               | 67,195               | 518,854           |
| Orchestra Projects         | -                                     | -                    | -                 |
| Education Projects         | 156,450                               | -                    | 156,450           |
|                            | <u>608,109</u>                        | <u>67,195</u>        | <u>675,304</u>    |

| <b>Activity</b>            | <b>Unrestricted</b>                   |                      |                   |
|----------------------------|---------------------------------------|----------------------|-------------------|
|                            | <b>Activities undertaken directly</b> | <b>Support costs</b> | <b>Total 2021</b> |
|                            | <b>£</b>                              | <b>£</b>             | <b>£</b>          |
| Performance and production | 7,624,215                             | 1,831,046            | 9,455,261         |
| Orchestra Projects         | 51,430                                | 10,814               | 62,244            |
| Education Projects         | 184,006                               | 44,581               | 228,587           |
|                            | <u>7,859,651</u>                      | <u>1,886,441</u>     | <u>9,746,092</u>  |

| <b>Activity</b>            | <b>Restricted</b>                     |                      |                   |
|----------------------------|---------------------------------------|----------------------|-------------------|
|                            | <b>Activities undertaken directly</b> | <b>Support costs</b> | <b>Total 2021</b> |
|                            | <b>£</b>                              | <b>£</b>             | <b>£</b>          |
| Performance and production | 248,044                               | 55,173               | 303,217           |
| Orchestra Projects         | -                                     | -                    | -                 |
| Education Projects         | 83,797                                | 20,303               | 104,100           |
|                            | <u>331,841</u>                        | <u>75,476</u>        | <u>407,317</u>    |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2022****9. ANALYSIS OF SUPPORT COSTS**

|                                          | <b>Raising<br/>funds<br/>£</b> | <b>Production<br/>and<br/>performance<br/>£</b> | <b>Orchestra<br/>projects<br/>£</b> | <b>Education<br/>projects<br/>£</b> | <b>Total<br/>2022<br/>£</b> |
|------------------------------------------|--------------------------------|-------------------------------------------------|-------------------------------------|-------------------------------------|-----------------------------|
| Staff costs                              | 66,855                         | 644,603                                         | 2,598                               | 15,590                              | 729,646                     |
| Recruitment, training and<br>development | 4,461                          | 100,000                                         | 565                                 | 3,388                               | 108,413                     |
| Office infrastructure                    | 103,222                        | 306,664                                         | 2,101                               | 15,906                              | 417,493                     |
| Insurance                                | 5,177                          | 116,064                                         | 655                                 | 3,932                               | 125,829                     |
| Premises costs                           | 30,136                         | 557,323                                         | 3,815                               | 22,888                              | 614,161                     |
| Depreciation                             | 4,209                          | 218,234                                         | 530                                 | 3,180                               | 226,153                     |
|                                          | <u>214,060</u>                 | <u>1,942,887</u>                                | <u>10,264</u>                       | <u>64,884</u>                       | <u>2,232,095</u>            |

Governance costs included in the above amount to £ 229,057 in 2021-22 (2020-21: £222,962).

**2021 Comparatives**

|                                          | <b>Raising<br/>funds<br/>£</b> | <b>Production<br/>and<br/>performance<br/>£</b> | <b>Orchestra<br/>projects<br/>£</b> | <b>Education<br/>projects<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|------------------------------------------|--------------------------------|-------------------------------------------------|-------------------------------------|-------------------------------------|-----------------------------|
| Staff costs                              | 68,037                         | 619,170                                         | 2,748                               | 16,486                              | 706,441                     |
| Recruitment, training and<br>development | 2,592                          | 53,715                                          | 328                                 | 1,969                               | 58,604                      |
| Office infrastructure                    | 89,631                         | 274,717                                         | 1,795                               | 10,772                              | 376,915                     |
| Insurance                                | 5,449                          | 112,918                                         | 690                                 | 4,139                               | 123,196                     |
| Premises costs                           | 37,358                         | 615,692                                         | 4,729                               | 28,373                              | 686,152                     |
| Depreciation                             | 4,162                          | 210,007                                         | 524                                 | 3,145                               | 217,838                     |
|                                          | <u>207,229</u>                 | <u>1,886,219</u>                                | <u>10,814</u>                       | <u>64,884</u>                       | <u>2,169,146</u>            |

**10. NET INCOME/(EXPENDITURE) FOR THE YEAR**

|                                                                                                    | <b>2022<br/>£</b> | <b>2021<br/>£</b> |
|----------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Income (Expenditure) is stated after charging:                                                     |                   |                   |
| Depreciation of owned assets                                                                       | 287,869           | 198,558           |
| Rentals under operating leases                                                                     | 224,293           | 230,589           |
| Auditor's remuneration:                                                                            |                   |                   |
| - Fees payable to the company's auditor for the audit of the company's annual financial statements | 23,000            | 20,130            |
| - Fees payable for the audit of the company's subsidiaries                                         | 8,200             | 3,190             |
|                                                                                                    | <u>31,200</u>     | <u>23,320</u>     |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2022****11. ANALYSIS OF GROUP AND COMPANY STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL**

The average monthly number of employees was:

|                       | 2022<br>No. | 2021<br>No. |
|-----------------------|-------------|-------------|
| Raising funds         | 7           | 8           |
| Charitable activities | 164         | 159         |
| Support               | 17          | 15          |
|                       | <u>188</u>  | <u>182</u>  |

Their aggregate remuneration comprised:

|                                                           | 2022<br>£        | 2021<br>£        |
|-----------------------------------------------------------|------------------|------------------|
| Wages and salaries                                        | 7,266,351        | 7,021,461        |
| Social security costs                                     | 673,006          | 630,212          |
| Pension costs (including Dancers Career Development fund) | 349,885          | 369,429          |
|                                                           | <u>8,289,242</u> | <u>8,021,102</u> |

The aggregate remuneration above includes termination payments of £57,536 (2020-21: £332,126) including £nil additional pension contributions (2020-21 £nil). All amounts were fully paid in cash during the year.

The number of employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

|                     | 2022<br>No. | 2021<br>No. |
|---------------------|-------------|-------------|
| £60,001 - £70,000   | 8           | 7           |
| £70,001 - £80,000   | 4           | 5           |
| £80,001 - £90,000   | 3           | 2           |
| £90,001 - £100,000  | -           | -           |
| £100,001 - £110,000 | -           | -           |
| £110,001 - £120,000 | 1           | 1           |
| £120,001 - £130,000 | -           | -           |
| £250,001 - £260,000 | 1           | 1           |

The key management personnel of the Group and Company are listed on page 6. The total remuneration (including pension contributions and social security costs) of the key management personnel of the Group and Company for the year totalled £417,243 (2020-21: £414,325).

**Directors' Remuneration**

No Directors received remuneration during the current or prior year. Total travel and subsistence expenses of £95 (2021: £nil) were paid to two directors (2021: nil directors).

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2022****12. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 March 2021**

|                                                                    | Notes | Unrestricted<br>2021<br>£ | Restricted<br>2021<br>£ | Endowment<br>2021<br>£ | Total<br>2021<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |
| Grants, Donations and Legacies                                     | 3     | 9,893,562                 | 3,856,330               | -                      | 13,749,892         |
| Charitable activities:                                             |       |                           |                         |                        |                    |
| Performance and related activities                                 | 4     | 508,405                   | -                       | -                      | 508,405            |
| Other trading activities                                           | 5     | 103,523                   | -                       | -                      | 103,523            |
| Investments                                                        | 6     | 5,437                     | -                       | 56,084                 | 61,521             |
| <b>Total income</b>                                                |       | <b>10,510,927</b>         | <b>3,856,330</b>        | <b>56,084</b>          | <b>14,423,341</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |
| Raising funds                                                      | 7     | 632,887                   | -                       | -                      | 632,887            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |
| Production and Performance                                         | 8     | 9,455,261                 | 303,217                 | -                      | 9,758,478          |
| Orchestra Projects                                                 | 8     | 62,244                    | -                       | -                      | 62,244             |
| Education Projects                                                 | 8     | 228,587                   | 104,100                 | -                      | 332,687            |
| Other expenditure                                                  |       | -                         | -                       | 14,814                 | 14,814             |
| <b>Total expenditure</b>                                           |       | <b>10,378,979</b>         | <b>407,317</b>          | <b>14,814</b>          | <b>10,801,110</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>131,948</b>            | <b>3,449,013</b>        | <b>41,270</b>          | <b>3,622,231</b>   |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 696,599                | 696,599            |
| <b>Net income/(loss) for the year</b>                              |       | <b>131,948</b>            | <b>3,449,013</b>        | <b>737,869</b>         | <b>4,318,830</b>   |
| Transfers between funds                                            | 18    | 2,777,918                 | (2,777,918)             | -                      | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>2,909,866</b>          | <b>671,095</b>          | <b>737,869</b>         | <b>4,318,830</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |
| Net movement in funds for the year                                 |       | 2,909,866                 | 671,095                 | 737,869                | 4,318,830          |
| <b>Total funds carried forward</b>                                 | 18    | <b>6,373,828</b>          | <b>869,182</b>          | <b>3,020,608</b>       | <b>10,263,618</b>  |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY**

|                         | <b>Short<br/>Leasehold<br/>property<br/>£</b> | <b>Computers<br/>£</b> | <b>Fixtures,<br/>fittings and<br/>equipment<br/>£</b> | <b>Total<br/>£</b>      |
|-------------------------|-----------------------------------------------|------------------------|-------------------------------------------------------|-------------------------|
| <b>Cost</b>             |                                               |                        |                                                       |                         |
| At 1 April 2021         | 2,946,818                                     | 430,561                | 1,504,183                                             | 4,881,562               |
| Additions               | 75,803                                        | 22,383                 | 758,536                                               | 856,722                 |
| Disposals               | -                                             | -                      | -                                                     | -                       |
| At 31 March 2022        | <u>3,022,621</u>                              | <u>452,944</u>         | <u>2,262,719</u>                                      | <u>5,738,284</u>        |
| <b>Depreciation</b>     |                                               |                        |                                                       |                         |
| At 1 April 2021         | 951,101                                       | 403,837                | 1,291,227                                             | 2,646,165               |
| Charge for the year     | 120,498                                       | 22,189                 | 145,182                                               | 287,869                 |
| Disposals               | -                                             | -                      | -                                                     | -                       |
| At 31 March 2022        | <u>1,071,599</u>                              | <u>426,026</u>         | <u>1,436,409</u>                                      | <u>2,934,034</u>        |
| <b>Net book value</b>   |                                               |                        |                                                       |                         |
| <b>At 31 March 2022</b> | <u><b>1,951,022</b></u>                       | <u><b>26,918</b></u>   | <u><b>826,310</b></u>                                 | <u><b>2,804,250</b></u> |
| At 31 March 2021        | <u><b>1,995,717</b></u>                       | <u><b>26,724</b></u>   | <u><b>212,956</b></u>                                 | <u><b>2,235,397</b></u> |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2022

| 14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY             | 2022<br>Group<br>£ | 2021<br>Group<br>£ | 2022<br>Charity<br>£ | 2021<br>Charity<br>£ |
|-------------------------------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Investments listed or traded on a recognised stock exchange | 3,153,115          | 3,020,608          | 3,153,115            | 3,020,608            |
| Subsidiary undertakings                                     | -                  | -                  | 2                    | 1                    |
|                                                             | <u>3,153,115</u>   | <u>3,020,608</u>   | <u>3,153,117</u>     | <u>3,020,609</u>     |

|                                                                    | 2022<br>£        | 2021<br>£        |
|--------------------------------------------------------------------|------------------|------------------|
| <b>Investments listed or traded on a recognised stock exchange</b> |                  |                  |
| Market value at 1 April 2021                                       | 2,939,160        | 2,260,293        |
| Additions                                                          | 68,938           | 403,561          |
| Disposal proceeds                                                  | (117,596)        | (421,293)        |
| Unrealised/realised investment gains/(losses)                      | 73,016           | 696,599          |
| Cash held with investment manager                                  | 189,597          | 81,448           |
| <b>Closing value at 31 March 2022</b>                              | <u>3,153,115</u> | <u>3,020,608</u> |

|                       | 2022<br>Market<br>value<br>£ | % of<br>portfolio | 2021<br>Market<br>value<br>£ | % of<br>portfolio |
|-----------------------|------------------------------|-------------------|------------------------------|-------------------|
| UK equities           | 830,998                      | 26%               | 884,368                      | 29%               |
| Overseas equities     | 1,173,676                    | 37%               | 1,137,464                    | 37%               |
| UK fixed income       | 199,107                      | 6%                | 290,074                      | 10%               |
| Overseas fixed income | 67,211                       | 2%                | 60,334                       | 2%                |
| Alternative assets    | 375,640                      | 12%               | 291,134                      | 10%               |
| UK property           | 316,886                      | 10%               | 275,786                      | 9%                |
| Cash                  | 189,597                      | 6%                | 81,448                       | 3%                |
|                       | <u>3,153,115</u>             | <u>100%</u>       | <u>3,020,608</u>             | <u>100%</u>       |

The historical cost of the investments is £1,870,144 (2021: £1,887,876). Post year-end the value of investments has dropped to £2,812,691 at 18 November 2022.

|                                   | 2022<br>Group<br>£ | 2021<br>Group<br>£ | 2022<br>Charity<br>£ | 2021<br>Charity<br>£ |
|-----------------------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Subsidiary undertakings</b>    |                    |                    |                      |                      |
| <b>Cost</b>                       |                    |                    |                      |                      |
| At 1 April 2021 and 31 March 2022 | -                  | -                  | 2                    | 1                    |
|                                   | <u>-</u>           | <u>-</u>           | <u>2</u>             | <u>1</u>             |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 March 2022

#### 14. FIXED ASSET INVESTMENTS (continued)

The company owns the entire issued ordinary share capital of

BRB Production Services Ltd, incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is theatrical production. The company did not trade during 2020 or 2021 due to the postponement of performances at Royal Albert Hall.

BRB established a new subsidiary during the year. BRB Trading Ltd, incorporated on 24 September 2021 and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is raising for BRB through trading services including commercial sponsorship, retail sales and other trading activity which are associated with ballet, arts and culture would not be classed as primary purpose for the charity.

The result of the Company's trading activities through its subsidiary undertaking is detailed below:

#### BRB Trading Ltd Profit and Loss account for the year ended 31 March 2022

|                                                                                             | 2022<br>£         |
|---------------------------------------------------------------------------------------------|-------------------|
| <b>Turnover</b>                                                                             | 66,667            |
| Cost of sales                                                                               | <u>(27,050)</u>   |
| <b>Gross Profit</b>                                                                         | <u>39,617</u>     |
| <b>Gift Aid Payment</b>                                                                     | (39,617)          |
|                                                                                             | <u>          </u> |
| <b>Profit for the financial year attributable to the equity shareholders of the Company</b> | <u><u>-</u></u>   |

#### Balance Sheet at 31 March 2022

|                                                       | 2022<br>£      |
|-------------------------------------------------------|----------------|
| <b>Current assets</b>                                 |                |
| Debtors                                               | <u>100,001</u> |
| <b>Creditors: amounts falling due within one year</b> | <u>100,000</u> |
| <b>Net current assets</b>                             | <u>1</u>       |
| <b>Shareholder' Funds</b>                             | <u>1</u>       |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****15. STOCKS - GROUP AND CHARITY**

|             | <b>2022</b>   | <b>2021</b>   |
|-------------|---------------|---------------|
|             | <b>£</b>      | <b>£</b>      |
| Shoes       | 95,474        | 89,041        |
| Merchandise | -             | -             |
|             | <u>95,474</u> | <u>89,041</u> |

**16. DEBTORS**

|                                       | <b>2022</b>      | <b>2021</b>      | <b>2022</b>      | <b>2021</b>      |
|---------------------------------------|------------------|------------------|------------------|------------------|
|                                       | <b>Group</b>     | <b>Group</b>     | <b>Charity</b>   | <b>Charity</b>   |
|                                       | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Trade debtors                         | 243,725          | 58,494           | 243,725          | 58,494           |
| Other debtors                         | 1,424,764        | 1,339,413        | 1,424,764        | 1,279,734        |
| Amount owed by subsidiary undertaking | -                | -                | 66,667           | 59,680           |
| Prepayments and accrued income        | 1,098,231        | 452,974          | 1,098,231        | 452,974          |
|                                       | <u>2,766,720</u> | <u>1,850,881</u> | <u>2,833,387</u> | <u>1,850,881</u> |

Other debtors include £63,375 (2021: £63,375) in respect of a rent deposit which is due in more than one year.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****17. CREDITORS: Amounts falling due within one year**

|                              | <b>2022</b>      | <b>2021</b>      | <b>2022</b>      | <b>2021</b>      |
|------------------------------|------------------|------------------|------------------|------------------|
|                              | <b>Group</b>     | <b>Group</b>     | <b>Charity</b>   | <b>Charity</b>   |
|                              | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Trade creditors              | 764,698          | 458,278          | 764,698          | 458,278          |
| Other creditors              | 366,873          | 381,921          | 466,873          | 381,922          |
| Taxation and social security | 40,700           | 251,779          | 40,700           | 251,779          |
| Accruals and deferred income | 357,780          | 366,720          | 324,447          | 366,720          |
|                              | <u>1,530,051</u> | <u>1,458,698</u> | <u>1,596,718</u> | <u>1,458,699</u> |

**Movements in deferred income:**

|                                    | <b>Group</b>  | <b>Group</b>   | <b>Charity</b> | <b>Charity</b> |
|------------------------------------|---------------|----------------|----------------|----------------|
|                                    | <b>2022</b>   | <b>2021</b>    | <b>2022</b>    | <b>2021</b>    |
|                                    | <b>£</b>      | <b>£</b>       | <b>£</b>       | <b>£</b>       |
| Balance at 1 April 2021            | 120,214       | 120,180        | 120,214        | 120,180        |
| Amounts released during the period | (229,865)     | (104,180)      | (229,865)      | (104,180)      |
| Deferred in the current period     | 179,185       | 104,214        | 145,852        | 104,214        |
| <b>Balance at 31 March 2022</b>    | <u>69,534</u> | <u>120,214</u> | <u>36,201</u>  | <u>120,214</u> |

Deferred income at 1 April 2021 comprised grants, membership scheme income and donations and legacy income relating to activity in the periods to 31 March 2022.

Deferred income at 31 March 2022 comprised grants, membership scheme income, sponsorship and donations relating to activity in the periods to 31 March 2023.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****18. MOVEMENTS ON FUNDS**

## a) Restricted Funds (Group and Charity)

|                                                 | At<br>1 April<br>2021<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|-------------------------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation                      | 600,000                    |                              | (61,716)                          |                                | 538,284                     |
| Production and Performance                      | -                          | 237,875                      | (237,875)                         |                                | -                           |
| LEAP Projects                                   | -                          | 156,450                      | (156,450)                         |                                | -                           |
| Coronavirus Job Retention Scheme                | -                          | 158,936                      |                                   | (158,936)                      | -                           |
| Skills Development Projects                     | -                          | 53,284                       | (35,284)                          |                                | 18,000                      |
| Health, Wellbeing and Training                  | -                          | 118,500                      | (118,500)                         |                                | -                           |
| Nutcracker Sets & Costumes (Big Give 2021)      | -                          | 112,700                      |                                   |                                | 112,700                     |
| Nutcracker Sets & Costumes (Big Give 2018 - 20) | 226,380                    | -                            |                                   |                                | 226,380                     |
| Digital Transformation Project (ACE)            | 20,000                     | 40,000                       | (60,000)                          |                                | -                           |
| Jerwood Centre Equipment                        | 22,802                     | -                            | (5,479)                           |                                | 17,323                      |
|                                                 | <u>869,182</u>             | <u>877,745</u>               | <u>(675,304)</u>                  | <u>(158,936)</u>               | <u>912,687</u>              |

**18. MOVEMENTS ON FUNDS (continued)**

## a) Restricted Funds (Group and Charity)

|                                             | At<br>1 April<br>2020<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|---------------------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation                  | -                          | 600,000                      | -                                 | -                              | 600,000                     |
| Production and Performance                  | -                          | 277,738                      | (277,738)                         | -                              | -                           |
| Education Projects                          | -                          | 104,100                      | (104,100)                         | -                              | -                           |
| Coronavirus Job Retention Scheme - Furlough | -                          | 2,777,918                    | -                                 | (2,777,918)                    | -                           |
| Nutcracker Sets & Costumes (Big Give 2020)  | -                          | 96,574                       | -                                 | -                              | 96,574                      |
| Nutcracker Sets & Costumes (Big Give 2019)  | 119,649                    | -                            | -                                 | -                              | 119,649                     |
| Digital Transformation Project (ACE)        | 40,000                     | -                            | (20,000)                          | -                              | 20,000                      |
| Nutcracker Costumes (Big Give 2018)         | 10,157                     | -                            | -                                 | -                              | 10,157                      |
| Jerwood Apparatus                           | 16,342                     | -                            | (1,480)                           | -                              | 14,862                      |
| Jerwood Ultrasound Machine                  | 11,939                     | -                            | (3,999)                           | -                              | 7,940                       |
|                                             | <u>198,087</u>             | <u>3,856,330</u>             | <u>(407,317)</u>                  | <u>(2,777,918)</u>             | <u>869,182</u>              |

There were a number of production and performance, engagement and education projects funded by restricted grants and donations.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 March 2022

The Coronavirus Job Retention Scheme was utilised when our operations were adversely affected by coronavirus (COVID-19). In 2021-22 CJRS grant income was received for April and May 2021 when some BRB employees remained on part furlough during first two month of the financial year. The grant was received as restricted income and transferred to fund unrestricted employee costs.

The Big Give 2019, 2020 & 2021 campaigns raised funds for the refurbishment of our Nutcracker sets and costumes.

The Big Give 2018 campaign raised funds for the refurbishment of our Nutcracker costumes.

The Digital Transformation project is funded by Arts Council England and designated funds which supports BRB's evolving and growing digital content development programme.

The Jerwood centre purchased equipment and an ultrasound machine funded by restricted grants.

b) Designated funds (Group and Charity) comprise amounts set aside by the Directors in respect of:

|                                | At<br>1 April<br>2021<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|--------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Community Engagement Fund      | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund           | 650,000                    | -                            | -                                 | -                              | 650,000                     |
| Thorp Street Refurbishment     | 1,958,928                  | -                            | (108,830)                         | -                              | 1,850,098                   |
| Digital Transformation Project | 379                        | -                            | (379)                             | -                              | -                           |
| New Artistic Vision            | 1,000,000                  | -                            | (1,000,000)                       | -                              | -                           |
|                                | <u>3,786,583</u>           | <u>-</u>                     | <u>(1,109,209)</u>                | <u>-</u>                       | <u>2,677,374</u>            |

|                                | At<br>1 April<br>2020<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|--------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Capital Grants Fund            | 144,263                    | -                            | -                                 | (144,263)                      | -                           |
| Community Engagement Fund      | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund           | 150,000                    | -                            | -                                 | 500,000                        | 650,000                     |
| Thorp Street Refurbishment     | 2,067,758                  | -                            | (108,830)                         | -                              | 1,958,928                   |
| Digital Transformation Project | 11,628                     | -                            | (111,249)                         | 100,000                        | 379                         |
| New Artistic Vision            | -                          | -                            | -                                 | 1,000,000                      | 1,000,000                   |
|                                | <u>2,550,925</u>           | <u>-</u>                     | <u>(220,079)</u>                  | <u>1,455,737</u>               | <u>3,786,583</u>            |

The Capital Grants Fund represented income designated for the acquisition of fixed assets to be used by the company for its charitable purposes with the depreciation on the underlying assets is charged to the designated fund. The fund was fully expended in 2020-21.

The Community Engagement Fund represents amounts received following the decision to wind up Birmingham Royal Ballet Trust.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2022

The New Productions Fund represents income designated to support major new productions that will extend the repertory available for Birmingham Royal Ballet performances.

The Digital Transformation project is funded by Arts Council England and designated funds from a three year grant from the Michael Bishop Foundation which support BRB 's evolving digital strategy.

The New Artistic Vision represents income designated to support Carlos Acosta's new artistic vision including the 'Created by Carlos' programme and festival activity and the new production of Don Quixote.

### 18. MOVEMENTS ON FUNDS (continued)

c) Unrestricted, undesignated funds (Group):

|               | At<br>1 April<br>2021<br>£ | Net<br>outflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|---------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------|
| General funds | 2,587,245                  | (976,947)                             | 158,936                        | 1,769,234                   |
|               | <u>2,587,245</u>           | <u>(976,947)</u>                      | <u>158,936</u>                 | <u>1,769,234</u>            |

|               | At<br>1 April<br>2020<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 913,037                    | 352,027                              | 1,322,181                      | 2,587,245                   |
|               | <u>913,037</u>             | <u>352,027</u>                       | <u>1,322,181</u>               | <u>2,587,245</u>            |

c) Unrestricted, undesignated funds (Charity):

|               | At<br>1 April<br>2021<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2022<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 2,587,246                  | (976,947)                            | 158,936                        | 1,769,234                   |
|               | <u>2,587,246</u>           | <u>(976,947)</u>                     | <u>158,936</u>                 | <u>1,769,234</u>            |

|               | At<br>1 April<br>2020<br>£ | Net inflows<br>in the<br>period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|---------------|----------------------------|--------------------------------------|--------------------------------|-----------------------------|
| General funds | 913,038                    | 352,027                              | 1,322,181                      | 2,587,246                   |
|               | <u>913,038</u>             | <u>352,027</u>                       | <u>1,322,181</u>               | <u>2,587,246</u>            |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****18. MOVEMENTS ON FUNDS (continued)**

d) Endowment funds (Group and Charity):

|                                        | At<br>1 April<br>2020<br>£ | Inflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|----------------------------------------|----------------------------|-------------------------------|--------------------------------|-----------------------------|
| Catalyst/Cadbury Family Endowment Fund | 3,020,608                  | 132,506                       | -                              | 3,153,115                   |
|                                        | <u>3,020,608</u>           | <u>132,506</u>                | <u>-</u>                       | <u>3,153,115</u>            |

|                                        | At<br>1 April<br>2020<br>£ | Inflows in<br>the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|----------------------------------------|----------------------------|-------------------------------|--------------------------------|-----------------------------|
| Catalyst/Cadbury Family Endowment Fund | 2,282,739                  | 737,869                       | -                              | 3,020,608                   |
|                                        | <u>2,282,739</u>           | <u>737,869</u>                | <u>-</u>                       | <u>3,020,608</u>            |

The Catalyst/Cadbury Family Endowment Fund represents donations received specifically for the purpose of funding dance fellowships to support young dancers with teaching, training and mentoring. The endowment period is 25 years until 1 November 2037 after which the fund is expendable.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****18. MOVEMENTS ON FUNDS (continued)**

e) Allocations of net assets between funds (Group):

|                          | <b>2022</b>         | <b>2022</b>       | <b>2022</b>      | <b>2022</b>      |
|--------------------------|---------------------|-------------------|------------------|------------------|
|                          | <b>Unrestricted</b> | <b>Restricted</b> | <b>Endowment</b> | <b>Total</b>     |
|                          | <b>funds</b>        | <b>funds</b>      | <b>funds</b>     | <b>funds</b>     |
|                          | <b>£</b>            | <b>£</b>          | <b>£</b>         | <b>£</b>         |
| Investments              | -                   | -                 | 3,153,115        | 3,153,115        |
| Cash at Bank and in Hand | 865,818             | 357,080           | -                | 1,222,898        |
| Debtors                  | 2,766,720           | -                 | -                | 2,766,720        |
| Stocks                   | 95,474              | -                 | -                | 95,474           |
| Fixed Assets             | 2,248,643           | 555,607           | -                | 2,804,250        |
| Creditors                | (1,530,050)         | -                 | -                | (1,530,050)      |
|                          | <u>4,446,605</u>    | <u>912,687</u>    | <u>3,153,115</u> | <u>8,512,407</u> |

**2021 Comparatives**

|                          | <b>2021</b>         | <b>2021</b>       | <b>2021</b>      | <b>2021</b>       |
|--------------------------|---------------------|-------------------|------------------|-------------------|
|                          | <b>Unrestricted</b> | <b>Restricted</b> | <b>Endowment</b> | <b>Total</b>      |
|                          | <b>funds</b>        | <b>funds</b>      | <b>funds</b>     | <b>funds</b>      |
|                          | <b>£</b>            | <b>£</b>          | <b>£</b>         | <b>£</b>          |
| Investments              | 1                   | -                 | 3,020,608        | 3,020,609         |
| Cash at Bank and in Hand | 3,587,509           | 938,880           | -                | 4,526,389         |
| Debtors                  | 1,850,881           | -                 | -                | 1,850,881         |
| Stocks                   | 89,041              | -                 | -                | 89,041            |
| Fixed Assets             | 2,212,595           | 22,802            | -                | 2,235,397         |
| Creditors                | (1,366,199)         | (92,500)          | -                | (1,458,699)       |
|                          | <u>6,373,828</u>    | <u>869,182</u>    | <u>3,020,608</u> | <u>10,263,619</u> |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****18. MOVEMENTS ON FUNDS (continued)**

e) Allocations of net assets between funds (Charity):

|                          | 2022<br>Unrestricted<br>funds<br>£ | 2022<br>Restricted<br>funds<br>£ | 2022<br>Endowment<br>funds<br>£ | 2022<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | 2                                  | -                                | 3,153,115                       | 3,153,117                   |
| Cash at Bank and in Hand | 865,818                            | 357,080                          | -                               | 1,222,898                   |
| Debtors                  | 2,833,387                          | -                                | -                               | 2,833,387                   |
| Stocks                   | 95,474                             | -                                | -                               | 95,474                      |
| Fixed Assets             | 2,248,643                          | 555,607                          | -                               | 2,804,250                   |
| Creditors                | (1,596,718)                        | -                                | -                               | (1,596,718)                 |
|                          | <u>4,446,604</u>                   | <u>912,687</u>                   | <u>3,153,115</u>                | <u>8,512,406</u>            |

**2021 Comparatives**

|                          | 2021<br>Unrestricted<br>funds<br>£ | 2021<br>Restricted<br>funds<br>£ | 2021<br>Endowment<br>funds<br>£ | 2021<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | 1                                  | -                                | 3,020,608                       | 3,020,609                   |
| Cash at Bank and in Hand | 3,587,509                          | 938,880                          | -                               | 4,526,389                   |
| Debtors                  | 1,850,882                          | -                                | -                               | 1,850,882                   |
| Stocks                   | 89,041                             | -                                | -                               | 89,041                      |
| Fixed Assets             | 2,212,595                          | 22,802                           | -                               | 2,235,397                   |
| Creditors                | (1,366,199)                        | (92,500)                         | -                               | ((1,458,699))               |
|                          | <u>6,373,828</u>                   | <u>869,182</u>                   | <u>3,020,608</u>                | <u>10,263,619</u>           |

**19. EMPLOYEE RETIREMENT BENEFITS**

The company contributes to two group personal pension schemes. The cost to the company for the period ended 31 March 2022 is equal to the amount of employer contributions paid in the period to each scheme, and is detailed below:

|                                        | 2022<br>£      | 2021<br>£      |
|----------------------------------------|----------------|----------------|
| Birmingham Royal Ballet Pension Scheme | 292,837        | 312,656        |
| Musicians' Union Pension Scheme        | 8,550          | 12,036         |
|                                        | <u>301,387</u> | <u>324,692</u> |

The company also contributes a fixed percentage of dancers' basic salaries to the Dancers' Career Development Fund. In 2020-21 the company contributed a total of £47,470 (2020-21: £44,737).

As of 31 March 2022 there were £52,279 outstanding contributions due in respect of the current reporting period (2021: £62,127).

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2022****20. FINANCIAL COMMITMENTS – GROUP AND CHARITY****Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases:

|                                       | <b>2022</b>                         |                    | <b>2021</b>                         |                    |
|---------------------------------------|-------------------------------------|--------------------|-------------------------------------|--------------------|
|                                       | <b>Land and<br/>buildings<br/>£</b> | <b>Other<br/>£</b> | <b>Land and<br/>buildings<br/>£</b> | <b>Other<br/>£</b> |
| <b>Charity</b>                        |                                     |                    |                                     |                    |
| - expiring within one year            | 218,000                             | 7,087              | 81,750                              | 7,087              |
| - expiring between one and five years | 872,000                             | 6,110              | -                                   | 14,092             |
| - expiring after five years           | 949,250                             |                    |                                     |                    |
|                                       | <u>2,039,250</u>                    | <u>13,197</u>      | <u>81,750</u>                       | <u>21,179</u>      |

**21. RELATED PARTY TRANSACTIONS**

No Director received payment for professional or other services supplied to the charity during the year (2020: £nil).

Total donations received from the directors during the year was £nil (2020: £5,398).

All transactions between charity and the subsidiary, BRB Production Services Limited and BRB Trading Ltd, are eliminated on consolidation.

**22. CASHFLOW STATEMENT**

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

|                                                                              | <b>2022<br/>£</b>         | <b>2021<br/>£</b>       |
|------------------------------------------------------------------------------|---------------------------|-------------------------|
| Net income / (expenditure) for the year (before investment gains and losses) | (1,824,230)               | 3,622,231               |
| Adjustments for:                                                             |                           |                         |
| Dividends and interest receivable                                            | (79,271)                  | (61,521)                |
| Depreciation charges                                                         | 287,869                   | 198,558                 |
| Profit on the disposal of tangible fixed asset                               | -                         | 19,280                  |
| Operating cash flow before movement in working capital                       | <u>(1,615,632)</u>        | <u>3,778,548</u>        |
| (Increase)/Decrease in stocks                                                | (6,432)                   | 10,690                  |
| (Increase)/Decrease in debtors                                               | (915,838)                 | 1,368,951               |
| Increase/(Decrease) in creditors                                             | 71,353                    | (1,081,092)             |
| <b>Net cash (used in) / provided by operating activities</b>                 | <u><u>(2,466,549)</u></u> | <u><u>4,077,096</u></u> |

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# Accounts

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**Company Registered Number 3320538**

**Charity Registered Number 1061012**

**Birmingham Royal Ballet  
(A Company Limited by Guarantee)**

**Report and Consolidated Financial Statements**

**For the year ended 31 March 2021**

## **BIRMINGHAM ROYAL BALLET**

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## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

Sir David Normington (Chair)  
Mr Ian Squires  
Mr Michael Elliott  
Ms Deborah Spence  
Ms Hemma Patel  
Mr Anthony Coombs  
Councillor Carl Rice  
Mr Barry Allen  
Ms Jeanetta Laurence OBE  
Ms Jane Hackett  
Ms Sandra Crossley (appointed 01 January 2021)  
Mrs Marverine Cole (appointed 01 June 2021)  
Ms Shireenah Ingram (appointed 01 June 2021)  
Mrs Christine Ondimu (appointed 01 June 2021)

#### **SECRETARY**

Mrs Anna Williams FCA, DChA

#### **REGISTERED IN ENGLAND & WALES**

Company Number: 3320538

Registered Charity Number: 1061012

#### **REGISTERED OFFICE**

Thorp Street  
Birmingham  
B5 4AU

#### **BANKERS**

HSBC Bank plc  
130 New Street  
Birmingham  
B2 4JU

#### **SOLICITORS**

Veale Wasborough Vizards LLP  
Second Floor, 3 Brindleyplace  
Birmingham  
B1 2JB

DWFM Beckman Solicitors  
101 Wigmore Street  
London  
W1U 1FA

## **BIRMINGHAM ROYAL BALLET**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **INVESTMENT MANAGERS**

Smith and Williamson  
9 Colmore Row  
Birmingham  
B3 2BJ

#### **AUDITOR**

Deloitte LLP  
Statutory auditor  
4 Brindley Place, Birmingham, United Kingdom, B1 2HZ

## **BIRMINGHAM ROYAL BALLET**

### **Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet**

In the 75 year history of Birmingham Royal Ballet and its predecessor companies there surely has not been a more extraordinary and challenging year than 2020-21. It is a testament to the remarkable resilience and team spirit of this wonderful company that it has not only still survived financially and artistically, but it has come through stronger. I have never been more proud to be its Chair.

When the year opened in April 2020, the country had just locked down for the first time in the face of the Covid - 19 pandemic. For a performing arts company, like BRB, that seemed like a threat to our very survival. We exist to perform in front of live, expectant audiences in theatres all round the U.K. Our musicians, our dancers, our stage and technical crews and our management and administrative staff devote their working lives to bringing great shows to stage and, through our education and outreach programmes, introducing thousands of young people a year to the joy of dance. Suddenly none of this was possible. It was a particular blow to Carlos Acosta, who had joined us as our new Director three months before and had just announced exciting plans for new programmes and repertoire, all of which had to be postponed.

But never underestimate the commitment, resilience and inventiveness of the creative arts sector. Within a few weeks our dancers and musicians were creating short new works and posting them on social media. We dug into our archives for videos of previous performances and rehearsals and put them regularly on line. We were amazed at the size and warmth of the audience reaction. When our Principal dancer, Celine Gittens, performed the Dying Swan in her front room, accompanied by our orchestra leader and principal violinist, Robbie Gibbs, playing from his home, it was viewed on social media over a million times. We were suddenly in touch again with our supporters and reaching new audiences around the world. One of the unexpected benefits of the pandemic has been the spur it has given to our digital work.

Inspired by the unflagging optimism of Carlos Acosta, we took an early decision to invest some money in a new work, which we could perform as soon as we were allowed to rehearse and perform again. It was important to us to repay the investment of public money which the Arts Council continued to invest in us despite the pandemic. The result was “Lazuli Sky” by Birmingham born choreographer, Will Tuckett, which we performed as part of a Triple Bill to much acclaim to socially distanced audiences in Birmingham in the summer and at Sadlers Wells Theatre in London in the autumn. In Birmingham, our home theatre, Birmingham Hippodrome, was sadly closed for the whole period of the pandemic. But we were able to forge a new partnership with the Birmingham Repertory Theatre, whose new Director, Sean Foley, shared the same entrepreneurial spirit as Carlos. Without the Rep, we would not have been able to perform live in Birmingham, nor to record and stream some of our performances. We are immensely grateful to them and look forward to an enduring partnership.

As we entered the autumn, we were on a roller coaster, changing plans from week to week as the pandemic began to surge again. In retrospect it was something of a miracle that we were able to perform Lazuli Sky at Sadlers Wells in October 2020, just days before the November lockdown. Our planned live performance at Birmingham Town Hall to celebrate 30 years since the company’s arrival in Birmingham had to be closed to audiences at short notice and streamed on line. We did everything possible to bring Birmingham its traditional Christmas Nutcracker with plans to perform at the Utilita Arena, where a large audience could have been appropriately distanced. But with the restrictions eventually making this impossible, we decided at very short notice to film an adapted version of the Nutcracker at the Birmingham Rep and to stream it live – our first live stream to a paying audience. We then filmed a second cast performance, which we broadcast online in February 2021 at half term.

When we went into another winter lockdown after Christmas, we decided that more weeks of making plans and then cancelling them was not sustainable. We, therefore, took the decision to close the company down until we were allowed to start training and rehearsals again and to plan to be back on stage in the spring. Even then the indefatigable Carlos Acosta collaborated with award winning company, Impermanence and song writer Benjamin Scheuer to create his first digital commission for the company, Empty Stage. This short elegiac film summed up all our fears and hopes for the dance – and wider performing arts – sector. It is impossible to watch it even now without feeling moved, but also uplifted.

As a Board we met very regularly over this period online to review progress, to assess the risks to our finances and to take the necessary action to control our costs. We had two simple objectives: to keep the company in touch with our audience, performing live, when that was possible, and, on line when it was not; and secondly, to protect our financial position, so that we came out of the various lockdowns with sufficient reserves not only to return to live performances, but to begin to implement Carlos Acosta’s ambitious plans for the company. I am very glad to say that we achieved both objectives, as this Annual Report demonstrates.

## BIRMINGHAM ROYAL BALLET

### Foreword by Sir David Normington GCB, Chair of Birmingham Royal Ballet

Our financial resilience is the result of some remarkably generous financial support from the Government and the Arts Council, for which we are extremely grateful. In particular the Government's "furlough" scheme was a lifeline and enabled us to keep the company together, when we could not work or perform. But we must also thank the many friends and supporters of the company, including trust and foundations who have continued to support us financially and sometimes to increase that support substantially. This includes particularly Aud Jebsen, Charles Glanville and HSBC, whose wonderful support has enabled us to face the future with confidence.

We did everything we could during the year to keep in touch with our staff through regular online company meetings, through advice on keeping healthy and with support for individual's wellbeing. For those who were separated from their families and friends, in some cases a long way from home, these were tough times. Inevitably the pandemic caused some of our staff to reflect on their futures. Some decided to return to their homes at the other side of the world. Some took advantage of the early retirement scheme, which we were able to offer as a result of generous support from the Government's Cultural Recovery Fund. We thank them all for their contribution to the company and wish them well in the next phase of their lives. After over 50 years with the company as dancer and coach, our Assistant Director, Marion Tait, also decided to step down, although she will remain as a Rehearsal Director, continuing to contribute her unrivalled artistry and knowledge of our classics to current and future generations of dancers. Marion is an essential part of the BRB family. We are so glad that we can continue to call on her advice and support.

After such a year it is hard to find adequate words to express my gratitude for the remarkable way in which the whole company has responded to the pandemic. Thank you – just doesn't seem enough. But, nevertheless, thank you so much: to Director, Carlos Acosta and Chief Executive, Caroline Miller, whose combined inspirational leadership has kept us going, even in the most difficult times; to the whole Senior Leadership Team who coped so tirelessly with the ever changing demands on them; to every member of the company, new and longstanding, who never lost heart and bounced back so brilliantly; to all our supporters who never gave up on us; and to our audiences who came back into the theatre as soon as it was safe to do so.

We cannot be sure what lies ahead. But we are now back on stage performing a full repertoire at a remarkably high standard to appreciative audiences. We are excited by what Carlos Acosta has planned for us and we remain determinedly optimistic.

DocuSigned by:  
  
D51BEE9056C04A6...  
David Normington

Chair

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT)**

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

#### **STATUS, OBJECTS AND POLICIES**

Birmingham Royal Ballet (BRB), a registered charity, is incorporated as a company limited by guarantee, not having a share capital.

BRB Production Services Limited is a wholly owned subsidiary of Birmingham Royal Ballet. The principal activity of the company is theatrical production for some co-productions and co-presentations such as The Nutcracker at the Royal Albert Hall. Due to covid the company did not trade during the year to 31 March 2021.

The objects of Birmingham Royal Ballet in accordance with the Articles of Association are to advance the education of the public in the arts and sciences of ballet, dance, music and drama.

Birmingham Royal Ballet seeks to be the UK's foremost large-scale touring ballet company, enriching people's lives through dance, and aspiring to excellence in all that it does.

#### **DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS**

The Directors of the charitable company who are also trustees for the purpose of charity law, are referred to in this report as "Directors" or "the Board of Directors".

The names of the Directors, Officers and Professional Advisers who served throughout the year and at the date of signing are provided on page 3 - 4.

All of the SORP 2019 requirements of the Trustees Report have been included within this Directors' Report.

#### **Organisation**

The Board of Directors' membership includes those with appropriate professional experience of dance, education, arts and charity administration, fundraising, marketing and communications, general management and financial management.

#### **Directors' Interests in Related Bodies**

| <b>Body</b>                   | <b>Director</b>                               |
|-------------------------------|-----------------------------------------------|
| Governors of the Royal Ballet | Sir David Normington<br>Jeanetta Laurence OBE |
| Birmingham City Councillors   | Councillor Carl Rice                          |

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

#### GOVERNANCE STRUCTURE

Birmingham Royal Ballet, as a company limited by guarantee, is governed by a board of non-executive directors (charitable trustees). In accordance with the Articles of Association the directors are also the members of the company.

The Board of Directors are responsible for decisions covering the significant areas of Birmingham Royal Ballet's affairs including:

- overall strategy and planning including setting strategy and plans to respond to Arts Council England's National Portfolio Organisation funding cycle.
- appointment of the key management personnel the Chief Executive and 'The Director'. The day-to-day management of the affairs of Birmingham Royal Ballet is delegated to the Chief Executive, Caroline Miller, who is responsible for overall organisational management. The Director, Carlos Acosta, is responsible for artistic vision and strategy and for managing artistic activities.
- approval of budgets, approval of major capital expenditure projects, and development of key policies including general treasury and risk management policies.

The Governors of the Royal Ballet have the right to nominate one of their members to be a member of the Board of Directors; Birmingham City Council nominate one representative (usually a Councillor) to be members of the Board of Directors. All such nominations are approved and appointed by the Board of Directors. The Board of Directors is responsible for the appointment of a Chair.

In order to carry out their duties as effectively as possible the Board of Directors is assisted by a number of sub committees including:

- **The Finance and General Purposes Committee** - responsible for detailed review of financial reports, planning documents, budgets and policies prior to recommendation for approval. The Finance and General Purposes Committee presently fulfils the role of the Audit Committee.
- **The Nominations and Governance Committee** – is responsible for the review of general governance including BRB's response to the recommendations of the Charity Governance code as well as recommendation of candidates for appointment as Directors bearing in mind the particular needs of the Board at the time as well as the future needs of the Board (succession planning). The Nominations Committee is also responsible for ensuring the appropriate induction and training of new directors. It is the responsibility of the Board of Directors as a whole to approve candidates for appointment.
- **The Appointments and Remuneration Committee** - responsible and overseeing the appointment of The Chair of the Board, senior officers and for reviewing their remuneration and making appropriate recommendations for the Board of Directors as a whole to approve.
- **The Investment Committee** - responsible for overseeing implementation of the investment policy and monitoring performance of invested funds.

Other working groups may be convened and carry out specific tasks as directed by the Board.

To enable the Directors to perform their duties all directors have full access to relevant information and to services of the Company Secretary and the Officers of the Company. If necessary, the Directors may take independent professional advice at the Company's expense.

All new Directors receive a comprehensive information pack, a tour of the company and opportunities to meet with The Director, Chief Executive, Chief Operating Officer and other senior members of staff. All Directors have regular access to performances, other events and activities so that they are familiar with the work of the company. An extended board session is held annually to discuss subjects such as artistic policy, business strategy and governance.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

The primary governance and organisational objectives for the period were to:

- Recruit new Board members with appropriate skills and knowledge to fill existing and forthcoming vacancies
- Use our knowledge and sector leadership role to develop safe working practises to ensure that BRB can safely return to the work place, rehearsal and performance during autumn 2020.
- Use the practical experience gained during autumn 2020 performances to support the re-opening of theatres and the dance sector by sharing knowledge and good practice
- Build employee engagement through regular company meetings and opportunities for staff to create digital content during the Covid 19 pandemic
- Foster a culture of equality and inclusivity including embedding the 'Dignity at Work' programme
- Improve environmental performance through the reduction of office space occupied by the organisation

After an interrupted recruitment process we welcomed Sandra Crossley (former BRB principal dancer) to the Board in January 2021 with her extensive knowledge of the company heritage and repertory as well as experience in dance education and training. Marverine Cole, Shireenah Ingram and Christine Ondimu joined the Board in June 2021 bringing skills in journalism, diversity/equality and performing arts to strengthen and diversify the Board membership.

BRB has been an industry leader in managing a return to work, rehearsals and performances. BRB representatives have been actively involved in developing the government approved protocols and the roadmap for the theatre industry returning to performance both behind closed doors and with live audiences. As one of a relatively limited number of companies to give live performances as well as tour during the covid pandemic period we have been able to share our experience and expertise directly with venue colleagues at Birmingham Repertory Theatre and Sadlers Wells Theatre.

The covid pandemic has meant that many staff have spent long periods on furlough or working at home. There have been regular company meetings online to nurture and sustain the shared endeavour not just to survive the pandemic but to develop, find new ways of sharing our art and emerge strong and fit to return to the stage with a renewed energy and ambition. The regular meetings were an opportunity to update on emerging plans and discuss the financial and business strategy for the covid period including use of furlough and recovery funding. Many BRB staff have created digital content from podcasts, playlists, music ensembles and short performances to personal moments such as dancing with children at home.

Supporting mental and physical wellbeing has been a priority throughout the year. Work has continued on developing BRB's 'Dignity at Work' framework and 'Guardians' programme. BRB's healthcare team have continued to support staff online and in person as well as implement rigorous infection control processes to ensure a safe workplace. Dancers and ballet staff returned to rehearsals in August 2020, working in discreet 'bubbles' to minimise the risk of spread of infection in the company. It is a testament to the absolute dedication and commitment of all BRB artists and staff that the company has remained infection free and has delivered a range of repertory that demonstrates its full breadth and depth from classical to contemporary work.

BRB monitors its environmental performance through Julie's Bicycle creative green tools. BRB has reduced its carbon footprint by mothballing one building until its lease expired in December 2020.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **PUBLIC BENEFIT**

In shaping objectives and planning activities for the year, the Directors have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee-charging.

Birmingham Royal Ballet is one of the UK's most creative and exciting ballet companies and aims to inspire audiences with work that is entertaining, relevant, exciting and technically excellent. It is committed to inclusion and access as ballet, dance and music are art forms for everyone to experience, participate in and enjoy.

Creating new ballet is an essential part of ensuring that the art form remains vibrant and relevant. Birmingham Royal Ballet creates new one act and full-length narrative ballets and regularly commissions new music for these works, adding richness to the national cultural ecology. Birmingham Royal Ballet plays an important role in preserving the classical and heritage repertoire, in particular those works associated with the English tradition of classical ballet, ensuring their continued existence for future generations to enjoy.

With the support of its major funder, Arts Council England, Birmingham Royal Ballet presents world-class performances of the widest possible range of repertory throughout the United Kingdom in both large scale and middle scale venues. The company also tours internationally on a regular basis.

Birmingham Royal Ballet is committed to the principle that cost should not prohibit access to performances. Tickets for performances in the UK are priced across affordable ranges (between £10 and £85) which reflect the regional economies where the company performs. Work is also available online. A wide range of concessions and special offers are available on tickets including discounts for school groups. Access to live performances is supported through a programme of children's performances, touch tours, audio description and relaxed performances.

Birmingham Royal Ballet offers free talks, open classes and activity days to support performances and membership schemes such as Birmingham Royal Ballet Friends and The Dancers' Circle give opportunities to attend talks, rehearsals and other special events that help to give a greater insight into and understanding of the work of the company.

Birmingham Royal Ballet extends its reach and accessibility through learning, engagement and participation (LEAP) work. Programmes include free ballet training for talented individuals, repertory based programmes for schools and community groups, disability led work and continuing professional development for professional dancers and teachers. Many projects include free access to a Birmingham Royal Ballet performance. Birmingham Royal Ballet continues to expand and develop how it takes work into the community; presenting it in new and unusual settings and co-creating works and performances with community groups.

Access to performance, engagement and participation activity is amplified through Birmingham Royal Ballet's growing digital offer which includes both free and paid for content which can range from a brilliant still images to made for digital films like *Empty Stage*. Whatever the format, BRB's digital content shares the same production values and striving for excellence that drives all of BRB's artistic work. Digital production is no longer limited to 'show marketing' but is part of the artistic and cultural aims of the Company and based on fundamental principles to 'Entertain, Educate or Inspire'

Above all, Birmingham Royal Ballet believes in the importance of taking the arts to everyone and will work hard, through ballet, dance and music, to break down barriers perceived or real that prevent people from the pleasure of experiencing or engaging with the arts in its many and varied forms.

#### **STRATEGIC REVIEW**

#### **CHARITABLE ACTIVITIES**

##### **Performance and Production**

The Birmingham Royal Ballet group of companies (Birmingham Royal Ballet and its subsidiary BRB Production Services) produce and perform ballet dance and music of the highest quality ensuring access to world class performances to audiences throughout the United Kingdom as well as internationally.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

BRB's artistic and performance related objectives for the 2020-21 period were to:

- Plan a programme of work to ensure that the company can continue to create and distribute world-class art and continue to perform for both live and online audiences during the Covid 19 pandemic
- Mark the important transition in BRB's artistic leadership by securing alternative performance dates from 2021 onwards for the '*Curated by Carlos*' Festival, *Don Quixote* and other key works planned to launch Carlos Acosta's first full season
- Build a new creative and presenting partnership with Birmingham Repertory Theatre 'the Rep'.

Lockdown in March 2020 meant the loss of the whole of the summer season including Carlos Acosta's inaugural '*Curated by Carlos*' festival to celebrate his first season as Director. We were clear that BRB's best chance of long-term survival is to bring back performance in a staged and planned manner in order that BRB could protect its elite performance skills, earn income, foster and build audiences and supporters. BRB was one of the few dance and theatre companies in the UK to return to a programme of live and digital performance at any scale from autumn 2020.

Despite having only been in post for two months when the pandemic forced the shut-down of theatres, Carlos Acosta demonstrated his energy and leadership by refusing to be daunted and performance possibilities from local parks through to huge arenas were explored over summer and autumn 2020. Whilst many plans could not be realised, one positive and enduring legacy of the period was the new presenting and producing partnership with 'the Rep'. Without this partnership BRB would not have been able to perform in Birmingham, nor prepare productions for touring or digital relay between October 2020 and July 2021.

The announcement of BRB's programme for autumn 2020 shows was widely covered in the media as BRB was the first dance company to announce shows for live audiences. The mixed programme included a world premiere of *Lazuli Sky* which was commissioned to respond to social distancing; choreographed by Will Tuckett with projection design by Nina Dunn, one of the few female projection artists working in theatre. BRB's triple bill was a catalyst for both Sadler's Wells and Birmingham Rep deciding to re-open (albeit briefly due to the second national lockdown being announced on 5 November 2020) and were the first live shows with paying audiences in both venues since the lockdown.

On 7 November 2020, Birmingham Royal Ballet celebrated its 30th Anniversary in Birmingham with a free-streamed performance from Birmingham Town Hall including *End of Time*, *Leibestod* and *Majisimo*. The online show was a gift to the city of Birmingham to thank the city and audiences for all their support and offer a message of hope at a time when people were not able to enjoy live performances.

Throughout the first lockdown and into autumn 2020 BRB's enduring ambition was to be able to present *The Nutcracker* for Christmas. Birmingham Repertory Theatre, once again, stepped up to the challenge and working in partnership, Carlos Acosta and Sean Foley, Artistic Director 'The Rep', worked together to present a new adaptation of *The Nutcracker* using existing scenic elements, props and costumes alongside projections by Nina Dunn to create a version suitable for a smaller stage and cast. The plan was to present 13 live performances at Birmingham Rep but further to Tier 4 announcement on 2 December the decision was taken to make a for-digital version of *The Nutcracker at The Rep*. With two performances recorded and one live-streamed on 18 December 2020 which was available on demand until 24 December 2020. The only live performance of *The Nutcracker* in the UK in 2020. *The Nutcracker* enabled BRB to continue support vocational training for dancers with students from Elmhurst School for Dance forming one bubble of 'Snowflakes'.

The impact of the third national lockdown in January 2021 was the cancellation of the Spring 2021 tour of *Cinderella*, the May 2021 mid-scale tour and BRB's home theatre, Birmingham Hippodrome staying closed until autumn 2021. The best course of action was to set a clear plan from January 2021 through until the end of the season July 2021. The constant changes of plans over autumn 2020 whilst successful in delivering performances had been exhausting for staff and a definitive plan was needed to eliminate uncertainty and enable BRB to plan into 2022. It was agreed that the company would work towards re-opening for live performances with socially distanced audiences in June 2021 and rehearsals for the summer performances re-started in March 2021.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

We were delighted that Dominic Antonucci was appointed as BRB's new Assistant Director on 26 February 2021. Dominic, who has worked for BRB for more than 25 years as a dancer and then ballet master, was successful in a strong field of candidates from the UK and internationally. The announcement was warmly welcomed by the company.

Overall, in 2020-21 the company gave 13 performances - 8 in Birmingham and 5 in London of which 3 performances were behind closed doors due to covid and broadcast either live or video on demand (2019-20: 140 performances – 70 in Birmingham, 70 on tour in the UK) with live audiences of approximately 2,400 (2019-20: 152,000) plus 12,775 digital audiences for paid for live or video on demand performances.

The complete repertory performed during the year was:

| BALLET         | CHOREOGRAPHY     | MUSIC                                                                                                                                         |
|----------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Lazuli Sky     | Will Tuckett     | John Adams                                                                                                                                    |
| Our Waltzes    | Vincente Nebrada | Teresa Carreño<br>Salvador Llamozas<br>Manuel Guadalajara<br>Isabel de Maury<br>Sofia Limonta<br>Ramon Delgado Palacios<br>Heraclio Fernández |
| Liebestod      | Valery Panove    | Richard Wagner                                                                                                                                |
| Majisimo       | Jorge Garcia     | Massenet                                                                                                                                      |
| End of Time    | Ben Stevenson    | Serguei Rachmaninoff                                                                                                                          |
| The Nutcracker | Sir Peter Wright | Pyotr Ilyich Tchaikovsky                                                                                                                      |

Full repertory by venue was as follows:

| VENUE (S)                               | DATE          | PROGRAMME                              |
|-----------------------------------------|---------------|----------------------------------------|
| Birmingham Rep<br>Sadlers Wells, London | October 2020  | Our Waltzes<br>Liebestod<br>Lazuli Sky |
| Birmingham Town Hall                    | November 2020 | End of Time<br>Liebestod<br>Majisimo   |
| Birmingham Rep                          | December 2020 | The Nutcracker                         |

### Audience Reach and Growth

Audience Development objectives for 2020-21 were to:

- Use digital technology to increase audiences and engagement

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- Increase BRB's press and media profile to communicate Carlos Acosta's artistic vision and mission
- Grow a new dance and audience strategy with 'The Rep'
- Continue to work with key venue partners on long-term audience development as part of BRB's digital and live performance plans

BRB has significantly extended access to audiences through growing a successful and varied online programme of free and pay per view performances, events and behind the scenes access.

The Company's digital initiative sits within the 'Shout Louder, Sell More Tickets' strategy that has driven much success since the arrival of Carlos Acosta as Director in January 2020.

We saw a steady increase in audiences in free streamed over the summer and into the autumn:

Brief Nostalgia: 4,000 viewers; Cinderella: 15,800; Solos and Pas de Deux coaching show: 16,900. By November 2020 BRB *at 30* online show had 40,100 views.

After the success of the 'free to see' digital strategy in 2020, BRB's Board challenged the Company to deliver its first paid-for content with a recording of the new *Lazuli Sky* Triple Bill at The Rep. Working with The Space and partner venues including Sadlers Wells The Rep, Theatre Royal Plymouth, Mayflower Southampton and The Lowry Salford, a distribution strategy for the film was developed to promote the show to BRB audiences nationally. Digital Tickets went on sale in late October 20, with the show premiering on 01 November with 2,357 tickets sold in addition to the live audience.

The majority of marketing for live shows in 2021-22 used online and digital media as opposed to traditional print media. When BRB's *The Nutcracker at The REP* went on sale for in-person performances it took almost £73k in 1-day, The REP's biggest on-sale day ever. With the subsequent cancellation of the live performances in December 20 BRB had only had two weeks to organise the filming and selling of *The Nutcracker* in time for the live streamed first show on 18 December 2020. BRB commissioned renowned dance for film-maker, Ross MacGibbon, to create both a livestream and video-on-demand version to distribute the TicketCo platform. Livestream took place on 18<sup>th</sup> December, with the VOD film running from the 19-24 December *The Nutcracker at the Rep* sold over 10,400 tickets for the livestream and video on demand running until 24 December 2020 with gross revenue of £142,000

A second cast performance was recorded to make a second film, broadcast during the February 2021 half-term break. This second film is also a learning resource for BRB's LEAP team.

Social media presence and activity grew significantly over the period with Facebook, Twitter and Instagram seeing a 33% increase in BRB page 'likes' in the period. Social media video views exceeded twenty million (459% increase) and social media engagement (reactions, comments and shares on a post) grew by 400% to almost two million.

Carlos Acosta's first major digital commission for BRB, *Empty Stage* was released on 19 February and has been incredibly successful in terms of viewing figures, and responses from online audiences, peer to peer feedback, and press coverage. The full 5 minute film has been watched over 30,000 times on youtube. "*Beautiful. Thank you. Watching this, sorting out screws and bolts in the National Theatre of Scotland Stores, having a quiet greet to myself! Waiting...just waiting...to get up and running again.*"

#### Engagement and Participation

Offering opportunities to connect with Birmingham Royal Ballet through learning, engagement, access and participation (LEAP) programmes is one of the ways in which the company can take ballet and associated activities out beyond the traditional theatre presentations making ballet, dance, drama and music accessible art forms for everyone. BRB's LEAP work had to go digital when the pandemic started. BRB delivered 411 structured sessions to more than 5,800 participants and created a range of online resources that were free to access.

Our LEAP objectives for the year were to:

- Continue BRB's three flagship programmes by offering an online programme during the Covid 19 pandemic

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- Offer a programme of online classes, activities and events to provide new insights and build engagement and interactions

**Dance Track** - BRB's talent development programme for primary school children. Dance Track is key in the work BRB does to encourage arts participation across all ages, genders and backgrounds, opening up the art-form to children and families who otherwise may not engage. BRB re-started Dance Track classes online in summer 2020 and worked with schools to provide laptops to participants who needed them. Despite the challenges of the lock down and covid, 22 Dance Track children were offered pre-vocational training places on either the Royal Ballet School or Elmhurst junior associate programmes in November 2020.

**Freefall Dance Company (talented adults with severe learning difficulties)** - Freefall Dance Company is an ensemble of highly gifted dancers with severe learning disabilities. Throughout the pandemic, Lee Fisher; Artistic Director of Freefall has been delivering classes via zoom. This has been a lifeline for many of the 'Freefallers' when so much of their usual activity was interrupted by lockdown. *'I have to tell you Chris is really enjoying the Zoom sessions, so thank you for setting them up. It's lovely for me and Dave too, to be able to watch him dancing!'* – Parent. The dancers also created an animated film launched on Disability Awareness Day which was viewed 11,000 times.

**LEAP Ambassadors** - (formerly BRB Ambassadors) programme was re-launched in September 2019 as a FREE year long residency with BRB for young people aged 16-25 with limited access to ballet, the arts, culture and education. The focus of the programme was to provide young people with the skills needed to create, take part in and contribute to community arts projects in the future. The six LEAP Ambassadors continued to meet online rather than in person and created a film to celebrate and share their experiences of being a LEAP ambassador. All participants achieved their Bronze Arts Award, an achievement in lockdown. A new cohort of Ambassadors will be recruited in 2021

In September 2020, LEAP partnered with Birmingham Museums Trust at Aston Hall, with a special "Ballet, What's That?" event as part of Birmingham Heritage Weekend. Sadly, this was the only live event delivered by the LEAP team in 2020-21.

BRB obtained the rights to re-broadcast for free the *Ballet Hoo: Ballet Changed My Life* series (Channel 4 – 2006). This was part of our strategy to profile and tell the story of BRB's LEAP work to a wider audience.

A number of free to view classes based on existing BRB programmes were made available online including Baby Ballet, Seated Class and Cinderella for 5-11 years well as well as pay-per-view online ballet training sessions based on *The Nutcracker* delivered by our LEAP team and filmed on stage in *The Nutcracker* sets.

### FINANCIAL REVIEW

Birmingham Royal Ballet's primary financial objective for the period was to maintain general, unrestricted reserves (excluding capital reserves) at a minimum of £1,000,000 with a target to grow to £1,500,000 by March 2022.

The group results for the period are set out in the financial statements on page 31 onwards.

The period to 31 March 2021 ended with a surplus on activities including the endowment fund of £3,020,608 (2019-20 deficit £348,472) giving total accumulated reserves of £10,263,618 (2019-20 £5,944,788).

The year-end result demonstrates the success of our commitment to prioritise protection of BRB's performing capability through the pandemic as the best route to recovery by

- Finding opportunities to continue performing and earn income
- Active fundraising including Culture Recovery Funding from Arts Council England and Garfield Weston Foundation
- Use of furlough funding through the Corona Virus Job Retention Scheme

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

This has enabled BRB to protect jobs as well as designate funds for productions and performances which were postponed in 2020-21 to future periods.

The surplus analysed across funds was as follows:

- General unrestricted funds - £2,909,866
- Restricted funds – £671,095
- Endowment funds £737,869

Unrestricted reserves, excluding the capital reserve for the refurbishment of BRB's Thorp Street premises, presently stand at £4,414,490 which is in accordance with the revised reserves policy as outlined on page 23 of this report. Total unrestricted reserves are £6,373,828 (2019-20: £3,463,962) including the designated capital refurbishment reserve of £1,958,928 (2019-20: £2,067,758).

#### **Raising Funds**

Primary objectives 2020-21 were to

- Continue to meet the funding requirements of Arts Council England wherever possible through a revised programme of live and digital performances and LEAP activity through to 31 March 2021 as a bridge to 2021/22 and beyond in preparation for a new NPO funding round in 2023
- Secure at least one major gift to support Carlos Acosta's new artistic vision and mission
- Devise a programme of online events to enable supporters and donors to maintain their contact with the company during the Covid 19 pandemic

As in previous years our principal funding sources are:

- Arts Council England – £8,036,194 (2019-20: £7,891,000) revenue funding to contribute towards Birmingham Royal Ballet's core operating costs and the costs of delivering performances and activities including touring nationally, middle scale touring, audience development activity and our learning and outreach programme.
- Birmingham City Council – £157,850 (2019-20: £154,000) revenue funding to contribute towards BRB's core operating costs and the costs of delivering performances and learning and outreach activities primarily in Birmingham.

Core revenue funding from our major revenue funders, Arts Council England and Birmingham City Council, accounted for 60% of total income (2019-20: 52%).

Arts Council England funding for the next two years is committed as follows:

2021-22 - £8,036,000

2022-23 - £8,036,000

Birmingham Royal Ballet received £2,777,918 furlough grant income from the government towards a total staff cost of £8,021,102 for the year. From April 2020 to July 2020 up to 87% of BRB staff were furloughed. Dancers, ballet staff and technical/wardrobe staff returned to rehearsal studios, offices and workshops from August 2020 working on a part furlough basis to the end of calendar year 2020. The second full lockdown in January 2021 led to another two months of full furlough for approximately 75% of the company. BRB made its final furlough grant claim for May 2021. Furlough grant income has been vital in enabling BRB to preserve vital skills to enable the company to adapt its activity, return to performance and thereby continue to thrive during the covid pandemic. BRB has used furlough flexibly to protect most jobs and offered a limited voluntary leavers programme to reduce core salary cost and open up opportunity to restructure.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

BRB was awarded £500,000 from Arts Council England's first round of Culture Recovery Funding (October 2021). This funding supported

- Adapted performances during Autumn and Christmas 2020
- Digital Relay *Lazuli Sky* programme, Birmingham Town Hall '*BRB at 30*' and *The Nutcracker*
- Live and digital audience development plan from July 2021 working with the TRG consultancy.
- Voluntary Leavers Scheme, completed 31 March 2021 with 14 leavers plus existing vacancies creating capacity for restructuring.

In February 2021, BRB was awarded £600,000 from the Garfield Weston Foundation to support recovery from the impact of the COVID-19 pandemic. The grant was one of the largest awards and secured against significant competition. The grant will support increase in the infrastructure and expertise to create and distribute digital content and enable BRB to invest in a state-of-the-art, energy-efficient lighting rig which will be in use by Christmas 2021.

In March 2021, BRB was awarded a further £175,000 from the second round of Arts Council England's Culture Recovery funding to support investment in digital content and capital investment in a 'covid-safe' workplace at BRB stores between April and June 2021.

Total income from donations, membership schemes and other fundraising activity during the year was £1,675,430 (2019-20: £1,246,280) of which donations (including legacies) from private individuals were £570,653 (2019-20: £547,054).

We would like to take this opportunity to acknowledge the contribution Mr Charles Glanville, former Birmingham Royal Ballet board member and longstanding supporter of BRB's Big Give Christmas appeal, for increasing his annual support of this campaign in 2020. Charles provided the entire £25,000 match funding required for the 2020 Christmas appeal. This funding enabled BRB to release the 'champion funds' generously provided by The Reed Foundation to reach £94,000 total income from the Big Give Appeal.

Income from trusts and foundations for the year was £1,510,957 (2019-20: £699,226).

We have been successful in growing grant income and would like to acknowledge the support of the following trusts and foundations that have supported Birmingham Royal Ballet during 2020-21:

Alison Hillman Charitable Trust

Austin and Hope Pilkington Trust

Baron Davenport's Charity

Bayfield Charitable Trust

Dumbreck Charity

Edgar E. Lawley Foundation

Eveson Charitable Trust

FEDORA

George Fentham Birmingham Charity

GJW Turner Trust

GNC Trust

Henry James Sayer Charity

IMI Critical Engineering Charitable Appeals Committee

Langdale Trust

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

Limoges Charitable Trust  
M K Rose Charitable Trust  
Michael Watson Charitable Trust  
OAK Foundation  
Quayle Charitable Trust  
Richard Cadbury Charitable Trust  
Souter Charitable Trust  
St Jude's Trust  
St Thomas' Dole Charity  
Stanley Picker Trust  
The Arts Society Birmingham  
The Bernard Piggott Charitable Trust  
The Brian Shaw Memorial Trust  
The Calleva Foundation  
The Cecil King Memorial Foundation  
The Charles Brotherton Trust  
The Chatwin Trust  
The Clore Duffield Foundation  
The Foyle Foundation  
The Goodenough Charitable Trust  
The Grantham Yorke Trust  
The Grey Court Trust  
The Grimmitt Trust  
The H Steven & P E Wood Charitable Trust  
The Hawthorne Charitable Trust  
The James Frederick & Ethel Anne Measures Charity  
The John Avins Trust  
The John S Cohen Foundation  
The John Sumner Trust  
The Kirby Laing Foundation  
The Linbury Trust  
The Loppylugs & Barbara Morrison Charitable Trust  
The Lord Austin Trust  
The Marchus Trust  
The Marsh Charitable Trust  
The Michael Bishop Foundation

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

The Michael Marsh Charitable Trust  
 The Owen Family Trust  
 The Patricia Routledge Charitable Trust  
 The Peter and Teresa Harris Charitable Trust  
 The S and D Lloyd Charity  
 The Saintbury Trust  
 The Sterry Family Foundation  
 The Sylvia Adams Charitable Trust  
 The Vandervell Foundation  
 The Wilmcote Charitrust  
 W E Dunn Charitable Trust  
 The Keith Coombs Trust  
 The Reed Foundation  
 Royal Opera House Benevolent Fund

The £80,000 funding from The Linbury Trust contributed to the significant cost of filming *The Nutcracker at The Rep* and supported the cost of student dancers participating in the production.

#### Charitable Activities

Income from charitable activities in 2020-21 was £448,405 (2019-20: £5,160,680). This includes box office income for live and digital performances to £153,007 (2019-20: £3,442,351). Birmingham Royal Ballet received Theatre Tax Credit income of £849,328 in respect of 2019-20 (against an initial estimate of £740,000). It is estimated that Theatre Tax Credit for 2020-21 will be in the region of £160,000. The Theatre Tax Credit regime is a positive recognition of the contribution that both commercial and subsidised theatre makes to the economy and will help BRB to continue its commitment to investment in both new works and major revivals.

Expenditure on charitable activities in the year was £10,168,223 equivalent to 94% of total expenditure (2019-20: £14,861,650 equivalent to 96% of total expenditure).

BRB's Board approved net £250,000 investment (excluding salary costs) in the autumn programme (50% of BRB's planned artistic budget for autumn 2020). Carlos Acosta selected a flexible repertoire of new works for the company that could be covid-safe with minimal sets and costumes. *Lazuli Sky* Triple Bill was BRB's first pay-per-view filmed show and sold 2,361 online tickets at an average price of £15, generating £27,000 which was shared between BRB and venue partners who helped to promote the online presentation.

BRB has successfully reduced costs of performances by adapting productions including *The Nutcracker* in Birmingham - (December 2020) and *Cinderella* (May 2021 postponed from March 2021) to deliver high quality and spectacular productions whilst ensuring running costs were commensurate with expected income.

Other cost and cash-flow mitigations employed to protect the organisation against loss of income during and after the Covid 19 pandemic:

- VAT payment postponed to 2021
- Pay and recruitment freeze including pay reductions for senior staff and across the wider organisation some pay elements converted to annual leave or waived in recognition of protection of core salary through the period to December 2020
- Reduction of office space to make permanent savings from 2021 onwards.

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

- A structured review of costs with the aim to reduce organisational overheads including core salary costs by £1m.

#### **GOING CONCERN**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Looking forward to the financial year to 31 March 2022, Arts Council England (ACE) have confirmed that they want National Portfolio Organisations (NPO) to focus on plans that support their resilience and sustainability. The next full NPO funding period will start from 1 April 2023. BRB has successfully applied for NPO funding for the transitional 2022-23 financial year for funding of £8,036,000 which means that BRB has confirmed funding through to 31 March 2023. BRB is well placed to respond to the expectations of Arts Council England's new 10 year strategy, 'Let's Create'. Carlos Acosta's programming is gaining international recognition, BRB is rated 'strong' for the Creative Case for Diversity (critical achievement for securing future funding) and an emerging skills strategy will focus on talent development and routes into theatre and creative industries.

Financial modelling for the period through to 31 March 2023 anticipates a two years of investment in artistic programming supported by reserves set aside for this purpose, as outlined in the updated reserves policy, and growth in fundraising. Further to the voluntary leavers programme in 2021 there will be some organisational restructuring. This includes the Brand and Marketing team to establish a clear distinction and focus on earned income and audience growth with a separate team to focus on digital content creation and distribution. BRB's fixed cost base actively managed including contract reviews, review of vacancies prior to any recruitment and reduction in leased office space.

BRB also secured a significant culture recovery grant of £600,000 from Garfield Weston Foundation to fund capital investment in a new efficient lighting rig and digital infrastructure.

Programme plans for the period to 31 March 2022 have been finalised and plans to 31 March 2023 are well progressed. Modelling for 2021-22 includes reduced income assumptions based on some uncertainty around returning to theatres in autumn and winter 2021. To support different audience choices we have maintained a number of socially distanced performances during autumn 2021

Should earned income be lower than anticipated due to ongoing uncertainty reducing audience confidence in combination with inflationary pressures, the Board will consider requesting permission from Arts Council England to use a portion of the ACE Catalyst Funding, which contributed the match funding for BRB's Catalyst/Cadbury Family Endowment, to support financial resilience as outlined in Culture Recovery Funding guidelines. The Directors continue to take all available steps to maintain sufficient resources in order that Birmingham Royal Ballet can continue and based on projections and available information, have a reasonable expectation that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of signing these financial statements and therefore have prepared the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in note 1 of the financial statements.

#### **RISK MANAGEMENT**

Birmingham Royal Ballet has a comprehensive strategic business plan setting out the major opportunities available to the charity and the risks to which it is exposed. The Directors review the plans regularly. As part of this process, the Directors have implemented a risk management strategy, which comprises:

- an annual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The primary risk during 2020-21 was the impact of the covid pandemic on the long-term stability of Birmingham Royal Ballet and the wider performing arts and theatre sector. This includes assessing the impact of an extended period of closure into autumn 2021 for many of BRB's partner venues as well as the impact of varying audience confidence, changing disposable income, supply chain disruption and inflation into 2022.

During 2020-21 BRB has successfully managed risk through a combination of:

- Corona Virus Job Retention Scheme to fund salary cost and protect jobs
- Culture Recovery funding
- Managed return to performing activity to maintain performance capability of the company and earn income
- Moving activity online to maintain contact and affinity with existing supporters and to create opportunity to engage with new audiences
- Cost management including a limited voluntary leavers scheme

### PLANS FOR FUTURE PERIODS

The appointment of Carlos Acosta was critical to the future of Birmingham Royal Ballet by building on the Company's inheritance and reshaping it for the 21<sup>st</sup> century. Whilst Carlos' exciting plans for his '*Curated by Carlos*' Festival in Summer 2020 and original plans for a first full season from Autumn 2020 were postponed due to the Covid 19 pandemic, BRB has continued to create art and engage with supporters and participants through digital and live events and performances.

The strategic priorities for the period to March 2022 are to ensure that BRB emerges from the Covid 19 crisis as a resilient and sustainable organisation by:

### RAISING FUNDS

- Continuing to meet the funding requirements of Arts Council England wherever possible through a revised programme of live and digital performances and LEAP activity through to 31 March 2021 as a bridge to 2021-22 and beyond in preparation for a new NPO funding round in 2023
- Submitting an application to Arts Council England for extension the extension of NPO funding for period to 31 March 2023. The application was submitted on 15 September 2021 and funding for 2022-23 was confirmed on 17 December 2021
- Outline strategic goals to respond to Arts Council England's 'Lets Create' strategy and deliver a full NPO application by 26 April 2022

### CHARITABLE ACTIVITIES:

#### Performance and Production

- Prepare detailed programme plans to 31 March 2023
- Launch Carlos Acosta's first full performance season with *Curated by Carlos Festival* at The Rep in June 2021
- Return to Birmingham Hippodrome for a season of programmes based on *Romeo and Juliet*
- Present an adapted and spectacular version of *The Nutcracker* at Birmingham Hippodrome in 2021 whilst the beautiful sets for BRB's flagship production of Sir Peter Wright's *Nutcracker* are being rebuilt for presentation in 2022.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

- Returning to the Royal Albert Hall for a fourth season of performances of *The Nutcracker* in December 2021
- Premiere and tour a new production of *Don Quixote* in February 2022

**Audience Reach and Development** – Birmingham Royal Ballet will continue to engage with as wide and varied an audience as possible to demonstrate that ballet is an art form for all by:

- Re-structuring the Brand and Marketing team and setting up new Digital team.
- Implementing a new audience development strategy to re-build, grow and broaden audiences post pandemic
- Building on the success of 2020-21 investment in BRB's digital infrastructure, supported by Garfield Weston Foundation funding, and developing content to increase audiences and engagement

**Engagement and Participation** – Birmingham Royal Ballet will offer unique opportunities and high quality experiences for people of all ages and backgrounds to engage with and participate in ballet and the performing arts by:

- Continuing to provide classes for DanceTrack and Freefall online prior to the return of live classes which re-commenced in autumn 2021
- Recruiting a new cohort of ambassadors to start working with BRB in 2022
- Offering a programme of online classes, activities and events to provide new insights and build engagement and interactions
- Devising and testing LEAP activities focussing on music
- Undertaking research funded by Calouste Gulbenkian Foundation to inform BRB as to how it can support skills development and routes into working in theatre and creative industries

BRB's strategic priorities are underpinned by governance, organisational development and resilience strategies which will focus on:

### GOVERNANCE AND ORGANISATIONAL DEVELOPMENT

- Reviewing the governance framework for BRB including Board skills and sub-committee structure to ensure scrutiny of key activity and risk
- Negotiate with unions new dancers & musicians' contracts including media agreement buy out for filming / broadcast rights
- Improving environmental performance through the reduction of office space occupied by the organisation and reducing transport through hybrid working

### FINANCIAL STABILITY

- Grow general, unrestricted reserves (excluding capital reserves) to the equivalent of 8 weeks turnover.
- Undertake a thorough review of financial systems, controls and management information to ensure that these are fit for purpose and future proof to support BRB's artistic and financial strategy for the next 10 years

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

#### **KEY POLICIES**

##### **Financial Management:**

- **Board authority** - the Board is responsible for agreement of Birmingham Royal Ballet's overall strategy including agreement of business plans and approval of key organisational policies to meet Birmingham Royal Ballet's legal obligations, operational requirements and/or strategy implementation. This includes approval of the Annual Budget prepared in accordance with agreed activity plans, approval of proposals for significant capital investment projects over £50,000, approval of fundraising programmes, significant changes in financial procedures and other internal controls, approval of the Annual Report, the appointment of Bankers and investment managers, approval of changes to banking arrangements and approval of the reserves, investment and remuneration policies.
- **Budget setting and control** – the Senior Leadership Team is responsible for proposing their departmental budgets based on the planned activity for the year. These departmental budgets are reviewed and combined to build a master budget for Birmingham Royal Ballet as a whole. The Chief Operating Officer and Chief Executive are responsible for proposing a final balanced budget for approval by the Board of Directors. Senior Managers are authorised to commit expenditure in accordance with their final approved budgets unless these are subject to further revision during the course of a financial year in the light of prevailing circumstances (see under financial reporting and review). All expenditure is reviewed and approved for payment by the Finance Manager or Chief Operating Officer.
- **Financial reporting and review** – A company finance report and forecast to the year-end is presented at each Board and Finance and General Purposes Committee meeting. All Senior Managers receive a copy of this finance report in addition to their individual monthly budget reports. Where significant variances against budget are identified, compensating actions are identified and agreed by the Senior Management Team. This will usually involve identifying cost savings as performing activity for the year is fixed at least a year in advance and our major sources of income are also fixed. The major financial risk that faces the organisation is a shortfall in earned income sources such as box office income and fundraising income. Both these income sources can be highly variable and are subject to a number of influences that are outside the direct control of Birmingham Royal Ballet. As a result the key to financial stability is careful cost control in conjunction with growing existing income and identifying and developing new income streams.

##### **Management remuneration**

BRB is committed to paying staff fairly and in a way to attract and retain the right skills to deliver its charitable objectives.

The Board is responsible for agreeing the annual pay award for the staff as a whole and a sub-committee of the Board will be convened as necessary to consider the remuneration of the Chief Executive and The Director.

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

The main responsibilities of the Board in respect of remuneration are to:

- Determine the remuneration package of the key management personnel - the Chief Executive and 'The Director';
- Approve the annual percentage increase in the payroll for all staff (which can be zero) taking into account prevailing inflation rates and recommendations from the Chief Executive; and
- Approve pension arrangements and pension policy.

In determining BRB's remuneration, the Board takes into account all factors which are deemed necessary and remuneration policy, benefits and rewards strategy is reviewed as part of the strategic planning process with a priority to invest in skills and employment. This reflects the fact that delivery of BRB's charitable objectives is dependent on our highly skilled performers and staff, the Company's most important asset and staff costs constituting the largest single element of charitable expenditure.

#### Reserves

The reserves policy was reviewed and approved by the Board in March 2021.

The covid pandemic has brought renewed consideration to the level of reserves held by arts organisations such that the Culture Recovery Funding programme included a criteria that funding could be used for reflatting reserves up to the equivalent of up to eight weeks'.

It was agreed that BRB's reserves policy be revised to increase our target for general, undesignated reserves to the equivalent of eight weeks turnover which is approximately £2.3m.

In addition to the increased target for general reserves it was agreed that £1.5m be set aside in designated reserves to fund activity postponed from 2020-21 as follows

- £1m – Carlos Acosta's new artistic vision including the 'Created by Carlos' programmes (Summer and Autumn 2021) and a new production of Don Quixote
- £500k – to complete the re-design and rebuild of BRB's flagship production of The Nutcracker based on John McFarlanes original designs updated for 2022. The refurbishment of 'The Red Room' has been raised through the Big Give but the additional commitment would enable BRB to complete the full production.

Other designated funds include:

- **Capital Grant Fund** – being funds designated for investment in major projects to purchase new or replace existing fixed assets. This fund will be used to support further investment in BRB's premises to ensure space is used to best effect and that all office work areas are of an appropriate standard. This fund will be used to support reconfiguration of office space to create a safe, post Covid work environment in 2020-21
- **Thorp Street Refurbishment** - being the funds relating to the Thorp Street refurbishment works. This fund is expended over 25 years from 2014/15. This fund could only be realised by disposal of the BRB Thorp Street premises which is leased by Birmingham Royal Ballet from Birmingham Hippodrome on a 125 year lease from 2001
- **Community Engagement Fund** – represents funds received from the sale of investments by Birmingham Royal Ballet Trust prior to the winding up of the Trust on 31 March 2005 to support educational activities particularly in association with dance and choreographic training. The use of these funds has been widened and re-designated to support further development of our community engagement activity in accordance with our 2015-18 Business Plan. This fund will be used to support the development of our participation and engagement programmes in Birmingham and on

## BIRMINGHAM ROYAL BALLET

### DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)

tour particularly in support of open access opportunities with the intention that the fund will be expended by 2025

- **New Productions Fund** - to support investment in new productions that will increase the repertory available for performances where funding is not available from private philanthropic sources. This fund will be used to support productions of new one act ballets in the NPO period to 2022.

**Restricted funds** - Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor.

**Endowment funds** - Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. There is presently one endowment fund.

**The Catalyst/Cadbury Family Expendable Endowment Fund** for the purpose of funding dance fellowships (The Robin Cadbury Dance Fellowships) to support young dancers with teaching, training and mentoring in perpetuity. The donations received are matched by funding from Arts Council Catalyst Endowment Scheme. This endowment period is 25 years until 1 November 2037 after which the fund is expendable.

#### Investments:

**General objectives** - The cash and other investments of Birmingham Royal Ballet must be managed in such a way as to safeguard the capital value of those assets to enable Birmingham Royal Ballet to carry out its charitable purposes effectively in both the short term and over the longer term. Where possible, the value of invested assets should be enhanced so as to at least keep pace with inflation.

**Short-term cash and cash contingency funds** - To retain flexibility and availability of these funds, current account monies in excess of monthly operating requirements are transferred to higher rate call accounts or short-term fixed interest money market deposit accounts to maximise interest rates received. Cash investments mature on a rolling basis to ensure availability of funds and no cash investment is invested for notice periods exceeding 12 months.

**Medium-term investments** - Where there are surplus cash funds available for investment in excess of one year but likely to be required for expenditure within a three to five year time frame fixed interest vehicles such as gilts, bonds including index linked bonds can be considered. Investment in such vehicles should be assessed for:

- Financial return;
- Protection against inflation in addition to offering a financial return;
- Risk of default; and
- Tradeability in the event of the need to liquidate assets.

There are no medium term investments held by Birmingham Royal Ballet at present.

**Long-term investments and endowment funds** - Funds held for the long term (a minimum of three years but more likely to be in excess of five years) or as expendable endowment funds are held for the purpose of securing a financial return which can be applied in the furtherance of Birmingham Royal Ballet's charitable objects and cannot be used in a way which would erode the capital of the fund, subject to any special provisions which would allow the expenditure of capital in certain circumstances.

**Acceptable risk** - Funds invested for the short to medium term will be held in low risk deposit accounts or fixed interest investments in order to avoid significant reductions in capital value and will be available to liquidate over a maximum of 12 months. Long term investments and endowments will be held across a mixed portfolio of investments to achieve both capital growth and return over the long term (minimum of five to seven years). It is accepted that some investments within the portfolio may be higher risk but overall the portfolio should not be exposed

## **BIRMINGHAM ROYAL BALLET**

### **DIRECTORS' REPORT (INCLUDING THE STRATEGIC REPORT) (continued)**

to more than a medium risk profile to balance the opportunity for increased investment returns against the risk of capital loss. It is accepted that the investments held for the long term are likely to see volatility over the short to medium term and may even have periods of negative return for certain asset classes.

Funds are managed in accordance with the investment strategy agreed with Smith and Williamson and the performance of the fund to date is in line with our policy of achieving a balance between income and capital growth in accordance with the investment policy for endowment funds.

### **TAXATION**

The Company is a charity for tax purposes and is entitled to claim charitable tax exemptions. The Company has no liability to tax on its charitable activities.

### **AUDITOR**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

This Directors Report (including the Strategic Report) was approved and authorised for issue by the Directors on 26 January 2022.

DocuSigned by:  
  
D51BFE9056C04A6...  
Sir David Normington  
Chair of the Board

## **BIRMINGHAM ROYAL BALLET**

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The directors (who are also trustees of Birmingham Royal Ballet for the purposes of charity law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Birmingham Royal Ballet (the 'charitable company') and its subsidiary ('the group'):

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31<sup>st</sup> March 2021 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of financial activities (including summary income and expenditure account);
- the consolidated and parent charitable company balance sheets;
- the consolidated cash flow statement; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

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

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

We have nothing to report in this regard.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

- had a direct effect on the determination of material amounts and disclosures in the financial statements, which included UK Charities Act and UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty, which included regulations of the Charity Commission for England and Wales (Charity Commission).

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address it are described below:

- completeness of grant income. To address this risk we have tested a sample of grants from source records to their supporting evidence and recorded income, and assessed the classification of the income as either restricted or unrestricted; and
- classification of funds between restricted and unrestricted. To address this risk we have tested a sample of restricted income and expenditure to their supporting evidence to assess whether they have been classified appropriately.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF BIRMINGHAM ROYAL BALLET**

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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Sarah Anderson FCCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

1/26/2022

**BIRMINGHAM ROYAL BALLET****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES****(Including consolidated income and expenditure account)****Year ended 31 March 2021**

|                                                                    | Notes | Unrestricted<br>2021<br>£ | Restricted<br>2021<br>£ | Endowment<br>2021<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--------------------------------------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|--------------------|
| <b>Income from:</b>                                                |       |                           |                         |                        |                    |                    |
| Grants, Donations and Legacies                                     | 3     | 9,893,562                 | 3,856,330               | -                      | 13,749,892         | 9,465,680          |
| Charitable activities:                                             |       |                           |                         |                        |                    |                    |
| Performance and related activities                                 | 4     | 508,405                   | -                       | -                      | 508,405            | 5,160,680          |
| Other trading activities                                           | 5     | 103,523                   | -                       | -                      | 103,523            | 791,385            |
| Investments                                                        | 6     | 5,437                     | -                       | 56,084                 | 61,521             | 70,568             |
| <b>Total income</b>                                                |       | <b>10,510,927</b>         | <b>3,856,330</b>        | <b>56,084</b>          | <b>14,423,341</b>  | <b>15,488,313</b>  |
| <b>Expenditure on:</b>                                             |       |                           |                         |                        |                    |                    |
| Raising funds                                                      | 7     | 632,887                   | -                       | -                      | 632,887            | 698,550            |
| <b>Charitable activities</b>                                       |       |                           |                         |                        |                    |                    |
| Production and Performance                                         | 8     | 9,455,261                 | 303,217                 | -                      | 9,758,478          | 13,954,208         |
| Orchestra Projects                                                 | 8     | 62,244                    | -                       | -                      | 62,244             | 365,760            |
| Education Projects                                                 | 8     | 228,587                   | 104,100                 | -                      | 332,687            | 525,865            |
| Other expenditure                                                  |       | -                         | -                       | 14,814                 | 14,814             | 15,817             |
| <b>Total expenditure</b>                                           |       | <b>10,378,979</b>         | <b>407,317</b>          | <b>14,814</b>          | <b>10,801,110</b>  | <b>15,560,200</b>  |
| <b>Net income/(expenditure) before investment gains and losses</b> | 10    | <b>131,948</b>            | <b>3,449,013</b>        | <b>41,270</b>          | <b>3,622,231</b>   | <b>(71,887)</b>    |
| Net gain/(loss) on investments                                     |       | -                         | -                       | 696,599                | 696,599            | (276,585)          |
| <b>Net income/(loss) for the year</b>                              |       | <b>131,948</b>            | <b>3,449,013</b>        | <b>737,869</b>         | <b>4,318,830</b>   | <b>(348,472)</b>   |
| Transfers between funds                                            | 19    | 2,777,918                 | (2,777,918)             | -                      | -                  | -                  |
| <b>NET MOVEMENT IN FUNDS</b>                                       |       | <b>2,909,866</b>          | <b>671,095</b>          | <b>737,869</b>         | <b>4,318,830</b>   | <b>(348,472)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>                                    |       |                           |                         |                        |                    |                    |
| Total funds brought forward                                        |       | 3,463,962                 | 198,087                 | 2,282,739              | 5,944,788          | 6,293,260          |
| Net movement in funds for the year                                 |       | 2,909,866                 | 671,095                 | 737,869                | 4,318,830          | (348,472)          |
| <b>Total funds carried forward</b>                                 | 19    | <b>6,373,828</b>          | <b>869,182</b>          | <b>3,020,608</b>       | <b>10,263,618</b>  | <b>5,944,788</b>   |

## **BIRMINGHAM ROYAL BALLET**

### **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including consolidated income and expenditure account) Year ended 31 March 2021**

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The net income/(expenditure) of parent charity for the year for Companies Act purposes is £3,318,830 (2020: (£348,472)). As permitted by Section 408 of the Companies Act 2006, no separate Statement of financial activities is presented in respect of the parent charity.

See note 12 for comparative Statement of Financial Activities for the period ended 31 March 2020.

**BIRMINGHAM ROYAL BALLET****BALANCE SHEETS****As at 31 March 2021**

|                                                       | <b>Note</b> | <b>2021<br/>Group<br/>£</b> | <b>2020<br/>Group<br/>£</b> | <b>2021<br/>Charity<br/>£</b> | <b>2020<br/>Charity<br/>£</b> |
|-------------------------------------------------------|-------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>FIXED ASSETS</b>                                   |             |                             |                             |                               |                               |
| Tangible assets                                       | 13          | 2,235,397                   | 2,330,730                   | 2,235,397                     | 2,330,730                     |
| Investment assets                                     | 14          | 3,020,608                   | 2,282,739                   | 3,020,609                     | 2,282,740                     |
|                                                       |             | <u>5,256,005</u>            | <u>4,613,469</u>            | <u>5,256,006</u>              | <u>4,613,470</u>              |
| <b>CURRENT ASSETS</b>                                 |             |                             |                             |                               |                               |
| Stocks                                                | 15          | 89,041                      | 99,731                      | 89,041                        | 99,731                        |
| Debtors                                               | 16          | 1,850,881                   | 3,219,831                   | 1,850,882                     | 2,526,341                     |
| Cash at bank and in hand                              |             | <u>4,526,389</u>            | <u>551,547</u>              | <u>4,526,389</u>              | <u>551,547</u>                |
|                                                       |             | <u>6,466,311</u>            | <u>3,871,109</u>            | <u>6,466,312</u>              | <u>3,177,619</u>              |
| <b>Creditors: amounts falling due within one year</b> | 17          | <u>(1,458,698)</u>          | <u>(2,539,790)</u>          | <u>(1,458,698)</u>            | <u>(1,846,300)</u>            |
| <b>Net Current Assets</b>                             |             | <u>5,007,613</u>            | <u>1,331,319</u>            | <u>5,007,613</u>              | <u>1,331,319</u>              |
| <b>Total Assets Less Current Liabilities</b>          |             | <u>10,263,618</u>           | <u>5,944,788</u>            | <u>10,263,618</u>             | <u>5,944,789</u>              |
| Creditors: amounts falling after one year             | 18          | <u>-</u>                    | <u>-</u>                    | <u>-</u>                      | <u>-</u>                      |
| <b>NET ASSETS</b>                                     |             | <u><u>10,263,618</u></u>    | <u><u>5,944,788</u></u>     | <u><u>10,263,618</u></u>      | <u><u>5,944,789</u></u>       |
| <b>FUNDS</b>                                          |             |                             |                             |                               |                               |
| Unrestricted funds:                                   |             |                             |                             |                               |                               |
| General Funds                                         | 19          | 2,587,245                   | 913,037                     | 2,587,246                     | 913,038                       |
| Designated funds                                      | 19          | 3,786,583                   | 2,550,925                   | 3,786,583                     | 2,550,925                     |
| Restricted funds                                      | 19          | 869,182                     | 198,087                     | 869,182                       | 198,087                       |
| Endowment funds                                       | 19          | 3,020,608                   | 2,282,739                   | 3,020,608                     | 2,282,739                     |
|                                                       |             | <u>10,263,618</u>           | <u>5,944,788</u>            | <u>10,263,618</u>             | <u>5,944,789</u>              |

These financial statements of Birmingham Royal Ballet registered number 3320538 were approved by the Board of Directors and authorised for issue on 26 January 2022. They were signed on its behalf by:

DocuSigned by:  
  
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Sir David Normington

Chair of the Board

**BIRMINGHAM ROYAL BALLET****CONSOLIDATED CASH FLOW STATEMENT**  
**Year ended 31 March 2021**

|                                                                   | Notes | Total<br>2021<br>£ | Total<br>2020<br>£ |
|-------------------------------------------------------------------|-------|--------------------|--------------------|
| <b>Cash flows from operating activities:</b>                      |       |                    |                    |
| <i>Net cash provided by / (used in) operating activities</i>      | 23    | 4,077,097          | (345,706)          |
| <b>Cash flows from investing activities:</b>                      |       |                    |                    |
| Interest received                                                 |       | 5,437              | 2,221              |
| Dividends received                                                |       | 56,084             | 68,347             |
| Purchase of property, plant and equipment                         |       | (125,686)          | (87,010)           |
| Proceeds from sale of tangible fixed asset                        |       | 3,181              | 11,999             |
| Movements in investment portfolio                                 |       | (41,271)           | 47,470             |
| <i>Net cash flows (used in)/ provided by investing activities</i> |       | (102,255)          | 43,027             |
| <b>Net increase / (decrease) in cash and cash equivalents</b>     |       | 3,974,842          | (302,679)          |
| <b>Cash and cash equivalents at beginning of year</b>             |       | 551,547            | 854,226            |
| <b>Cash and cash equivalents at the end of the year</b>           |       | 4,526,389          | 551,547            |
| <b>Reconciliation to cash at bank and in hand:</b>                |       |                    |                    |
| Cash at bank and in hand                                          |       | 4,526,389          | 551,547            |
| Cash equivalents                                                  |       | -                  | -                  |
| <b>Cash and cash equivalents</b>                                  |       | 4,526,389          | 551,547            |

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2021

### 1. ACCOUNTING POLICIES

The principal accounting policies are set out below.

#### **Company and charitable status**

Birmingham Royal Ballet, a public benefit entity, is incorporated in the UK and registered in England and Wales as a company limited by guarantee not having a share capital. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 3.

BRB Production Services Limited is a wholly owned subsidiary of Birmingham Royal Ballet.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP 2019)” applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2019 and the Companies Act 2006.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

#### **Basis of Consolidation**

Group financial statements have been prepared in respect of the company and its wholly owned subsidiary undertaking BRB Production Services Ltd. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 14.

#### **Preparation of financial statements - going concern basis**

These accounts have been prepared on the going concern basis.

The group and company’s activities and future plans are set out in the directors’ report.

The group and company manages its activities with positive unrestricted bank balances. The company’s forecasts and projections are cautious and include assumptions regarding social distancing in summer 2021 and continuing for some performances in autumn 2021. The option to withdraw funding from the Endowment Fund if required and the recent announcement (October 2021) of an increase in the rate of Theatre Tax Relief show that the company should be able to continue to operate on this basis.

Revenue grant funding represents the company’s largest income stream and Birmingham Royal Ballet is dependent on the continuing financial support of Arts Council England which has confirmed its commitment to fund Birmingham Royal Ballet to 31 March 2023; committing revenue funding of £8,036,000 per annum for the period.

The directors review and manage short-term fluctuations in our other income streams: box office, commercial and development income.

The company also relies on support from other funders including individuals, trusts, foundations and corporate bodies for maintaining the high standards and diversity of its output.

Based on the above, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

### 1. ACCOUNTING POLICIES (continued)

#### Income

##### *Box office income, performance related fees and programmes*

Box office income, performance related fees and income generated from the sale of programmes are recognised in the period of the related performances which is the point at which the charity is considered to meet the income recognition criteria (probable, entitlement and measurement) as per the accounting standards.

##### *Donations and legacies*

Donations and legacies are credited to the statement of financial activities when entitlement has passed and the income is probable to be received unless donated for a specific future period by the donor in which case income will be deferred to the relevant period.

##### *Deferred income*

Amounts invoiced in advance and other income, which is subject to conditions imposed by the donor relating to the charity's entitlement to the funds, are carried forward as deferred income in the balance sheet. Amounts are recognised as income when the services are performed or the conditions imposed by the donor are satisfied.

##### *Grants receivable*

Capital grants receivable are recognised in the year of receipt. Revenue grants receivable are recognised in the year to which the grants relate. Revenue grants received in advance of the year to which they relate are carried forward as a creditor in the balance sheet.

Capital funds comprise grants/donations towards the cost of fixed assets to be used by the company for its charitable purposes. Such income may not be treated as a deduction from the capital cost.

##### *Investment income*

Investment income is recognised on an accruals basis.

#### Expenditure

All expenditure is accounted for on an accruals basis. Expenditure categories include salaries, depreciation and other costs as analysed in note 9.

Expenditure on raising funds is the costs associated with generating core funding grants, legacies and donations. These include any direct costs associated with these activities as well as an appropriate proportion of relevant staff costs, support costs, premises costs and depreciation.

Costs of activities for generating funds are the direct costs of our membership schemes, sponsorship and merchandising activities including direct staff costs and an appropriate proportion of support costs, premises costs and depreciation.

Costs of charitable activities include all costs relating to delivering the charitable objectives of the company as stated in the Directors' report plus an appropriate proportion of support costs, premises costs and depreciation.

Support costs include general administration, management and governance costs including allocations of Chief Executive and Chief Operating Officer salaries, HR functions, finance, IT, audit fees, certain legal fees meetings and appropriate proportion of premises costs and depreciation. These costs are necessary for delivering activities but do not directly produce or constitute the activity.

Costs (including support and governance costs) have been allocated on a direct basis whenever possible and on an appropriate alternative basis primarily based on staff numbers or relevant head count. Chief Executive and Chief Operating officer salaries have been allocated based on an estimate of time spent in relation to governance of the organisation.

# BIRMINGHAM ROYAL BALLET

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2021

### 1. ACCOUNTING POLICIES (continued)

#### **New production and revivals**

The costs to the company of sets and wardrobe for new productions are charged in full to the relevant production's initial performance season. Where the performance season spans more than one financial year the costs are amortised evenly over the total number of performances of the tour.

Revival costs are written off on the first night of the relevant production's performance.

Costs incurred in the transport and set up of a production are assigned to the appropriate tour, in the year in which the tour occurred.

Prepayments for the next season are made in respect of productions to be presented in the next financial year.

#### **Fund accounting**

##### ***Unrestricted funds***

Unrestricted funds are those which are expendable at the discretion of the Directors in furtherance of the objects of the charity.

##### ***Restricted funds***

Restricted funds include donations, gifts, grants and legacies received whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

##### ***Designated funds***

Designated funds are amounts which have been put aside at the discretion of the Directors and comprise funds for specific projects.

##### ***Expendable endowment fund***

Endowment funds are amounts that have been donated with the intention that they be invested to produce income, whose use is restricted to purposes specified by the donor. Such purposes must be within the overall aims of the charity.

#### **Taxation**

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

## **BIRMINGHAM ROYAL BALLET**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2021**

#### **Tangible fixed assets and depreciation**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                                              |                                                  |
|----------------------------------------------|--------------------------------------------------|
| Office equipment                             | 5% - 25% per annum                               |
| Computer equipment                           | 25% per annum                                    |
| Technical equipment                          | 10% - 33.3% per annum                            |
| Premises transferred from Royal Opera House: | Written off over the remaining life of the lease |

#### **Investments**

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals on a quarterly basis.

Investments in subsidiary undertakings are measured at cost less impairment.

#### **Stocks**

Stock consists of ballet shoes and merchandise for sale and are stated at the lower of cost and net realisable value.

## **BIRMINGHAM ROYAL BALLET**

### **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 31 March 2021**

#### **1. ACCOUNTING POLICIES (continued)**

##### **Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

##### **Employee benefits**

All permanent employees of the group and company are eligible to be members of one of the following defined contribution pension schemes:

- Birmingham Royal Ballet Pension Scheme; and
- Musicians' Union Pension Scheme.

The pension costs charged to the statement of financial activities represents the amount of contributions payable by the company to the pension schemes in respect of the accounting year.

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the group and company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash 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. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the group and company's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****3. INCOME FROM GRANTS, DONATIONS & LEGACIES**

|                                         | <b>2021<br/>Un-<br/>restricted<br/>funds<br/>£</b> | <b>2021<br/>Restricted<br/>funds<br/>£</b> | <b>2021<br/>Endowment<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>funds<br/>£</b> |
|-----------------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| <b>Arts Council England</b>             |                                                    |                                            |                                           |                                       |
| Revenue funding                         | 8,036,194                                          | -                                          | -                                         | 8,036,194                             |
| Cross Border Touring                    | -                                                  | -                                          | -                                         | -                                     |
| Digital Transformation Project          | -                                                  | -                                          | -                                         | -                                     |
| Culture Recovery Fund                   | 500,000                                            |                                            |                                           | 500,000                               |
| <b>Birmingham City Council</b>          |                                                    |                                            |                                           |                                       |
| Revenue funding                         | 157,850                                            | -                                          | -                                         | 157,850                               |
| Other                                   | 2,500                                              | -                                          | -                                         | 2,500                                 |
| <b>Donations</b>                        |                                                    |                                            |                                           |                                       |
| Grants – Trusts and Foundations         | 573,950                                            | 937,007                                    | -                                         | 1,510,957                             |
| Donations                               | 431,248                                            | 139,405                                    | -                                         | 570,653                               |
| Legacies                                | 191,820                                            | 2,000                                      | -                                         | 193,820                               |
| <b>Coronavirus Job Retention Scheme</b> |                                                    |                                            |                                           |                                       |
| Furlough                                | -                                                  | 2,777,918                                  | -                                         | 2,777,918                             |
|                                         | <u>9,893,562</u>                                   | <u>3,856,330</u>                           | <u>-</u>                                  | <u>13,749,892</u>                     |

|                                 | <b>2020<br/>Un-<br/>restricted<br/>funds<br/>£</b> | <b>2020<br/>Restricted<br/>funds<br/>£</b> | <b>2020<br/>Endowment<br/>funds<br/>£</b> | <b>2020<br/>Total<br/>funds<br/>£</b> |
|---------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| <b>Arts Council England</b>     |                                                    |                                            |                                           |                                       |
| Revenue funding                 | 7,891,000                                          | -                                          | -                                         | 7,891,000                             |
| Cross Border Touring            | 114,400                                            | -                                          | -                                         | 114,400                               |
| Digital Transformation Project  | -                                                  | 60,000                                     | -                                         | 60,000                                |
| <b>Birmingham City Council</b>  |                                                    |                                            |                                           |                                       |
| Revenue funding                 | 154,000                                            | -                                          | -                                         | 154,000                               |
| Arts Champions                  | -                                                  | -                                          | -                                         | -                                     |
| <b>Donations</b>                |                                                    |                                            |                                           |                                       |
| Grants – Trusts and Foundations | 175,500                                            | 523,726                                    | -                                         | 699,226                               |
| Donations                       | 174,236                                            | 256,796                                    | -                                         | 431,032                               |
| Legacies                        | 116,022                                            | -                                          | -                                         | 116,022                               |
|                                 | <u>8,625,158</u>                                   | <u>840,522</u>                             | <u>-</u>                                  | <u>9,465,680</u>                      |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****4. INCOME FROM PERFORMANCE AND RELATED ACTIVITIES**

|                                | <b>2021<br/>Un-<br/>Restricted<br/>Funds<br/>£</b> | <b>2021<br/>Restricted<br/>funds<br/>£</b> | <b>2021<br/>Endowment<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>Funds<br/>£</b> |
|--------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| Box office income              | 37,706                                             | -                                          | -                                         | 37,706                                |
| Production sales and hires     | 55,344                                             | -                                          | -                                         | 55,344                                |
| Programmes                     | -                                                  | -                                          | -                                         | -                                     |
| Livestream and Video on Demand | 115,301                                            | -                                          | -                                         | 115,301                               |
| Friends                        | -                                                  | -                                          | -                                         | -                                     |
| Orchestra projects             | 24,650                                             | -                                          | -                                         | 24,650                                |
| Education                      | 5,826                                              | -                                          | -                                         | 5,826                                 |
| Co-production fee              | -                                                  | -                                          | -                                         | -                                     |
| Other fees and services        | 250                                                | -                                          | -                                         | 250                                   |
| Theatre Tax Credit             | 269,328                                            | -                                          | -                                         | 269,328                               |
|                                | <u>508,405</u>                                     | <u>-</u>                                   | <u>-</u>                                  | <u>508,405</u>                        |

|                                | <b>2020<br/>Un-<br/>Restricted<br/>Funds<br/>£</b> | <b>2020<br/>Restricted<br/>funds<br/>£</b> | <b>2020<br/>Endowment<br/>funds<br/>£</b> | <b>2020<br/>Total<br/>funds<br/>£</b> |
|--------------------------------|----------------------------------------------------|--------------------------------------------|-------------------------------------------|---------------------------------------|
| Box office income              | 3,442,351                                          | -                                          | -                                         | 3,442,351                             |
| Production sales and hires     | 225,647                                            | -                                          | -                                         | 225,647                               |
| Programmes                     | 102,698                                            | -                                          | -                                         | 102,698                               |
| Livestream and Video on Demand | -                                                  | -                                          | -                                         | -                                     |
| Friends                        | -                                                  | -                                          | -                                         | -                                     |
| Orchestra projects             | 274,173                                            | -                                          | -                                         | 274,173                               |
| Education                      | 150,793                                            | -                                          | -                                         | 150,793                               |
| Co-production fee              | 41,258                                             | -                                          | -                                         | 41,258                                |
| Other fees and services        | 29,038                                             | -                                          | -                                         | 29,038                                |
| Theatre Tax Credit             | 894,722                                            | -                                          | -                                         | 894,722                               |
|                                | <u>5,160,680</u>                                   | <u>-</u>                                   | <u>-</u>                                  | <u>5,160,680</u>                      |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****5. OTHER TRADING ACTIVITIES**

|                     | <b>2021</b>    | <b>2020</b>    |
|---------------------|----------------|----------------|
|                     | <b>£</b>       | <b>£</b>       |
| Memberships         | 103,523        | 156,501        |
| Sponsorship         | -              | 45,428         |
| Sale of merchandise | -              | 11,548         |
| Commissioning Fee   | -              | 577,908        |
|                     | <u>103,523</u> | <u>791,385</u> |

**6. ANALYSIS OF INCOME FROM INVESTMENTS**

|               | <b>Unrestricted</b> | <b>2021<br/>Restricted</b> | <b>Endowment</b> | <b>Total</b>  |
|---------------|---------------------|----------------------------|------------------|---------------|
|               | <b>£</b>            | <b>£</b>                   | <b>£</b>         | <b>£</b>      |
| Bank interest | 5,437               | -                          | -                | 5,437         |
| Dividends     | -                   | -                          | 56,084           | 56,084        |
|               | <u>5,437</u>        | <u>-</u>                   | <u>56,084</u>    | <u>61,521</u> |

|               | <b>Unrestricted</b> | <b>2020<br/>Restricted</b> | <b>Endowment</b> | <b>Total</b>  |
|---------------|---------------------|----------------------------|------------------|---------------|
|               | <b>£</b>            | <b>£</b>                   | <b>£</b>         | <b>£</b>      |
| Bank interest | 2,221               | -                          | -                | 2,221         |
| Dividends     | -                   | -                          | 68,347           | 68,347        |
|               | <u>2,221</u>        | <u>-</u>                   | <u>68,347</u>    | <u>70,568</u> |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****7. ANALYSIS OF EXPENDITURE ON RAISING FUNDS**

| <b>Activity</b>                        | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|----------------------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
| Raising donations, grants and legacies | 392,475                                             | 185,601                        | 578,076                     |
| Memberships and Subscription Schemes   | 33,183                                              | 21,628                         | 54,811                      |
|                                        | <u>425,658</u>                                      | <u>207,229</u>                 | <u>632,887</u>              |

| <b>Activity</b>                        | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|----------------------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
| Raising donations, grants and legacies | 426,435                                             | 175,118                        | 601,553                     |
| Memberships and Subscription Schemes   | 76,721                                              | 20,276                         | 96,997                      |
|                                        | <u>503,156</u>                                      | <u>195,394</u>                 | <u>698,550</u>              |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

| <b>Activity</b>            | <b>Unrestricted</b>                                 |                                |                             |
|----------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
|                            | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
| Performance and production | 7,624,215                                           | 1,831,046                      | 9,455,261                   |
| Orchestra Projects         | 51,430                                              | 10,814                         | 62,244                      |
| Education Projects         | 184,006                                             | 44,581                         | 228,587                     |
|                            | <u>7,859,651</u>                                    | <u>1,886,441</u>               | <u>9,746,092</u>            |

| <b>Activity</b>            | <b>Restricted</b>                                   |                                |                             |
|----------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
|                            | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
| Performance and production | 248,044                                             | 55,173                         | 303,217                     |
| Orchestra Projects         | -                                                   | -                              | -                           |
| Education Projects         | 83,797                                              | 20,303                         | 104,100                     |
|                            | <u>331,841</u>                                      | <u>75,476</u>                  | <u>407,317</u>              |

| <b>Activity</b>            | <b>Unrestricted</b>                                 |                                |                             |
|----------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
|                            | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
| Performance and production | 11,526,233                                          | 1,758,511                      | 13,284,744                  |
| Orchestra Projects         | 355,622                                             | 10,138                         | 365,760                     |
| Education Projects         | 353,656                                             | 46,259                         | 399,915                     |
|                            | <u>12,235,511</u>                                   | <u>1,814,908</u>               | <u>14,050,419</u>           |

| <b>Activity</b>            | <b>Restricted</b>                                   |                                |                             |
|----------------------------|-----------------------------------------------------|--------------------------------|-----------------------------|
|                            | <b>Activities<br/>undertaken<br/>directly<br/>£</b> | <b>Support<br/>costs<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
| Performance and production | 576,817                                             | 92,647                         | 669,464                     |
| Orchestra Projects         | -                                                   | -                              | -                           |
| Education Projects         | 111,381                                             | 14,569                         | 125,950                     |
|                            | <u>688,198</u>                                      | <u>107,216</u>                 | <u>795,414</u>              |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****9. ANALYSIS OF SUPPORT COSTS**

|                                          | <b>Raising<br/>funds<br/>£</b> | <b>Production<br/>and<br/>performance<br/>£</b> | <b>Orchestra<br/>projects<br/>£</b> | <b>Education<br/>projects<br/>£</b> | <b>Total<br/>2021<br/>£</b> |
|------------------------------------------|--------------------------------|-------------------------------------------------|-------------------------------------|-------------------------------------|-----------------------------|
| Staff costs                              | 68,037                         | 619,170                                         | 2,748                               | 16,486                              | 706,441                     |
| Recruitment, training and<br>development | 2,592                          | 53,715                                          | 328                                 | 1,969                               | 58,604                      |
| Office infrastructure                    | 89,631                         | 274,717                                         | 1,795                               | 10,772                              | 376,915                     |
| Insurance                                | 5,449                          | 112,918                                         | 690                                 | 4,139                               | 123,196                     |
| Premises costs                           | 37,358                         | 615,692                                         | 4,729                               | 28,373                              | 686,152                     |
| Depreciation                             | 4,162                          | 210,007                                         | 524                                 | 3,145                               | 217,838                     |
|                                          | <u>207,229</u>                 | <u>1,886,219</u>                                | <u>10,814</u>                       | <u>64,884</u>                       | <u>2,169,146</u>            |

Governance costs included in the above amount to £222,962 in 2020-21 (2019-20: £188,864).

**2020 Comparatives**

|                                          | <b>Raising<br/>funds<br/>£</b> | <b>Production<br/>and<br/>performance<br/>£</b> | <b>Orchestra<br/>projects<br/>£</b> | <b>Learning<br/>projects<br/>£</b> | <b>Total<br/>2020<br/>£</b> |
|------------------------------------------|--------------------------------|-------------------------------------------------|-------------------------------------|------------------------------------|-----------------------------|
| Staff costs                              | 67,945                         | 580,168                                         | 2,337                               | 14,020                             | 664,470                     |
| Recruitment, training and<br>development | 2,878                          | 52,874                                          | 303                                 | 1,818                              | 57,873                      |
| Office infrastructure                    | 74,487                         | 328,448                                         | 2,178                               | 13,067                             | 418,180                     |
| Insurance                                | 5,597                          | 102,805                                         | 589                                 | 3,535                              | 112,526                     |
| Premises costs                           | 40,484                         | 590,210                                         | 4,261                               | 25,569                             | 660,524                     |
| Depreciation                             | 4,003                          | 196,653                                         | 470                                 | 2,819                              | 203,945                     |
|                                          | <u>195,394</u>                 | <u>1,851,158</u>                                | <u>10,138</u>                       | <u>60,828</u>                      | <u>2,117,518</u>            |

**10. NET INCOME/(EXPENDITURE) FOR THE YEAR**

|                                                                                                    | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|----------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Income (Expenditure) is stated after charging:                                                     |                   |                   |
| Depreciation of owned assets                                                                       | 198,558           | 203,944           |
| Rentals under operating leases                                                                     | 230,589           | 243,125           |
| Auditor's remuneration:                                                                            |                   |                   |
| - Fees payable to the company's auditor for the audit of the company's annual financial statements | 20,130            | 19,550            |
| - Fees payable for the audit of the company's subsidiary                                           | 3,190             | 3,100             |
| - Fees payable to the company's auditor for other services:                                        |                   |                   |
| - Taxation services                                                                                | -                 | 4,500             |
|                                                                                                    | <u></u>           | <u></u>           |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****11. ANALYSIS OF GROUP AND COMPANY STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL**

The average monthly number of employees was:

|                       | <b>2021</b> | <b>2020</b> |
|-----------------------|-------------|-------------|
|                       | <b>No.</b>  | <b>No.</b>  |
| Raising funds         | 8           | 9           |
| Charitable activities | 159         | 170         |
| Support               | 15          | 15          |
|                       | <u>182</u>  | <u>194</u>  |

**Their aggregate remuneration comprised:**

|                                                           | <b>2021</b>      | <b>2020</b>      |
|-----------------------------------------------------------|------------------|------------------|
|                                                           | <b>£</b>         | <b>£</b>         |
| Wages and salaries                                        | 7,021,461        | 7,873,757        |
| Social security costs                                     | 630,212          | 713,343          |
| Pension costs (including Dancers Career Development fund) | 369,429          | 391,588          |
|                                                           | <u>8,021,102</u> | <u>8,978,688</u> |

The aggregate remuneration above includes termination payments of £332,126 (2019-20: £169,125) including £nil additional pension contributions (2019-20 £28,300). All amounts were fully paid in cash during the year. The number of employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

|                     | <b>2021</b> | <b>2020</b> |
|---------------------|-------------|-------------|
|                     | <b>No.</b>  | <b>No.</b>  |
| £60,001 - £70,000   | 7           | 11          |
| £70,001 - £80,000   | 5           | 3           |
| £80,001 - £90,000   | 2           | 4           |
| £90,001 - £100,000  | -           | 1           |
| £100,001 - £110,000 | -           | -           |
| £110,001 - £120,000 | 1           | -           |
| £120,001 - £130,000 | -           | 1           |
| £250,001 - £260,000 | 1           | -           |

The key management personnel of the Group and Company are listed on page 6. The total remuneration (including pension contributions and social security costs) of the key management personnel of the Group and Company for the year totalled £414,325 (2020: £267,832).

**Directors' Remuneration**

No Directors received remuneration during the current or prior year. Total travel and subsistence expenses of £nil (2020: £2,038) were paid to nil directors (2020: 3 directors).

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****12. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 March 2020**

|                                       | Notes | Unrestricted<br>2020<br>£ | Restricted<br>2020<br>£ | Endowment<br>2020<br>£ | Total<br>2020<br>£ |
|---------------------------------------|-------|---------------------------|-------------------------|------------------------|--------------------|
| <b>Income from:</b>                   |       |                           |                         |                        |                    |
| Grants, Donations and Legacies        | 3     | 8,625,158                 | 840,522                 | -                      | 9,465,680          |
| Charitable activities:                |       |                           |                         |                        |                    |
| Performance and related activities    | 4     | 5,160,680                 | -                       | -                      | 5,160,680          |
| Other trading activities              | 5     | 791,385                   | -                       | -                      | 791,385            |
| Investments                           | 6     | 2,221                     | -                       | 68,347                 | 70,568             |
| <b>Total income</b>                   |       | <b>14,579,444</b>         | <b>840,522</b>          | <b>68,347</b>          | <b>15,488,313</b>  |
| <b>Expenditure on:</b>                |       |                           |                         |                        |                    |
| Raising funds                         | 7     | 698,550                   | -                       | -                      | 698,550            |
| <b>Charitable activities</b>          |       |                           |                         |                        |                    |
| Production and Performance            | 8     | 13,284,744                | 669,464                 | -                      | 13,954,208         |
| Orchestral Projects                   | 8     | 365,760                   | -                       | -                      | 365,760            |
| Education Projects                    | 8     | 399,915                   | 125,950                 | -                      | 525,865            |
| Other resources expended              |       | -                         | -                       | 15,817                 | 15,817             |
| <b>Total expenditure</b>              | 10    | <b>14,748,969</b>         | <b>795,414</b>          | <b>15,817</b>          | <b>15,560,200</b>  |
| Net gain/(loss) on investments        |       | -                         | -                       | (276,585)              | (276,585)          |
| <b>Net income/(loss) for the year</b> |       | <b>(169,525)</b>          | <b>45,108</b>           | <b>(224,055)</b>       | <b>(348,472)</b>   |
| Transfers between funds               |       | 100,000                   | -                       | (100,000)              | -                  |
| <b>NET MOVEMENT IN FUNDS</b>          |       | <b>(69,525)</b>           | <b>45,108</b>           | <b>(324,055)</b>       | <b>(348,472)</b>   |
| <b>RECONCILIATION OF FUNDS:</b>       |       |                           |                         |                        |                    |
| Total funds brought forward           |       | 3,533,487                 | 152,979                 | 2,606,794              | 6,293,260          |
| Net movement in funds for the year    |       | (69,525)                  | 45,108                  | (324,055)              | (348,472)          |
| <b>Total funds carried forward</b>    | 19    | <b>3,463,962</b>          | <b>198,087</b>          | <b>2,282,739</b>       | <b>5,944,788</b>   |

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY**

|                         | <b>Short<br/>Leasehold<br/>property<br/>£</b> | <b>Computers<br/>£</b> | <b>Fixtures,<br/>fittings and<br/>equipment<br/>£</b> | <b>Total<br/>£</b>      |
|-------------------------|-----------------------------------------------|------------------------|-------------------------------------------------------|-------------------------|
| <b>Cost</b>             |                                               |                        |                                                       |                         |
| At 1 April 2020         | 2,998,234                                     | 427,739                | 1,526,810                                             | 4,952,783               |
| Additions               | 40,876                                        | 2,822                  | 81,988                                                | 125,686                 |
| Disposals               | (92,292)                                      | -                      | (104,615)                                             | (196,907)               |
| At 31 March 2021        | <u>2,946,818</u>                              | <u>430,561</u>         | <u>1,504,183</u>                                      | <u>4,881,562</u>        |
| <b>Depreciation</b>     |                                               |                        |                                                       |                         |
| At 1 April 2020         | 930,364                                       | 380,614                | 1,311,075                                             | 2,622,053               |
| Charge for the year     | 112,918                                       | 23,223                 | 62,417                                                | 198,558                 |
| Disposals               | (92,181)                                      | -                      | (82,265)                                              | (174,446)               |
| At 31 March 2021        | <u>951,101</u>                                | <u>403,837</u>         | <u>1,291,227</u>                                      | <u>2,646,165</u>        |
| <b>Net book value</b>   |                                               |                        |                                                       |                         |
| <b>At 31 March 2021</b> | <u><b>1,995,717</b></u>                       | <u><b>26,724</b></u>   | <u><b>212,956</b></u>                                 | <u><b>2,235,397</b></u> |
| At 31 March 2020        | <u>2,067,870</u>                              | <u>47,125</u>          | <u>215,735</u>                                        | <u>2,330,730</u>        |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021**

| <b>14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY</b>      | <b>2021<br/>Group<br/>£</b> | <b>2020<br/>Group<br/>£</b> | <b>2021<br/>Charity<br/>£</b> | <b>2020<br/>Charity<br/>£</b> |
|-------------------------------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Investments listed or traded on a recognised stock exchange | 3,020,608                   | 2,282,739                   | 3,020,608                     | 2,282,739                     |
| Subsidiary undertakings                                     | -                           | -                           | 1                             | 1                             |
|                                                             | <u>3,020,608</u>            | <u>2,282,739</u>            | <u>3,020,609</u>              | <u>2,282,740</u>              |

|                                                                    | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|--------------------------------------------------------------------|-------------------|-------------------|
| <b>Investments listed or traded on a recognised stock exchange</b> |                   |                   |
| Market value at 1 April 2020                                       | 2,260,293         | 2,493,967         |
| Additions                                                          | 403,561           | 375,542           |
| Disposal proceeds                                                  | (421,293)         | (332,631)         |
| Unrealised/realised investment gains/(losses)                      | 696,599           | (276,585)         |
| Cash held with investment manager                                  | 81,448            | 22,446            |
| <b>Closing value at 31 March 2021</b>                              | <u>3,020,608</u>  | <u>2,282,739</u>  |

|                       | <b>2021<br/>Market<br/>value<br/>£</b> | <b>% of<br/>portfolio</b> | <b>2020<br/>Market<br/>value<br/>£</b> | <b>% of<br/>portfolio</b> |
|-----------------------|----------------------------------------|---------------------------|----------------------------------------|---------------------------|
| UK equities           | 884,368                                | 29%                       | 624,280                                | 27%                       |
| Overseas equities     | 1,137,464                              | 37%                       | 868,250                                | 38%                       |
| UK fixed income       | 290,074                                | 10%                       | 201,728                                | 9%                        |
| Overseas fixed income | 60,334                                 | 2%                        | 97,828                                 | 4%                        |
| Alternative assets    | 291,134                                | 10%                       | 259,287                                | 12%                       |
| UK property           | 275,786                                | 9%                        | 208,920                                | 9%                        |
| Cash                  | 81,448                                 | 3%                        | 22,446                                 | 1%                        |
|                       | <u>3,020,608</u>                       | <u>100%</u>               | <u>2,282,739</u>                       | <u>100%</u>               |

The historical cost of the investments is £1,870,144 (2020: £1,887,876). Post year-end the value of investments has increased to £3,38,631 at 11 November 2021.

|                                   | <b>2021<br/>Group<br/>£</b> | <b>2020<br/>Group<br/>£</b> | <b>2021<br/>Charity<br/>£</b> | <b>2020<br/>Charity<br/>£</b> |
|-----------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Subsidiary undertakings</b>    |                             |                             |                               |                               |
| <b>Cost</b>                       |                             |                             |                               |                               |
| At 1 April 2020 and 31 March 2021 | -                           | -                           | 1                             | 1                             |
|                                   | <u>-</u>                    | <u>-</u>                    | <u>1</u>                      | <u>1</u>                      |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****14. FIXED ASSET INVESTMENTS (continued)**

The company owns the entire issued ordinary share capital of BRB Production Services Ltd, incorporated and registered in England and Wales (registered office Birmingham Royal Ballet, Thorp Street, B5 4AU), whose principal activity is theatrical production.

The result of the Company's trading activities through its subsidiary undertaking is detailed below:

**Profit and Loss account for the year ended 31 March 2021**

|                                                                                             | <b>2021</b> | <b>2020</b> |
|---------------------------------------------------------------------------------------------|-------------|-------------|
|                                                                                             | <b>£</b>    | <b>£</b>    |
| <b>Turnover</b>                                                                             | -           | 807,932     |
| Cost of sales                                                                               | -           | 867,587     |
|                                                                                             | <hr/>       | <hr/>       |
| <b>Gross Loss</b>                                                                           | -           | (59,655)    |
|                                                                                             | <hr/>       | <hr/>       |
| <b>Operating Loss</b>                                                                       | -           | (59,655)    |
|                                                                                             | <hr/>       | <hr/>       |
| <b>Loss before taxation</b>                                                                 | -           | (59,655)    |
| Theatre Tax Relief                                                                          | -           | 59,655      |
|                                                                                             | <hr/>       | <hr/>       |
| <b>Profit for the financial year attributable to the equity shareholders of the Company</b> | -           | -           |
|                                                                                             | <hr/> <hr/> | <hr/> <hr/> |

**Balance Sheet at 31 March 2021**

|                                                       | <b>2021</b> | <b>2020</b> |
|-------------------------------------------------------|-------------|-------------|
|                                                       | <b>£</b>    | <b>£</b>    |
| <b>Current assets</b>                                 |             |             |
| Debtors                                               | 59,681      | 753,146     |
|                                                       | <hr/>       | <hr/>       |
| <b>Creditors: amounts falling due within one year</b> | 59,680      | 753,145     |
|                                                       | <hr/>       | <hr/>       |
| <b>Net current assets</b>                             | 1           | 1           |
|                                                       | <hr/>       | <hr/>       |
| <b>Total assets less current liabilities</b>          | 1           | 1           |
|                                                       | <hr/>       | <hr/>       |
| <b>Net assets</b>                                     | 1           | 1           |
|                                                       | <hr/> <hr/> | <hr/> <hr/> |
| <b>Capital and reserves</b>                           |             |             |
| Called-up share capital                               | 1           | 1           |
|                                                       | <hr/>       | <hr/>       |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021**

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**15. STOCKS - GROUP AND CHARITY**

|             | <b>2021</b>                 | <b>2020</b>                 |
|-------------|-----------------------------|-----------------------------|
|             | <b>£</b>                    | <b>£</b>                    |
| Shoes       | 89,041                      | 93,864                      |
| Merchandise | -                           | 5,867                       |
|             | <u>89,041</u>               | <u>99,731</u>               |
|             | <u>                    </u> | <u>                    </u> |

**16. DEBTORS**

|                                       | <b>2021</b>                 | <b>2020</b>                 | <b>2021</b>                 | <b>2020</b>                 |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                       | <b>Group</b>                | <b>Group</b>                | <b>Charity</b>              | <b>Charity</b>              |
|                                       | <b>£</b>                    | <b>£</b>                    | <b>£</b>                    | <b>£</b>                    |
| Trade debtors                         | 58,494                      | 1,587,817                   | 58,494                      | 894,327                     |
| Other debtors                         | 1,339,413                   | 1,199,186                   | 1,279,734                   | 1,139,531                   |
| Amount owed by subsidiary undertaking | -                           | -                           | 59,680                      | 59,655                      |
| Prepayments and accrued income        | 452,974                     | 432,828                     | 452,974                     | 432,828                     |
|                                       | <u>1,850,881</u>            | <u>3,219,831</u>            | <u>1,850,882</u>            | <u>2,526,341</u>            |
|                                       | <u>                    </u> | <u>                    </u> | <u>                    </u> | <u>                    </u> |

Other debtors include £63,375 (2020: £63,375) in respect of a rent deposit which is due in more than one year.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****17. CREDITORS: Amounts falling due within one year**

|                              | <b>2021<br/>Group<br/>£</b> | <b>2020<br/>Group<br/>£</b> | <b>2021<br/>Charity<br/>£</b> | <b>2020<br/>Charity<br/>£</b> |
|------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans                   | -                           | 43,332                      | -                             | 43,332                        |
| Trade creditors              | 458,278                     | 1,224,352                   | 458,278                       | 530,861                       |
| Other creditors              | 381,921                     | 406,690                     | 381,922                       | 406,691                       |
| Taxation and social security | 251,779                     | 391,020                     | 251,779                       | 391,020                       |
| Accruals and deferred income | 366,720                     | 474,396                     | 366,720                       | 474,396                       |
|                              | <u>1,458,698</u>            | <u>2,539,790</u>            | <u>1,458,699</u>              | <u>1,846,300</u>              |

**Movements in deferred income (Group and Charity):**

|                                    | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
|------------------------------------|-------------------|-------------------|
| Balance at 1 April 2020            | 120,180           | 282,170           |
| Amounts released during the period | (104,180)         | (281,669)         |
| Deferred in the current period     | 104,214           | 119,679           |
| <b>Balance at 31 March 2021</b>    | <u>120,214</u>    | <u>120,180</u>    |

Deferred income at 1 April 2020 comprised membership scheme income and donations and legacy income relating to activity in the periods to 1 April 2020 and 31 March 2021.

Deferred income at 31 March 2021 comprised grants, membership scheme income and donations relating to activity in the periods to 1 April 2021 and 31 March 2022.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****18. CREDITORS: Amounts falling due after one year**  
**GROUP AND CHARITY**

|            | 2021<br>£ | 2020<br>£ |
|------------|-----------|-----------|
| Bank loans | -         | -         |
|            | -         | -         |
|            | -         | -         |

**Bank loans are repayable as follows:**

|                           | 2021<br>£ | 2020<br>£ |
|---------------------------|-----------|-----------|
| Within one year           | -         | 43,332    |
| Between one to two years  | -         | -         |
| Between two to five years | -         | -         |
| More than five years      | -         | -         |
|                           | -         | 43,332    |

**19. MOVEMENTS ON FUNDS****a) Restricted Funds (Group and Charity)**

|                                                | At<br>1 April<br>2020<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|------------------------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Garfield Weston Foundation                     | -                          | 600,000                      | -                                 | -                              | 600,000                     |
| Production and Performance                     | -                          | 277,738                      | (277,738)                         | -                              | -                           |
| Education Projects                             | -                          | 104,100                      | (104,100)                         | -                              | -                           |
| Coronavirus Job Retention Scheme -<br>Furlough | -                          | 2,777,918                    | -                                 | (2,777,918)                    | -                           |
| Nutcracker Sets & Costumes (Big Give<br>2020)  | -                          | 96,574                       | -                                 | -                              | 96,574                      |
| Nutcracker Sets & Costumes (Big Give<br>2019)  | 119,649                    | -                            | -                                 | -                              | 119,649                     |
| Digital Transformation Project (ACE)           | 40,000                     | -                            | (20,000)                          | -                              | 20,000                      |
| Nutcracker Costumes (Big Give 2018)            | 10,157                     | -                            | -                                 | -                              | 10,157                      |
| Jerwood Apparatus                              | 16,342                     | -                            | (1,480)                           | -                              | 14,862                      |
| Jerwood Ultrasound Machine                     | 11,939                     | -                            | (3,999)                           | -                              | 7,940                       |
|                                                | 198,087                    | 3,856,330                    | (407,317)                         | (2,777,918)                    | 869,182                     |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****19. MOVEMENTS ON FUNDS (continued)****a) Restricted Funds (Group and Charity)**

|                                            | <b>At<br/>1 April<br/>2019<br/>£</b> | <b>Income in<br/>the period<br/>£</b> | <b>Expenditure<br/>in the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2020<br/>£</b> |
|--------------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------------|-----------------------------------------|---------------------------------------|
| Production and Performance                 | -                                    | 534,923                               | (534,923)                                  | -                                       | -                                     |
| Education Projects                         | -                                    | 125,950                               | (125,950)                                  | -                                       | -                                     |
| Nutcracker Sets & Costumes (Big Give 2019) | -                                    | 119,649                               | -                                          | -                                       | 119,649                               |
| Digital Transformation Project (ACE)       | -                                    | 60,000                                | (20,000)                                   | -                                       | 40,000                                |
| Nutcracker Costumes (Big Give 2018)        | 119,521                              | -                                     | (109,364)                                  | -                                       | 10,157                                |
| Jerwood Apparatus                          | 17,520                               | -                                     | (1,178)                                    | -                                       | 16,342                                |
| Jerwood Ultrasound Machine                 | <del>15,939</del>                    | -                                     | <del>(3,999)</del>                         | -                                       | <del>11,940</del>                     |
|                                            | <u>152,979</u>                       | <u>840,522</u>                        | <u>(795,414)</u>                           | <u>-</u>                                | <u>198,087</u>                        |

There were a number of production and performance, engagement and education projects funded by restricted grants and donations.

The Coronavirus Job Retention Scheme was utilised when our operations were adversely affected by coronavirus (COVID-19). As a result, a large number of employees were furloughed during the financial year. A grant was received to cover a portion of their usual monthly wage costs where employees were recorded as being on furlough. The grant was received as restricted income and transferred to fund unrestricted employee costs.

The Big Give 2020 and 2019 campaign raised funds for the refurbishment of our Nutcracker sets and costumes.

The Big Give 2018 campaign raised funds for the refurbishment of our Nutcracker costumes.

The Digital Transformation project is funded by Arts Council England and designated funds which supports BRB's evolving and growing digital strategy.

The Jerwood centre purchased equipment and an ultrasound machine funded by restricted grants.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021**

b) Designated funds (Group and Charity) comprise amounts set aside by the Directors in respect of:

|                                | At<br>1 April<br>2020<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2021<br>£ |
|--------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Capital Grants Fund            | 144,263                    | -                            | -                                 | (144,263)                      | -                           |
| Community Engagement Fund      | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund           | 150,000                    | -                            | -                                 | 500,000                        | 650,000                     |
| Thorp Street Refurbishment     | 2,067,758                  | -                            | (108,830)                         | -                              | 1,958,928                   |
| Digital Transformation Project | 11,628                     | -                            | (111,249)                         | 100,000                        | 379                         |
| New Artistic Vision            | -                          | -                            | -                                 | 1,000,000                      | 1,000,000                   |
|                                | <u>2,550,925</u>           | <u>-</u>                     | <u>(220,079)</u>                  | <u>1,455,737</u>               | <u>3,786,583</u>            |

|                                | At<br>1 April<br>2019<br>£ | Income in<br>the period<br>£ | Expenditure<br>in the period<br>£ | Transfer in<br>the period<br>£ | At<br>31 March<br>2020<br>£ |
|--------------------------------|----------------------------|------------------------------|-----------------------------------|--------------------------------|-----------------------------|
| Capital Grants Fund            | 144,263                    | -                            | -                                 | -                              | 144,263                     |
| Community Engagement Fund      | 177,276                    | -                            | -                                 | -                              | 177,276                     |
| New Productions Fund           | 150,000                    | -                            | -                                 | -                              | 150,000                     |
| Thorp Street Refurbishment     | 2,176,588                  | -                            | (108,830)                         | -                              | 2,067,758                   |
| Digital Transformation Project | -                          | 100,000                      | (88,372)                          | -                              | 11,628                      |
|                                | <u>2,648,127</u>           | <u>100,000</u>               | <u>(197,202)</u>                  | <u>-</u>                       | <u>2,550,925</u>            |

The Capital Grants Fund represents income designated for the acquisition of fixed assets to be used by the company for its charitable purposes. Such income may not be treated as a deduction from the capital cost, therefore the depreciation on the underlying assets is charged to the designated fund.

The Community Engagement Fund represents amounts received following the decision to wind up Birmingham Royal Ballet Trust.

The New Productions Fund represents income designated to support major new productions that will extend the repertoire available for Birmingham Royal Ballet performances.

The Digital Transformation project is funded by Arts Council England and designated funds from a three year grant from the Michael Bishop Foundation which support BRB 's evolving digital strategy.

The New Artistic Vision represents income designated to support Carlos Acosta's new artistic vision including the 'Created by Carlos' programme and festival activity and the new production of Don Quixote.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****19. MOVEMENTS ON FUNDS (continued)**

## c) Unrestricted, undesignated funds (Group):

|               | <b>At<br/>1 April<br/>2020<br/>£</b> | <b>Net inflows<br/>in the<br/>period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2021<br/>£</b> |
|---------------|--------------------------------------|------------------------------------------------|-----------------------------------------|---------------------------------------|
| General funds | 913,037                              | 352,027                                        | 1,322,181                               | 2,527,245                             |
|               | <u>913,037</u>                       | <u>352,027</u>                                 | <u>1,322,181</u>                        | <u>2,527,245</u>                      |

|               | <b>At<br/>1 April<br/>2019<br/>£</b> | <b>Net<br/>outflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2020<br/>£</b> |
|---------------|--------------------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------|
| General funds | 885,360                              | (72,323)                                        | 100,000                                 | 913,037                               |
|               | <u>885,360</u>                       | <u>(72,323)</u>                                 | <u>100,000</u>                          | <u>913,037</u>                        |

## c) Unrestricted, undesignated funds (Charity):

|               | <b>At<br/>1 April<br/>2020<br/>£</b> | <b>Net inflows<br/>in the<br/>period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2021<br/>£</b> |
|---------------|--------------------------------------|------------------------------------------------|-----------------------------------------|---------------------------------------|
| General funds | 913,038                              | 352,027                                        | 1,322,181                               | 2,587,246                             |
|               | <u>913,038</u>                       | <u>352,027</u>                                 | <u>1,322,181</u>                        | <u>2,587,246</u>                      |

|               | <b>At<br/>1 April<br/>2019<br/>£</b> | <b>Net<br/>outflows in<br/>the period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2020<br/>£</b> |
|---------------|--------------------------------------|-------------------------------------------------|-----------------------------------------|---------------------------------------|
| General funds | 885,361                              | (72,323)                                        | 100,000                                 | 913,038                               |
|               | <u>885,361</u>                       | <u>(72,323)</u>                                 | <u>100,000</u>                          | <u>913,038</u>                        |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****19. MOVEMENTS ON FUNDS (continued)**

d) Endowment funds (Group and Charity):

|                                        | <b>At<br/>1 April<br/>2020<br/>£</b> | <b>Inflows in<br/>the period<br/>£</b>      | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2021<br/>£</b> |
|----------------------------------------|--------------------------------------|---------------------------------------------|-----------------------------------------|---------------------------------------|
| Catalyst/Cadbury Family Endowment Fund | 2,282,739                            | 737,869                                     | -                                       | 3,020,608                             |
|                                        | <u>2,282,739</u>                     | <u>737,869</u>                              | <u>-</u>                                | <u>3,020,608</u>                      |
|                                        |                                      |                                             |                                         |                                       |
|                                        | <b>At<br/>1 April<br/>2019<br/>£</b> | <b>Outflows<br/>in the<br/>period<br/>£</b> | <b>Transfer in<br/>the period<br/>£</b> | <b>At<br/>31 March<br/>2020<br/>£</b> |
| Catalyst/Cadbury Family Endowment Fund | 2,606,794                            | (224,055)                                   | (100,000)                               | 2,282,739                             |
|                                        | <u>2,606,794</u>                     | <u>(224,055)</u>                            | <u>(100,000)</u>                        | <u>2,282,739</u>                      |

The Catalyst/Cadbury Family Endowment Fund represents donations received specifically for the purpose of funding dance fellowships to support young dancers with teaching, training and mentoring. The endowment period is 25 years until 1 November 2037 after which the fund is expendable.

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021****19. MOVEMENTS ON FUNDS (continued)**

e) Allocations of net assets between funds (Group):

|                          | <b>2021</b>         | <b>2021</b>       | <b>2021</b>      | <b>2021</b>       |
|--------------------------|---------------------|-------------------|------------------|-------------------|
|                          | <b>Unrestricted</b> | <b>Restricted</b> | <b>Endowment</b> | <b>Total</b>      |
|                          | <b>funds</b>        | <b>funds</b>      | <b>funds</b>     | <b>funds</b>      |
|                          | <b>£</b>            | <b>£</b>          | <b>£</b>         | <b>£</b>          |
| Investments              | 1                   | -                 | 3,020,608        | 3,020,609         |
| Cash at Bank and in Hand | 3,587,509           | 938,880           | -                | 4,526,389         |
| Debtors                  | 1,850,881           | -                 | -                | 1,850,881         |
| Stocks                   | 89,041              | -                 | -                | 89,041            |
| Fixed Assets             | 2,212,595           | 22,802            | -                | 2,235,397         |
| Creditors                | (1,366,199)         | (92,500)          | -                | (1,458,699)       |
|                          | <u>6,373,828</u>    | <u>869,182</u>    | <u>3,020,608</u> | <u>10,263,619</u> |

**2020 Comparatives**

|                          | <b>2020</b>         | <b>2020</b>       | <b>2020</b>      | <b>2020</b>      |
|--------------------------|---------------------|-------------------|------------------|------------------|
|                          | <b>Unrestricted</b> | <b>Restricted</b> | <b>Endowment</b> | <b>Total</b>     |
|                          | <b>funds</b>        | <b>funds</b>      | <b>funds</b>     | <b>funds</b>     |
|                          | <b>£</b>            | <b>£</b>          | <b>£</b>         | <b>£</b>         |
| Investments              | -                   | -                 | 2,282,739        | 2,282,739        |
| Cash at Bank and in Hand | 381,741             | 169,806           | -                | 551,547          |
| Debtors                  | 3,219,831           | -                 | -                | 3,219,831        |
| Stocks                   | 99,731              | -                 | -                | 99,731           |
| Fixed Assets             | 2,302,449           | 28,281            | -                | 2,330,730        |
| Creditors                | (2,539,790)         | -                 | -                | (2,539,790)      |
|                          | <u>3,463,962</u>    | <u>198,087</u>    | <u>2,282,739</u> | <u>5,944,788</u> |

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****19. MOVEMENTS ON FUNDS (continued)**

e) Allocations of net assets between funds (Charity):

|                          | 2021<br>Unrestricted<br>funds<br>£ | 2021<br>Restricted<br>funds<br>£ | 2021<br>Endowment<br>funds<br>£ | 2021<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | 1                                  | -                                | 3,020,608                       | 3,020,609                   |
| Cash at Bank and in Hand | 3,587,509                          | 938,880                          | -                               | 4,526,389                   |
| Debtors                  | 1,850,882                          | -                                | -                               | 1,850,882                   |
| Stocks                   | 89,041                             | -                                | -                               | 89,041                      |
| Fixed Assets             | 2,212,595                          | 22,802                           | -                               | 2,235,397                   |
| Creditors                | (1,366,199)                        | (692,500)                        | -                               | (2,658,699)                 |
|                          | <u>6,373,827</u>                   | <u>869,182</u>                   | <u>3,020,608</u>                | <u>10,263,619</u>           |

**2020 Comparatives**

|                          | 2020<br>Unrestricted<br>funds<br>£ | 2020<br>Restricted<br>funds<br>£ | 2020<br>Endowment<br>funds<br>£ | 2020<br>Total<br>funds<br>£ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Investments              | 1                                  | -                                | 2,282,739                       | 2,282,740                   |
| Cash at Bank and in Hand | 381,741                            | 169,806                          | -                               | 551,547                     |
| Debtors                  | 2,526,341                          | -                                | -                               | 2,526,341                   |
| Stocks                   | 99,731                             | -                                | -                               | 99,731                      |
| Fixed Assets             | 2,302,449                          | 28,281                           | -                               | 2,330,730                   |
| Creditors                | (1,846,300)                        | -                                | -                               | (1,846,300)                 |
|                          | <u>3,463,963</u>                   | <u>198,087</u>                   | <u>2,282,739</u>                | <u>5,944,789</u>            |

**20. EMPLOYEE RETIREMENT BENEFITS**

The company contributes to two group personal pension schemes. The cost to the company for the period ended 31 March 2021 is equal to the amount of employer contributions paid in the period to each scheme, and is detailed below:

|                                        | 2021<br>£      | 2020<br>£      |
|----------------------------------------|----------------|----------------|
| Birmingham Royal Ballet Pension Scheme | 312,656        | 323,312        |
| Musicians' Union Pension Scheme        | 12,036         | 20,911         |
|                                        | <u>324,692</u> | <u>344,223</u> |

The company also contributes a fixed percentage of dancers' basic salaries to the Dancers' Career Development Fund. In 2020-21 the company contributed a total of £44,737 (2019-20: £47,365).

As of 31 March 2021 there were £62,127 outstanding contributions due in respect of the current reporting period (2020: £61,651).

**BIRMINGHAM ROYAL BALLET****NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2021****21. FINANCIAL COMMITMENTS – GROUP AND CHARITY****Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases:

|                                       | <b>2021</b>                         |                    | <b>2020</b>                         |                    |
|---------------------------------------|-------------------------------------|--------------------|-------------------------------------|--------------------|
|                                       | <b>Land and<br/>buildings<br/>£</b> | <b>Other<br/>£</b> | <b>Land and<br/>buildings<br/>£</b> | <b>Other<br/>£</b> |
| <b>Charity</b>                        |                                     |                    |                                     |                    |
| - expiring within one year            | 81,750                              | 7,087              | 133,750                             | 7,087              |
| - expiring between one and five years | -                                   | 14,092             | 75,000                              | 21,180             |
|                                       | <u>81,700</u>                       | <u>21,179</u>      | <u>208,750</u>                      | <u>28,267</u>      |

**22. RELATED PARTY TRANSACTIONS**

No Director received payment for professional or other services supplied to the charity during the year (2020: £nil).

Total donations received from the directors during the year was £5,398 (2020: £34,075).

All transactions between charity and the subsidiary, BRB Production Services Limited, are eliminated on consolidation.

**23. CASHFLOW STATEMENT**

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

|                                                                              | <b>2021<br/>£</b>       | <b>2020<br/>£</b>       |
|------------------------------------------------------------------------------|-------------------------|-------------------------|
| Net income / (expenditure) for the year (before investment gains and losses) | 3,622,231               | (71,887)                |
| Adjustments for:                                                             |                         |                         |
| Dividends and interest receivable                                            | (61,521)                | (70,568)                |
| Depreciation charges                                                         | 198,558                 | 203,944                 |
| Profit on the disposal of tangible fixed asset                               | 19,280                  | (5,039)                 |
| Operating cash flow before movement in working capital                       | <u>3,778,548</u>        | <u>56,450</u>           |
| Decrease / (Increase) in stocks                                              | 10,690                  | (17,238)                |
| Decrease / (Increase) in debtors                                             | 1,368,951               | (168,074)               |
| (Decrease) in creditors                                                      | <u>(1,081,092)</u>      | <u>(216,844)</u>        |
| <b>Net cash provided by / (used in) operating activities</b>                 | <u><u>4,077,096</u></u> | <u><u>(345,706)</u></u> |