

THE MOZARTISTS
REPORT AND FINANCIAL STATEMENTS
31 AUGUST 2021

Charity Registration Number 1063387
Company Limited by Guarantee Number 3361716

THE MOZARTISTS

REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2021

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THE MOZARTISTS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	George Koukis (Chairman) David Challen CBE Raphael Vermeir CBE Jeffrey Eldredge (resigned 23 April 2020) Leslie MacLeod-Miller (resigned 20 April 2020) Lady Judy Vereker (resigned 22 April 2020)
President	Sir Vernon Ellis
Artistic Director	Ian Page
Chief Executive	Deborah Coates
Company Secretary	Megan Chidlow
Name of Charity	The Mozartists. The charity changed its name from Classical Opera on 2 October 2020.
Registered/Principal Office	Boundary House Boston Road London W7 2QE
Company Number	3361716
Charity Registration Number	1063387
Independent Examiner	Phillip Roberts Roberts & Co. Chartered Accountants 136 Kensington Church Street London W8 4BH
Bankers	HSBC Bank PLC 21 Kings Mall King Street Hammersmith London W6 0QF

THE MOZARTISTS

REPORT OF THE TRUSTEES

The directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as its Trustees. The Trustees present their report together with the financial statements for the year ended 31 August 2021. The financial statements comply with the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Mozartists is a registered charity constituted as a company limited by guarantee, established in 1997 and governed by its Memorandum and Articles of Association. The charity has no share capital and in the event of liquidation or being wound up the liability of its Trustees is limited to £1.

The charity changed its name to The Mozartists from Classical Opera on 2 October 2020.

The Trustees meet regularly throughout the year with the Chief Executive, the Artistic Director and the members of the Senior Management Team. The Board of Trustees are committed to refreshing the Board when appropriate with new trustees who have the skills and networks needed to help the charity achieve its goals. The charity keeps a written policy outlining the requirement of trustees.

The day to day management of the charity is delegated to the Chief Executive, who is supported by a competent and experienced team which includes the Development and Communications Manager; Finance and Resources Manager.

The remuneration of the Chief Executive is approved by the Trustees. All Trustees give their time freely and no Trustee received remuneration during the year.

The charity owns a dormant subsidiary company limited by guarantee 'Classical Opera', which was acquired on 7 February 2017. The subsidiary was previously named 'The Mozartists' until 2 October 2020, when the names of the parent and subsidiary were effectively swapped. This subsidiary is dormant and is expected to remain so.

Details of any transactions with related parties during the reporting period are included in the notes to the financial statements.

OBJECTIVES AND ACTIVITIES

The charity's principal objective is to advance the education of the public in the art of music with particular reference to opera and historically-informed performance.

The charity specialises in the music of Mozart and his contemporaries, and presents both operas and concert programmes in most of London's leading concert venues – including Wigmore Hall, Southbank Centre and Cadogan Hall – as well as touring whenever possible.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

OBJECTIVES AND ACTIVITIES (continued)

In 2015 the charity launched MOZART 250, an epic 27-year chronological project exploring Mozart's life, work and influences in sequence 250 years on, starting with Mozart's childhood visit to London and projected to end with his final *Requiem* in 2041. In addition, the charity regularly produces studio recordings of Mozart operas (as part of its projected Complete Mozart Opera Recording Cycle) and recital programmes – featuring soloists and the charity's period-instrument orchestra – many of which have been nominated for prestigious awards.

The charity is acclaimed for its work in identifying and nurturing talented young artists – it has worked closely with many of the country's finest opera singers since the beginning of their careers, and plays an important role in developing young talent through its Associate Artist Scheme and projects for young artists. The charity also delivers a valuable, expanding outreach programme to school children.

PUBLIC BENEFIT

The Trustees have referred to the Charity Commissioner's general guidance on public benefit when reviewing their objectives and planning future activities, always with the aim of providing the utmost benefit to the public. In particular, the Trustees consider how such activities will contribute to the following key objectives:

- To provide inspirational, historically-informed performances and recordings of the works of Mozart and his contemporaries;
- To nurture and develop exceptional young talent, particularly through our Associate Artists scheme and Young Artists Projects;
- To advance the musical education of the general public through world-class performances, enlightening programming and accompanying publications and talks, and by delivering enriching outreach work to school children

Examples of steps taken include:

- One public performance in London (plus many attempts to present performances which were thwarted by the pandemic).
- Two series of films – chamber music recitals and masterclasses with young singers.
- Release of memorable archive recordings on the Exit Live platform to make our work available for national and international audiences and generate income for artists.
- Our Associate Artist scheme, which provides outstanding early-career singers with mentoring and coaching from our Artistic Director Ian Page, valuable training, performance and recording opportunities, and a bursary to help with professional costs, this year creating opportunities for Associate Artists to appear in our concert and filmed events.
- UK premières of works by Celoniati, Galuppi, Gasparini, Guglielmi, Piccinni, Mysliveček and Jommelli.
- Free online lectures and a pre-concert talk given by specialists in their subject.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

PUBLIC BENEFIT (continued)

- Radio appearances and a live concert broadcast on BBC Radio 3.
- An immersive outreach project in West London, where we worked with 120 primary school pupils in partnership with Ealing Music Service. This was curtailed this year as a result of the pandemic, but we followed up with a series of live work in July 2021 as well as creating two series of outreach films for teachers to use in classrooms.
- Heavily subsidised tickets for school children and accompanying parents and for under 36s.

OVERVIEW OF THE 2020/21 SEASON – ACHIEVEMENTS AND PERFORMANCE

Cancellations

The Covid-19 pandemic continued to have a major impact on our activities, beset by cancellations and shifting regulations and restrictions. A great deal of work went into setting up performances which could not take place and had to be rescheduled and/or cancelled.

The first victim was our Wigmore Hall performance in October, followed by performances of Mozart's *Mitridate, re di Ponto* scheduled at the Southbank Centre in November, then '1771 – A Retrospective' originally planned for Wigmore Hall in January (this had actually cancelled quite early due to social distancing restrictions allowing only 6 artists on stage) but had been rescheduled at Cadogan Hall. In January, we attempted to make a studio recording with a socially-distanced orchestra, as that was permitted and we were eager to generate some work for freelance artists, but at the first rehearsal it became clear that it would not be possible to attain our usual world-class standards under the imposed conditions, so the recording was postponed. After this, we lost a performance of Mozart piano concertos with Ronald Brautigam that had originally been planned at Southbank Centre and subsequently rescheduled at Cadogan Hall following the prolonged closure of the Southbank Centre. We then also lost our May performance 'Mozart in 1771' that had originally been scheduled to take place at Wigmore Hall and was rescheduled at Cadogan Hall as restrictions had to be extended at short notice.

Initiatives to generate work and funding for artists during the pandemic

Against this, we sought to raise funds for our artists by continuing to make archive recordings available for paid download on Exit Live, with the agreement that all proceeds would be shared equally between the artists taking place in that concert. We uploaded a concert called 'Tales from Ovid', a programme of Mozart, Haydn and Beethoven, Handel's *Messiah* and a New Year's Eve concert that we had given at Wigmore Hall (all four projects featured company Associate Artists). We also continued to fund players and singers experiencing hardship through our 'Pay it Forward Appeal', through which we offered advance fees during the pandemic for work which we hoped to be able to offer later.

We raised the funding to create two series of films: three chamber music films in order to generate work for some of our players as well as content for the pending MOZART 250 section of our website, and four filmed masterclasses to generate income, training and experience for a group of young singers.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

OVERVIEW OF THE 2020/21 SEASON – ACHIEVEMENTS AND PERFORMANCE (continued)

The chamber music project comprised three days of filming to create three films featuring a) Haydn String Quartet in C minor, Op. 17 no. 4; J. C. Bach Harpsichord Concerto in E flat major, Op. 7, no. 5; Mozart Sonata in D major for harpsichord and violin, K.29 (The Hague, 1765); b) J. C. Bach Sonata in C minor, Op. 4, no. 6; Wagenseil Sonata in D major; Haydn Sonata in C minor Hob XVI:20; c) Mozart Sonata in D major, K.7; J. C. Bach Sonata in A major, Op. 2, no. 5; and Mozart Sonata in F major, K.13. These were subsequently made available to stream through Onjam, and the first film was selected to be screened in an Early Music Day Digital Festival by REMA (Réseau Européen de Musique Ancienne).

MOZART 250

During the pandemic we worked with our web designers to define the create a structure for the planned MOZART 250 website, and wrote / compiled extensive assets so that we can upload the first year of the project once the back end is ready to populate.

Recordings

In May 2021, we re-launched our recording of Thomas Arne's *Artaxerxes* on Signum Classics – recorded in 2009 following a run of performances which had taken place as a collaboration with The Royal Opera House.

Digital events

In order to keep in contact with supporters, many of whom were feeling very isolated as a result of the lockdowns, we arranged a series of online events including 'Meet the Mozartists' sessions with company singers and instrumentalists, and two lectures on *Mitridate, re di Ponto*, accompanied by excerpts from our recordings, by Robert Cannon and Ian Page to coincide with the performances that had been cancelled.

Live performance and broadcast

In July 2021, we were finally able to return to the stage with '1771 – A Retrospective' at Cadogan Hall – third time lucky! The soloists were mezzo-soprano Kitty Whately and our principal harpsichord player Steven Devine, in a programme of works by Haydn, Mysliveček, C.P.E Bach, Salieri alongside a symphony of unknown authorship attributed to Mozart. This performance was broadcast the next day on BBC Radio 3.

Outreach

Following the cancellation of our 2020 MOZART 250 Education Project for 120 school children (Key Stage 2), we worked with our main outreach partners Ealing Music Service and John Lyon's Charity to adapt our education offering to fit the needs of the times. Our lead animateurs created a series of three films introducing Mozart's first opera (*Apollo et Hyacinthus*), and five 'taster' workshop films to get children singing and moving again after singing had been banned for safety reasons. At the end of the summer term, our lead animateurs and three instrumentalists were able to return in person to classrooms. We decided to use their time to create a series of short workshops, with a view to reaching a wider number of children than originally envisaged in 2020, and we were pleased to be able to work with class groups across four primary schools.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

PLANS FOR 2021/22

Plans for 2021/22 include a return to Wigmore Hall in September with a programme exploring works composed in the 1760s ('The Swinging Sixties') with company Associate Artists Alessandro Fisher and Jessica Cale, originally devised for a Continuo Foundation showcase outside London that was unable to proceed, and '1771 – Mozart's Perspective' (part of our MOZART 250 series) with American soprano Emily Pogorelc (rescheduled from July early in the year).

In 2022, plans include two further MOZART 250 concerts '1772 – A retrospective' with Associate Artist soprano Chiara Skerath and 'Haydn's Farewell', exploring three symphonies that the composer wrote in 1772. In June our Paris début at La Seine Musicale', with 'Mozart et Haydn à Londres', has been rescheduled from 2020.

We have been unable to create any new studio recordings since the pandemic began but have obtained permission from the artists to release our live performance of Jommelli's *Il Vologeso* on Signum Classics in September 2021. Other performances on our wish list are dependent on funding, which is more precarious than it was pre-pandemic, and so are yet to be announced.

We are in conversations with John Lyon's Charity about potential funding for a new series of outreach projects in this season.

FINANCIAL REVIEW

During the 2020/21 season the charity reported a surplus of £50,441 (2020: £86,511 deficit) and had total reserves at 31 August 2021 of £361,370 (2020: £310,929). This comprised free available reserves of £216,152 (2020: £185,127), designated funds of £68,641 (2020: £54,842) and restricted funds of £76,577 (2020: £70,960).

Total income for the year was £427,096 compared to £674,476 in the previous year. The decrease being due to a reduction in pledged income which was due to be provided by regular donors, due to the ongoing economic impact of the pandemic.

Expenditure in the year was £376,655 (2020: £760,987). The charity had to cancel virtually all of the planned performances and recordings, as well as restrict the educational projects taking place in the year, due to the restrictions in place relating to the Covid-19 pandemic. These cuts reduced overall expenditure from budgeted amounts for the year. Expenditure was further reduced wherever possible, in order to maintain funds to be able to resume activities after the end of Covid-19 restrictions.

The cash balance of £269,065 (2020: £167,233) shows an increase of £101,832 in the reporting period, reflecting the impact on activities in the year.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

RESERVES POLICY

The Trustees intend to apply all funds that they raise to the principal aims and activities of the charity. Reserves are calculated by the Trustees at a level sufficient to mitigate the risks facing the charity. During the year the charity has reviewed and amended its reserves policy. The Trustees judge that the charity should aim to hold sufficient funds to cover overhead costs for 3-4 months, along with the budgeted costs for imminent live performance and recording costs.

The income of the charity comes from a variety of sources; however it is not certain and more than 50% needs to be raised from voluntary sources each year to cover planned activity. In many cases, the charity has to plan activity before the necessary funding is secured. In contrast, some event costs, including venue hires, require commitment well in advance of the event and are non-refundable. Holding reserves sufficient to meet costs of imminent performances will give better flexibility to cover any temporary shortfall in incoming resources, and allow the charity to cope and respond in case of unforeseen adverse circumstances, buying the charity sufficient time to implement specific remedial plans.

At 31 August 2021 the minimum level of free reserves required under the reserves policy was calculated at £210,000. The charity held £216,152 of general reserves at the year-end date, slightly ahead of the amount needed under the reserves policy, however this amount is deemed acceptable to the Trustees given the economic risks currently faced. The charity additionally held £76,576 (2020: £70,960) of restricted funds, which are to be used in relation to specific planned performance and educational projects.

The Trustees have amended designated funds to those shown below. The reduction in designated funds reflects the increased general funds reserve level, which is judged necessary to protect for the longer-term stability of the charity. Designated funds at 31 August 2021 were £68,641 (2020: £54,842) and comprised:

- £8,641 representing the net book value of fixed assets. The amount has been separated from the charity's general unrestricted funds (free reserves) in recognition of the fact that the assets are essential to the day-to-day operation of the charity and should therefore not be considered realisable to meet commitments.
- £30,000 towards future MOZART 250 performances – as Mozart grew older he became more prolific and wrote for larger orchestral forces so it stands to reason that some funding will need to be set aside now to enable the charity to fulfil this project. While this amount is only sufficient for one project, it does allow the charity breathing room for raising funds for future performances.
- £30,000 to enable touring of the charity's work outside London, which will help to reach new audiences, raise profile, and therefore increase the ability of the charity to raise further funds. The implications of Brexit will make touring outside the UK more expensive, at least for the foreseeable future.

The Trustees invest any surplus funds in highly liquid bank deposit accounts to maximise the income but with no risk to capital. Liquid funds required vary from month to month dependent upon the performance schedule.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

RISK POLICY

The Trustees have identified the following principal risks facing the charity:

- Covid-19 has caused widespread cancellations, as well as denting the finances of some arts philanthropists
- there is a possibility that future performances may be cancelled as a result of the Covid-19 pandemic, terrorist activities or death in the Royal family
- Brexit will impact the charity's ability to work with European artists, as well as creating an administrative and financial burden on any tours to Europe
- there is a risk of Theatre and Orchestra Tax Relief being discontinued
- the charity depends heavily on the support of a major donor

From mid-March 2020, closures caused by the Covid-19 pandemic impacted the venues we work with and events planned from April 2020 onwards were cancelled. These cancellations continued throughout 2020 and 2021, with our first live concert since the start of the pandemic finally taking place in July 2021. In addition we have seen the fall in voluntary income which began in the 19/20 year continue across 20/21 as some of our major donors' businesses were impacted by the pandemic. This ongoing reduction means that we have needed to review our operations and cost basis to ensure best use of funds available.

We responded to the challenges faced by reducing overheads – we moved offices, reduced headcounts and working hours, reduced our IT spend by switching to more cost-effective solutions, and found savings in other areas. Our ability to scale down and work flexibly means that the charity has been able to work through the prolonged pandemic period and is able to plan performances to take place after the restrictions on performances are removed.

As there is always a risk that performances might be cancelled through the pandemic, terrorist activity, royal demise or other reasons beyond our control, the management team build stringent policies into company contracts so that the impact of such cases is minimised. Event cancellation insurance is also taken out for certain events, but is not viable for all performances.

The management team are working closely with the main industry bodies to keep abreast of Brexit implications and shifts in policy. Increased paperwork is required where EU artists enter the UK, as well as if we wish to tour, but we are building in the time and financial resources to cover this, and we have also set aside a designated touring fund, which will help with these, and other touring-related costs.

Theatre and Orchestra Tax Relief is received the year after the corresponding performances have taken place, therefore if it were to be discontinued, while having a negative effect on revenue, the management team would have sufficient time to revise plans for the following year in order to decrease expenditure accordingly.

The eventuality of losing support from major donors would naturally impact the income available to the charity unless this income was replaced from other sources, but the risk is mitigated by stringent financial management which is closely monitored by the Board of Trustees. Reserves are maintained, and commitments forecast in such a way that events could be cancelled if necessary, and restructuring put in place.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

RISK POLICY (continued)

Key controls used by the charity include formal agendas and minutes for all Trustee meetings, comprehensive planning, budgeting and accounting and clear authorisation and approval levels of all expenditure. Controls over operation of the charity's bank account and periodic reviews of the adequacy of insurance are considered to be adequately managed.

Through the risk management processes established, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the Trustees (who are also directors of The Mozartists for the purposes of company Law) to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial period and of its financial position at the end of that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- state whether applicable UK accounting standards and statement of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

THE MOZARTISTS

REPORT OF THE TRUSTEES (continued)

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS (continued)

In so far as the Trustees are aware:

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

By order of the Trustees:

Approved by the Members on 1 April 2022 and signed on their behalf by:



.....
Megan Chidlow

Company Secretary

Registered office

Boundary House
Boston Road
London
W7 2QE

THE MOZARTISTS

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE MOZARTISTS

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 August 2021.

Responsibilities and basis of report

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

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

Independent Examiner's statement

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

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

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



Phillip Roberts FCA

Roberts & Co.
Chartered Accountants
136 Kensington Church Street
London
W8 4BH

3 May 2022

THE MOZARTISTS
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

		2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £	2020 Total £
	Notes				
Income from:					
Donations and grants	2	283,387	97,906	381,293	490,318
Charitable activities	3	22,508	257	22,765	120,427
Theatre and Orchestra Tax Relief		22,585	-	22,585	62,635
Bank interest		453	-	453	1,096
Total income		328,933	98,163	427,096	674,476
Expenditure on:					
Raising funds	4	69,435	-	69,435	113,357
Charitable activities	4	220,562	86,658	307,220	647,630
Total expenditure	5,6	289,997	86,658	376,655	760,987
Net (expenditure)/income being net movement in funds		38,936	11,505	50,441	(86,511)
Transfers in / (out) between funds		5,888	(5,888)	-	-
Net movement in funds		44,824	5,617	50,441	(86,511)
Reconciliation of funds					
Total funds brought forward		239,969	70,960	310,929	397,440
Total funds carried forward	14,15	284,793	76,577	361,370	310,929

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities.

The accompanying notes on pages 15 to 25 form an integral part of these financial statements

THE MOZARTISTS
BALANCE SHEET
AS AT 31 AUGUST 2021

Company no: 3361716
Charity no: 1063387

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	<u>8,641</u>	<u>4,842</u>
		8,641	4,842
Current assets			
Stock	10	4,859	2,963
Debtors	11	129,106	169,319
Cash at bank and in hand		<u>269,065</u>	<u>167,233</u>
		403,030	339,515
Creditors	12	<u>(50,301)</u>	<u>(33,428)</u>
Net current assets		352,729	306,087
Total net assets		<u>361,370</u>	<u>310,929</u>
Funds			
Designated funds	14	68,641	54,842
General funds		<u>216,152</u>	<u>185,127</u>
Total unrestricted funds		284,793	239,969
Restricted funds	13	76,577	70,960
Total funds	15	<u>361,370</u>	<u>310,929</u>

For the year ending 31 August 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts. The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The accounts were approved by the Board of Trustees on 1 April 2022 and signed on their behalf by:



Raphael Vermeir CBE

The accompanying notes on pages 15 to 25 form an integral part of these financial statements

THE MOZARTISTS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net income/(expenditure) for the financial year	50,441	(86,511)
Adjustments to cash flows for:		
Depreciation charges	3,366	4,402
Investment income	(453)	(1,096)
Decrease/(increase) in debtors	40,213	(41,745)
(Increase) in stocks	(1,896)	(119)
Increase/(decrease) in creditors	16,873	(16,455)
Net cash (used in)/generated from operating activities	<u>108,544</u>	<u>(141,524)</u>
Cash flows from investing activities		
Interest from investments	453	1,096
Purchase of tangible fixed assets	(7,165)	(3,064)
Net cash used in investing activities	<u>(6,712)</u>	<u>(1,968)</u>
Net (decrease)/increase in cash and cash equivalents	101,832	(143,492)
Cash and cash equivalents at the beginning of the year	167,233	310,725
Cash equivalents at the end of the year	<u>269,065</u>	<u>167,233</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>269,065</u>	<u>167,233</u>

The accompanying notes on pages 15 to 25 form an integral part of these financial statements

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice for charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. In addition these financial statements have been prepared under the historical cost convention.

The Mozartists meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The functional and presentational currency is pounds sterling and rounding is to the nearest pound.

b) Income

Income is recognised where there is entitlement, where the receipt of income is probable and the amount can be measured with sufficient reliability.

Grants and donations are recognised once entitlement and value have been confirmed in writing.

Charitable activities represent income received from live and recorded musical performances, including concerts and recordings. The income is recognised on the completion of the performance or, in the case of royalties, when receivable.

Investment income is included in the accounts when receivable, this is received in the form of interest income from standard bank accounts.

The value of services provided by volunteers is immaterial and has not been included in these financial statements.

c) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is stated inclusive of irrecoverable VAT.

Expenditure comprises direct costs and support costs. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity, and support costs which are not attributable to a single activity, are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds are costs incurred in seeking voluntary income, and those incurred in trading activities that raise funds, and associated salary and support costs.

Expenditure on charitable activities includes the costs of performances and educational activities undertaken to further the purposes of the charity, and associated salary and support costs.

Governance costs include costs which are directly attributable to the day to day running of the charity and procedures necessary for compliance with statutory requirements.

1. ACCOUNTING POLICIES (CONTINUED)

c) Expenditure (continued)

Support costs represent indirect charitable expenditure in the form of premises costs, communication and information systems support and finance support which are necessary in order to carry out the primary purposes of the charity. Support costs are allocated using an apportionment in proportion to staff time.

d) Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2021 as the company enjoys tax-exempt charitable status.

e) Pensions

The charity operates a defined contribution pension scheme for employees. These assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities as they become due.

f) Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the Trustees' best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The Trustees do not consider there to be any material estimates and judgements.

g) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. All assets costing £500 or more and with an expected useful economic life exceeding one year are capitalised. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, less any estimated residual value, evenly over its expected useful life. The expected useful lives of assets are:

- Harpsichord	10 years
- IT and office equipment	4 years

h) Stocks

Stocks are valued at the lower of cost and net realisable value.

i) Debtors

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. Accrued income and tax recoverable is included at the best estimate of the amount receivable at the balance sheet date.

j) Cash at bank and in hand

Cash at bank and in hand includes cash and short term deposit accounts with 35 days notice or less.

1. ACCOUNTING POLICIES (CONTINUED)

k) Creditors

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

l) Financial instruments

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

Trade and other debtors are recognised at the settlement value before any trade discounts due. Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. 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.

m) Fund accounting

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

Designated funds are unrestricted funds which have been set up by the Trustees to hold funds for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are those which have been given for particular purpose and projects within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

n) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

o) Going Concern and COVID-19

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Following the World Health Organisation's declaration of COVID-19 as an international pandemic in March 2020 and the subsequent restrictions imposed by the UK and the subsequent restrictions imposed by the UK government, The Mozartists has been affected in a number of ways, it has received emergency funding from the Arts Council and has made use of the Government Furlough Scheme.

The trustees believe that the forecasted results and adequate level of cash flow of the charity together with the measures taken to date will enable the charity to continue as a going concern and, as a result, do not include any adjustments that would result if the charity was not able to continue as a going concern.

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. INCOME FROM DONATIONS AND GRANTS

Current year	Unrestricted funds £	Restricted funds £	2021 Total £
Individual and corporate donations	123,106	61,856	184,962
Trusts and foundations	2,500	36,050	38,550
Government grants - furlough scheme	7,575	-	7,575
Government grants - Arts Council: Cultural Recovery Fund	145,206	-	145,206
Local public authorities	5,000	-	5,000
	283,387	97,906	381,293
Prior year	Unrestricted funds £	Restricted funds £	2020 Total £
Individual and corporate donations	323,886	59,957	383,843
Trusts and foundations	2,500	60,921	63,421
Government grants - furlough scheme	25,054	-	25,054
Local public authorities	5,000	13,000	18,000
	356,440	133,878	490,318

The Mozartists are grateful for all support, and acknowledge particularly the following grants:

- £145,206 from The Arts Council in 2021 as grants from the Culture Recovery Fund.
- £8,000 from the Cockayne – Grants for the Arts fund, administered by The London Community Foundation in 2021, this receipt is funding towards two concerts held in autumn of 2021.
- £8,000 from The Continuo Foundation towards the Chamber Series filming project.
- £5,000 from The Oldhurst Charitable Trust towards the Mozart 250 programme.
- £5,000 from The Carne Trust towards events supporting young artists.

3. INCOME FROM CHARITABLE ACTIVITIES

Current year	Unrestricted funds £	Restricted funds £	2021 Total £
Ticket sales and fee income	8,964	-	8,964
CD and streaming income	13,544	257	13,801
	22,508	257	22,765
Prior year	Unrestricted funds £	Restricted funds £	2020 Total £
Ticket sales and fee income	110,647	-	110,647
CD and streaming income	9,414	366	9,780
	120,061	366	120,427

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. EXPENDITURE BY ACTIVITY TYPE

Current year	Staff costs	Non staff costs	Support costs	2021 Total
	£	£	£	£
Unrestricted funds:				
Raising funds	49,111	4,794	15,530	69,435
Charitable activities:				
Performance and recording costs	107,661	62,360	42,936	212,957
Education costs	5,456	-	2,149	7,605
	113,117	62,360	45,085	220,562
Total unrestricted expenditure	162,228	67,154	60,615	289,997
Restricted funds:				
Charitable activities:				
Performance and recording costs	510	79,744	-	80,254
Education costs	1,205	5,199	-	6,404
Total restricted expenditure	1,715	84,943	-	86,658
Total expenditure	163,943	152,097	60,615	376,655
Prior year	Staff costs	Non staff costs	Support costs	2020 Total
	£	£	£	£
Unrestricted funds:				
Raising funds	76,708	18,383	18,266	113,357
Charitable activities:				
Performance and recording costs	151,753	314,323	72,143	538,219
Education costs	7,455	503	1,787	9,745
	159,208	314,826	73,930	547,964
Total unrestricted expenditure	235,916	333,209	92,196	661,321
Restricted funds:				
Charitable activities:				
Performance and recording costs	-	72,316	-	72,316
Education costs	7,500	19,850	-	27,350
Total restricted expenditure	7,500	92,166	-	99,666
Total expenditure	243,416	425,375	92,196	760,987

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. SUPPORT COSTS

	2021	2020
	£	£
Staff costs and related expenditure	13,902	19,262
Property and related costs	18,317	24,714
Office expenses	5,319	10,408
Legal and professional	1,412	499
Marketing and PR	6,631	18,066
IT costs	12,784	17,249
Governance costs	2,250	2,000
	60,615	92,198

Support costs (including governance) and staff costs are apportioned on the basis of staff time among the charitable activities and the cost of raising funds shown in note 4. Direct costs are allocated directly to activities where ever possible.

6. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	150,565	221,787
Employer's National Insurance	10,069	16,951
Employer's pension contributions	3,310	4,678
	163,944	243,416

No employees received emoluments of more than £60,000 during 2021 or 2020

Average number of employees during the year (including staff on furlough)	5	7
Average number of full time equivalent employees during the year (including staff on furlough)	3	5

Key management personnel of the charity during the year comprised: the Chief Executive Officer, Finance and Resources Manager and Development and Communications Manager. The total remuneration of key management personnel (including employer's National Insurance and pension contributions) received by the charity's key management personnel in the year was £134,139 (2020: £178,499).

7. TRUSTEE EXPENSES

No Trustees received any remuneration or expenses from the charity in relation to the performance of their duties as trustees in either 2021 or 2020.

8. NET MOVEMENT IN FUNDS FOR THE YEAR

	2,021	2,020
	£	£
The net movement in funds for the year is stated after charging:		
Depreciation of owned fixed assets	3,366	4,402
Operating lease payments - office rental	13,200	13,200
Independent Examiner's remuneration	2,000	2,000
Independent Examiner's fees for other services	400	400

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9: TANGIBLE FIXED ASSETS

	2021 £	2020 £
Office, IT and musical equipment		
Cost		
Brought forward	25,312	29,062
Additions	7,165	3,064
Disposals	-	(6,814)
Carried forward	32,477	25,312
Depreciation		
Brought forward	20,470	22,882
Charge for the year	3,366	4,402
Depreciation relating to disposals	-	(6,814)
Carried forward	23,836	20,470
Net book value		
As at 31 August 2021	8,641	4,842
As at 31 August 2020	4,842	6,180

10: STOCK

	2021 £	2020 £
Stock of CDs held for resale	4,859	2,963

11: DEBTORS

	2021 £	2020 £
Trade debtors	2,718	2,460
Prepayments	21,854	11,047
Accrued income	20,461	14,519
Theatre and orchestra tax relief	78,578	122,416
Gift aid receivable	1,365	14,335
Other debtors	4,130	4,542
	129,106	169,319

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12: CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	13,308	6,462
Accruals	29,668	22,875
Other taxation and social security	3,537	2,776
Deferred income	2,115	-
Other creditors	1,673	1,315
	50,301	33,428

13: RESTRICTED FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
Current year					
Performance and artist funds	60,981	98,163	(80,254)	(5,526)	73,364
Educational projects funds	9,979	-	(6,404)	(362)	3,213
	70,960	98,163	(86,658)	(5,888)	76,577

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2020 £
Prior year					
Performance and artist funds	25,053	108,244	(72,316)	-	60,981
Educational projects funds	11,329	26,000	(27,350)	-	9,979
	36,382	134,244	(99,666)	-	70,960

Purpose of restricted funds

Performance and artist funds

Funding towards performances scheduled for future years.

Educational projects funds

Education project delivered in schools.

Transfers of funds represent:

For performance funds - the purchase of a fixed asset, using a donation intended for this purpose, where the asset purchased is intended to be used for the general purposes of the charity.

For education funds: allocation of restricted fund income to previous unrestricted expenditure on stock used for the project

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14: GENERAL AND DESIGNATED FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
Current year					
General funds:					
Unrestricted funds	185,127	328,933	(286,631)	(11,277)	216,152
Designated funds:					
Fixed assets fund	4,842	-	(3,366)	7,165	8,641
MOZART 250 project fund	30,000	-	-	-	30,000
Touring fund	20,000	-	-	10,000	30,000
	54,842	-	(3,366)	17,165	68,641
	239,969	328,933	(289,997)	5,888	284,793

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2020 £
Prior year					
General funds:					
Unrestricted funds	186,058	539,232	(611,870)	71,707	185,127
Designated funds:					
Fixed assets fund	-	-	(4,402)	9,244	4,842
Office move fund	15,000	-	(1,315)	(13,685)	-
Recordings fund	70,000	1,000	(43,734)	(27,266)	-
MOZART 250 project fund	60,000	-	-	(30,000)	30,000
Touring fund	30,000	-	-	(10,000)	20,000
	175,000	1,000	(49,451)	(71,707)	54,842
	361,058	540,232	(661,321)	-	239,969

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15: ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year	Restricted	Unrestricted		Total
		Designated	General	
	Funds	funds	funds	Funds
	2021	2021	2021	2021
	£		£	£
Tangible fixed assets	-	-	8,641	8,641
Current assets	76,577	68,641	257,812	403,030
Creditors due within one year	-	-	(50,301)	(50,301)
	76,577	68,641	216,152	361,370

Prior year	Restricted	Unrestricted		Total
		Designated	General	
	Funds	funds	funds	Funds
	2020	2020	2020	2020
	£		£	£
Tangible fixed assets	-	4,842	-	4,842
Current assets	70,960	50,000	218,555	339,515
Creditors due within one year	-	-	(33,428)	(33,428)
	70,960	54,842	185,127	310,929

16. PENSION COMMITMENTS

The charity operates a separate defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charge represents contributions payable by the charity to the funds and amounted to £3,310 (2020: £4,678). Contributions totalling £629 (2020: £564) were payable to the fund at the balance sheet date and are included in creditors.

17. OTHER FINANCIAL COMMITMENTS

	Land and buildings	
	2021	2020
	£	£
At the year end the charity had annual commitments under non-cancellable operating leases as set out below:		
Operating leases within one year	5,500	5,500
	5,500	5,500

THE MOZARTISTS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. MEMBERS' LIABILITIES

The charitable company is limited by guarantee. Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up such amount as may be required not exceeding £1. At the balance sheet date there were 3 members.

19. RELATED PARTY TRANSACTIONS

The total amount of donations received without conditions from Trustees and related parties during the reporting period was £61,651 (2020: £147,000).

There were no outstanding balances with related parties at the year end date (2020: £Nil).

In view of the charity's legal status the charity Trustees consider that there is no ultimate controlling party to be disclosed under the provisions of Financial Reporting Standard No. 8.