

# Annual Report and Financial Statements Year ended 31 August 2024

**Welsh National Opera Limited**  
(Company limited by guarantee without share capital)  
Company Number: 00454297 (England and Wales)  
Charity Number: 221538



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## Introduction

The trustees are pleased to present their annual directors' report which incorporates the strategic report, together with the financial statements of the activity for the year ending 31 August 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019".

## Charitable Objectives

WNO's charitable objects are 'to promote and assist in the advancement of education so far as such promotion and assistance shall be of a charitable nature and in particular, so far as of a charitable nature, to procure and increase the appreciation and understanding of the dramatic art in all its forms in Wales and elsewhere.' These words are taken from WNO's Memorandum of Association.

## Vision

**We bring together people from all walks of life to create and experience extraordinary opera, to enhance lives, strengthen communities and enrich all the places in which we focus our work.**

The Strategic Plan 2023-27 supports the transformation of Welsh National Opera to ensure the Company retains its national and international status, utilising a network of local hubs that are designed to build close bonds between the Company and its respective communities. Its programming will be a blend of performances and participatory projects, with a special emphasis on co-created work. The overarching goal is to always make the work relevant, finding connections between the work itself and the lived experiences of the audience.

## Values

We are:

**Inclusive** – We have a workplace culture where all people are respected and valued.

**Collaborative** – We work as a team to achieve common goals.

**Dynamic** – We challenge ourselves creatively and encourage new ideas.

**Generous** – Our people use their talent, knowledge, and skills with a generosity of spirit.

**Responsible** – We act with integrity and accountability.

As we continue work to transform our Company, I am proud to see WNO continuing to produce work at an outstanding level. *Death in Venice* received the Sky Arts Award (Opera) and UK Theatre Award for achievement in Opera and was nominated for the International Opera Awards (New Production). WNO also received the Iris Prize (Community Award) for its film of *La Mamma Morta*, released to mark World AIDS Day 2023 and created in partnership with Fast Track Cardiff & Vale with the aim of tackling societal stigma around HIV.

The 2023/2024 Season saw WNO take its first steps in transforming itself into a Company which can operate within the reduced funding. Sadly, redundancies were made within the non-performing side of the Company, and the Orchestra and Chorus entered Union negotiations alongside reductions in numbers. It is testament to the spirit of the Company that despite the uncertainty around them, they were able to present art of the very highest quality.

Our financial modelling will continue into 2024-2025 looking ahead to future years to ensure the company can continue to operate as a full-time company within the funding restraints that we face.

The opening production of the Autumn Season was Golijov's *Ainadamar*, in a co-production with Opera Ventures, Scottish Opera, The Metropolitan Opera, Detroit Opera and LA Opera. Following his success conducting our new commission *Migrations* the previous season, we welcomed back Matthew Kofi Waldren to lead our musical forces, and he was joined by the internationally acclaimed choreographer Deborah Colker who directed the work. The fusion of dance, flamenco and guitar blended superbly with our Company forces and introduced new audiences to our work. Alongside *Ainadamar*, we welcomed Alexander Joel back to conduct Verdi's ever-popular *La traviata*, which saw Australian-Mauritian soprano Stacey Allume make her UK operatic debut in the role of the tragic heroine.

The Spring Season opened strongly with a new production of Mozart's *Cost fan tutte*, directed by Max Hoehn and conducted by our Music Director Tomáš Hanus. This production had begun life as a small-scale piece but the hiatus that Covid provided offered us the opportunity to increase the scope of the work. It also allowed us to book an exciting cast featuring WNO favourites Rebecca Evans and Sophie Bevan, and we hosted the role debut of James Atkinson and role and house debuts of Kayleigh Decker and Egor Zhuravskii. The stand-out production of the Season though had to be Britten's *Death in Venice*. A true Company project, it highlighted the excellence of the Orchestra, ably led by Leo Hussain in his WNO debut; the WNO Chorus in their many step-out roles; and the superb technical team who worked beautifully with the requirements of NoFit State Circus to produce an elegant, fresh and exciting take on this complicated work of Britten's. The collaboration between Director Olivia Fuchs, Designer Nicola Turner and Circus Designer Firenze Guidi was seamless and allowed Mark Le Brocq to make an electrifying role debut as Aschenbach. WNO debuts came from Roderick Williams and Alexander Chance, as well as from the circus performers Anthony Cesar, Diana Salles, Vilhelmina Sinervo, Selma Hellmann and Riccardo Saggese.

The WNO Orchestra continues to bolster its world-class reputation, and despite the ongoing closure of St David's Hall, delivered an ambitious and wide-ranging programme of work across Wales and England. A sold-out performance of Brahms, Strauss and Tchaikovsky at BBC Hoddinott Hall (conducted by Tomáš Hanus and with soprano Chen Reiss) opened the Autumn, quickly followed by our New Year's Celebration concerts directed by David Adams and featuring WNO Associate Artists Beca Davies and Emily Loftus, delighting audiences as far afield as Bangor in Gwynedd and Truro in Cornwall.

Showing its exceptional versatility, the whole Company came together under the baton of our Music Director on the stage of the Wales Millennium Centre, presenting a thrilling programme of Mozart's Requiem, Faure's *Cantique de Jean Racine* and Schumann Symphony No 4. The summer saw the Orchestra take to the road across the UK once more, again conducted by Tomáš Hanus, and featuring members of the Orchestra as soloists – Thomas Verity in Mozart's Clarinet Concerto and David Adams in Beethoven's Violin Concerto. Developing the next generation of operatic and orchestral talent was at the forefront of the Orchestra's programme throughout 2023 and 2024, with side-by-side projects with the Royal Welsh College of Music & Drama (RWCMD), Trinity Laban, the Royal Birmingham Conservatoire and Cardiff County and Vale of Glamorgan Youth Orchestra. The dynamic relationship with the RWCMD was particularly exciting, with the academic year culminating in a performance of

works by female composers featuring a composite orchestra of both RWCMID and WNO as part of the programme for the first time.

The mainstage programme ended with a production of Puccini's *Il trittico*, which was a co-production with Scottish Opera. *Il trittico* was a hugely ambitious and challenging technical undertaking. WNO's Conductor Laureate Carlo Rizzi returned to conduct this rarely performed gem, bringing his expertise in the works of Puccini with him leading to four electrifying performances in Cardiff. Rebecca Evans, Alexia Vougaridou, Leonardo Calmi, Roland Wood and Haegge Lee all returned to WNO, joined by newcomers Tichina Vaughn, Oleksiy Palchykov and Sioned Gwen Davies.

There is, of course, much more to WNO's work than large scale opera productions and concerts. Our Programmes & Engagement team has expanded and deepened its partnership with the NHS across Wales, by working with all seven NHS Trusts through our breathing and lung health referral programme, Wellness with WNO, which is generously supported by an Arts Council Wales lottery grant, NHS Wales, and Welsh Government. Initially created for people living with Long COVID, the programme shares techniques and strategies used by professional opera singers to support breath control, lung function, circulation and posture. Wellness with WNO is Wales's first national socially prescribed programme, and since its inception in November 2021 over 360 participants have taken part in the six-week programme, with 94% of participants reporting that the breathing techniques were effective or highly effective. The programme has been so successful that it has expanded as a rehabilitation service for other health conditions including myalgic encephalomyelitis / chronic fatigue syndrome (ME/CFS) and, in the last year through a new partnership with Persistent Pain Wales, we have also begun a pilot programme funded by Welsh Government and in partnership with NHS Wales to support people with long term chronic pain.

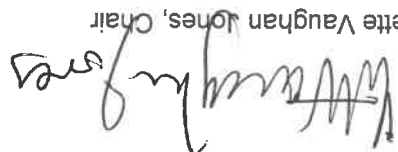
Alongside this, we have seen the renewal this year of our investment from Swansea Bay University Health Board in our programme to support young people in secondary schools who are experiencing anxiety and low confidence; we have a developing partnership with Velindre Cancer Centre around breathlessness; and we are in the early stages of producing a pilot programme for individuals in Supportive Care. Through our regular sessions in the geriatric rehabilitation wards of three hospitals in Wales, we continue to bring live opera to those who can no longer access the theatre, and we are hoping to develop a similar partnership in England through our work in the Southwest, where we are in the initial stages of a collaborative project with Theatre Royal Plymouth working with Veterans through music, composition and song to improve wellbeing and mental health.

Also gathering momentum is WNO Youth Opera, now involving over 60 young singers aged between 10-18 working towards their annual performance, which this year took the shape of Cary John Franklin's *The Very Last Green Thing*, with a timely climate justice message around preserving the planet for future generations. We also launched our *Cwta | In Short* operas designed for young people from 11-16 years with a well-attended tour to venues in Wales and England.

Whilst the future continues to contain challenges, we are extremely proud of the quality and breadth of the work that we have offered this year, and the number of people we have reached. That work would not be possible without the continued support of our key stakeholders, and we are incredibly grateful to both the Arts Council of Wales and Arts Council England, together with the substantial number of trusts, foundations and private individuals who support our work. We look forward to our new co-CEOs/General Directors joining us in January 2025 and to continuing to transform WNO into a lithe and responsive Company, who can galvanise public investment for our audiences' and the benefit of participants.

Dated: 12th February 2025

Yvette Vaughan Jones, Chair



# Strategic Report

## Business Performance

The Company started the year with a strong balance sheet and raised income including TTR tax relief of £2.11m during the year, this was an increase of 1.03% on the previous financial year. 48% of this income was from the Arts Councils, 16% trading income, 11% Charitable activities and 11% Donations, 14% from other activities and TTR tax relief. The year concluded with a strong financial position, ensuring the availability of funds necessary to support the Company's transition over the next three years.

The 2023/2024 programme featured five operatic titles. The Autumn Season consisted of *La traviata* and *Alnadamar* as well as an *Opera Favorites* concert. During Spring 2024 we toured *Così fan tutte*, *Death in Venice* and *Play Opera LIVE*, with a short Summer Season in Cardiff of *Il trittico*. We continued to see a slow and steady recovery, despite fewer performances and external factors such as the cost-of-living crisis. Over the year we performed main scale opera to 50,288 people and exceeded our financial target (106%).

## Geographic Reach

During the year, our Programme and Engagement activity continued with a focus across Wales, whilst developing our connections across Southwest England, working around our touring areas in Plymouth and Southampton, with developing links in Bristol and Gloucestershire.

Our Programme and Engagement work continues to be intergenerational in its reach. We work with early years through to those in retirement, supporting greater access to those who are often excluded from mainstream society by developing the accessibility of our mainstage work. This includes those with protected characteristics, those from low-income backgrounds and d/Deaf, neurodivergent and disabled people who can access our shows and know that we are a disability confident touring company. One notable example of this has been the expansion of our *Cradle Choirs* which have developed from our partnership with the Torch Theatre in Milford Haven to running growing choirs in Llanelli and Llandeilo. *Cradle Choir* is rooted around care and compassion, celebrating the 'possible' and enabling a broader understanding of Dementia, which in turn will help build more tolerant and caring communities to allow those living with the disease to remain connected and live as fully and creatively as possible, for as long as possible. This year we worked with children from Johnston Community Primary, Neyland Community School, Pembroke Dock community School and members from other local Dementia Friendly activity groups and the Tenby Memory Café, alongside residents of Torestin Care Home and Williamston Nursing Home.

During 2023-2024 we also enjoyed a fruitful partnership with the University of Southampton through their new department of Music and Social Justice and through an ongoing collaboration with the Clear Project, a Centre for Education and Action for refugees and asylum seekers. The University were keen to involve students and work towards a partnership whereby our programme could form a part of students' formal learning/study and practice development.

WNO also ran its first year of a new initiative called *The Discovery Programme*, designed as a participatory project directly linked to WNO's new *Cwta | In Short* productions. These offer a programme of more accessible opera performances coupled with opportunities for young people to explore an opera through workshop activity and the creation of their own operatic work.

In Wales over the last four YEARS, we reached 395,000 people at an average cost of £12 per head.

Programme and Community Engagement Activity in Wales			
Cost per year	Cost per person reached	Number of People Reached	Number of Sessions
£168,000	£10	15,281	11,472

Programme and Community Engagement Activity in Southwest of England			
Cost per year	Cost per person reached	Number of People Reached	Number of Sessions
£481,000	£20	23,950	38,140

*Wellness with WNO* has continued to grow and is now supporting a wide range of health issues through our continued partnership with all seven NHS Trusts across Wales, supporting us to deliver our Long Covid programme and other chronic health conditions including persistent pain and traumatic stress. WNO hopes to include further partnerships in the future, to support as many people as possible to access the programme. Our NHS partners are promoting the work to high levels of interest across the medical world and have presented the programme to the Traumatic Stress Wales Network, British Psychological Society and various health services and international delegations. It was also shared at the launch of Welsh Government's national framework for social prescribing all of which WNO's Programme and Engagement team presented at. Plans are currently underway to expand referrals to other long-term conditions, including fibromyalgia. This is in line with Welsh Government's development and expansion of the *Adferiad* (Recovery) programme for Welsh health boards to include long-term conditions whose symptoms and rehabilitation are similar.

Equally encouraging is the ongoing interest and development in our HIV awareness programme. The programme has started to gain interest in the Southwest of England using music, song and composition and has seen us partner with young people in Wales and England and Fast Track Cardiff and CHIVA. The year has also seen the continuation of our programme working with Swansea Bay University Health Board Physiotherapy where – based on the success of the last two years' delivery - we have recently been awarded a third year of funding for our social prescribing programme that supports young people in secondary schools who are experiencing anxiety and low confidence.

Also, as part of our Wellness programme we have been continuing to develop a new partnership programme with Velindre Cancer Centre around breathlessness, and we are in the early stages of producing a pilot programme for individuals in Supportive Care. In the same way we have continued to bring live opera to people who can no longer access or take part in the arts through our regular sessions at the University Hospital of Wales, St David's Hospital Cardiff, and Neath Port Talbot Hospital in the Geriatric Rehabilitation wards, for elderly patients and their families.

We have also significantly expanded our *Opera Tutti* tour. *Opera Tutti* is a multi-sensory concert for young people with Profound and Multiple Learning Difficulties (PMLD), performed by an ensemble of nine musicians and singers. The concert was designed to tour special schools to reach those who are unable to access conventional performance spaces and for whom travel is a key barrier. This includes those who are non-ambulant and have associated physical difficulties and sensory impairments. The scope of *Opera Tutti* has developed considerably this year and deepened its reach because of the

team's increased confidence, skills, and understanding as well as in response to the overwhelmingly positive feedback and impact. This year we have developed *Opera Tutti II* with new repertoire. There is an education resource to accompany, and we have ambitions to develop a second. We have also developed a studio version of the concert, which is adapted to reach a broader needs group, enabling us to reach more young people across England and Wales and meet a demand for more live music experiences for disabled young people. We are also developing 'intensive musical interaction' sessions for individuals with PMLD. This show is the first of its kind in the UK for opera and we are proud to have reached a point where it can be upscaled and rolled out across Wales, particularly West Wales, Powys and parts of North Wales.

Looking to our local communities in Cardiff we were proud to begin a burgeoning partnership with community organisations and young people in Ely through WNO's Ely Bridge Programme. Ely is an area of the city that ranks high on the deprivation index, has a high and growing rate of crime often related to drug trafficking, and is an area that is isolated from the main cultural hub of the city, lacking regular arts and cultural activities. Attainment rates for young people rank considerably lower than other parts of the city and progression into further and higher education, particularly for young boys, is significantly below the UK average. There have been growing issues in Ely with both drug misuse, drug dealing and dealers recruiting young people to take part in active drug trade across the area. To support young people to have a chance to express themselves creatively, we worked with young people from Herbert Thompson Primary School and St Francis Catholic Primary school in a project led by visual artist Bill Taylor Beales, along with a Pianist and Composer. The young people designed sets and wrote, composed and performed in their own opera. We have extended the partnership in the early part 2024 to work with Windsor Clive Primary school and Forge Care home, which is a residential home for older people with dementia in the heart of Ely. We anticipate continuing to develop the programme by working in partnership with Action Caerau Ely, South Wales Police, The Church of the Resurrection and Ely Court Care home.

In Cardiff, our five-year partnership with Oasis Centre, a charity supporting asylum seekers and refugees, has continued with another opera and Iranian music events to celebrate Nowruz, the Iranian New Year, alongside a co-created, newly commissioned work The Shoemaker written, composed and performed by artists involved in the WNO Oasis partnership.

## External Factors

The Arts sector across the UK is working within an environment of challenging circumstances, caused by the continuing economic uncertainty of post-Covid recovery, Brexit, and the cost-of-living crisis, and the slower return of audiences to theatres and live performances than anticipated. Despite this over the last 12 months we have seen a notable increase and a positive improvement in ticket sales particularly for the Autumn 2023 and Spring 2024 Seasons and received positive feedback and critical acclaim for productions including *Death in Venice* with sell-out performances in a number of venues.

The return to office of the Labour Government saw them set out in their manifesto a range of measures to develop creative industries, with an intention to implement policies around culture and heritage sectors. This is along with a review of the English curriculum, with the vision to develop a curriculum that is inclusive, innovative, and develops children's knowledge and skills, and the launch of a review of Arts Council England to decide how best to position it for the next decade. Alongside this a further valuable insight for our sector was Arts Council's England's Opera and Music Theatre review. Working with independent consultants and bringing together data from a range of perspectives, the intention was to provide a more accurate and comprehensive picture of the sector and provide recommendations around cross sector collaboration, particularly around sharing work through new technology, place-based partnerships, sector-wide approaches to talent, and the need for impact mapping across the current touring infrastructure and network.

In Wales, the continued support of Arts Council Wales and Welsh Government particularly through our *Wellness programme* and the development of opportunities presented by the new Expressive Arts Curriculum have been an asset in supporting our business transformation programme.

## Audiences

We have continued Arts Council England funding agreements from 1 April 2023 to March 2026 and will be applying for an extension year for 2026-2027 in Autumn 2024. WNO's operating area within the regional model of delivery in England has been redefined and focused to the Southwest, and after a year of working across the region we are starting to see our presence yield new partnerships, not just cross sector but with third sector organisations and HEIs.

Arts Council Wales funding is a three-year allocation. Our Funding Agreement with Arts Council Wales is reviewed annually. Each year, this is still subject to ratification by Arts Council Wales (both lead officer Council and CEO) who have been as flexible and responsive to requests and changes from WNO as it can be within the current three-year funding agreement (Apr24-Mar27) and by Welsh Government preceding their budget settlement per annum. There will be a review point at the end of year two (Spring 26) in regard to whether WNO will be supported in another three-year revenue funding cycle. ACW have also supported the development of our Transformation programme with Arts Council England working towards a Milestone plan and continue to offer the company every support for the change programme to reach a new model in 27-28 or sooner.

WNO embraces the complexity of this challenging environment and our need to be more responsive to the changing and diverse needs of our audiences and to deliver our offer in the most efficient and effective way, whilst maintaining the integrity and quality of our artistic output and working with the most talented, innovative and radical artists possible both in Wales, England and through our international work. To continue to deliver world class performances and our expansive community engagement work, we need to reshape our delivery model to respond to the changing needs of our environment and audiences, whilst solidifying our financial position. The new operating model will build upon the strong and effective relationships we already have in place and continue to develop and nurture talent to ensure the arts ecology remains strong in Wales and the wider UK.

Welsh National Opera continued its recovery in 2023-2024 by stabilising audience numbers and revenue, following a slower than expected recovery from the pandemic, as well as external challenges. Late bookings continue to be a pattern, due to the continued cost-of-living concerns, which is a wider trend. Despite a reduced performance count of 20 from the previous year, the box office revenue remained consistent and reached the same income as 2022-2023, achieving 106% of the financial target. This indicated the importance of a balanced repertoire to allow WNO to build our audience base while still appealing to those who have seen the Company before.

Results from post-show surveys conducted during the 2023-2024 Season revealed that 82% of respondents had attended WNO performances in the past, which was consistent with the figures recorded in the previous year. However, data from ticket booking systems suggest the percentage of new bookers could be higher. This is expected as those completing surveys are more likely to be older, and more regular bookers.

Better known titles such as *La traviata* continued to attract first timers, but *Alnadamar* and *Death in Venice* also created opportunities to entice in new audiences with flamenco and circus elements providing alternative hooks for marketing and press. Of those surveyed two main motivations to attend were cited. The most common response was 'to be entertained' (36%), followed by 'opera is an important part of who I am' (26%).

Several factors will certainly have contributed to this year's achievements. The well-balanced repertoire combining much-loved greatest hit productions (e.g. *La traviata*) with new and intriguing productions (*Death in Venice*, *Alnadamar*) has provided opportunities to target different audiences and entice new bookers. In Autumn 2023, we were slightly short of target at 97%, with *La traviata* delivering as expected, allowing WNO to sell the classic opera experience to those who have opera on their 'bucket list'. The edgier *Alnadamar* was well received by both the audience and critics and benefited from word of mouth and strong reviews, and therefore a longer run of performances may have enabled the momentum to grow.

During Spring 2024, box office income versus budgeted figures for main scale opera titles exceeded expectations by reaching 114% of financial target. *Death in Venice* campaign activity leveraged our

The reliance on public funding and the associated vulnerability to government policy changes and funding cuts remain significant concerns. While WNO is entering a period of public funding stability, the recent reductions in funding have made the transformation of the Company's operating model a critical priority. However, achieving the necessary level of transformation to reshape a fully contracted touring

## Finance

business. Delivering the aims and objectives of our strategic plan will require organisational transformation. The greatest impact in terms of the WNO employment experience comes from the managers who work, develop, and build relationships with their teams daily. We want to ensure that every colleague feels valued and appreciated for the work they do, whilst ensuring they are listened to in shaping the business decisions for the future.

In support of the WNO strategy a new People Strategy has been developed, that will focus on delivering a more diverse, modern, agile, creative and efficient workforce. We will have strong inspirational leadership and engaged colleagues who understand WNO's vision and strategic plan and the contribution they make to achieving them. We will ensure our colleagues are listened to and shape business decisions for the future.

## People and Culture

Looking ahead, we see significant opportunities for growth, particularly in underrepresented areas such as corporate partnerships and a new generation of individual giving. Building on the 2023 baseline, we aim to diversify our income streams, expand donor engagement, further develop the events and experiences market, and establish innovative partnerships. Our strategic focus includes amplifying legacy giving campaigns, exploring new collaborations with the corporate sector, and maximizing Gift Aid contributions. By investing in these growth areas, we can secure a stronger, more sustainable future for WNO, ensuring opera and classical music continue to resonate with audiences today and for generations to come.

In 2023, philanthropy was pivotal to our success, with donors, syndicates, WNO Friends and Partners, trusts, foundations, and corporate supporters collectively contributing to 7.6% of our unrestricted income. Trusts and foundations led the way, accounting for 38% of this support, followed by legacies at 33%, individual giving at 22%, Gift Aid at 5%, and corporate partnerships at 2%. This steadfast generosity enabled us to deliver remarkable performances, inspire audiences across national and international tours, and nurture emerging talent, showcasing the transformative power of giving in sustaining and growing our cultural impact.

## Development and External Relations

WNO is committed to growing our audience base by providing exceptional experiences which inspire new audiences to encourage them to come back again in the future while still appealing to those who have seen the Company before.

Throughout the 2023-2024 Season, WNO's Programme and Engagement work continued to reach people within our communities daily inspiring children, young people, families, those with long-term health conditions and intergenerational groups, among others, through projects such as *Wellness with WNO*, *Cradle Choir*, *Youth Opera*, *Opera Tutti* and our schools programme, WNO Teach. Many of these participants would otherwise not be given the chance to experience opera. Back on the main stage *Play Opera LIVE* attracted a younger audience, including many who had not previously experienced WNO performances (51%). WNO is committed to growing our audience base by providing exceptional experiences which inspire new audiences to encourage them to come back again in the future while still appealing to those who have seen the Company before.

partnership with NoFit State and the five-star reviews with sell-out performances in Cardiff, Bristol, and Oxford. By the end of the Season revenue over and above target more than made up for the deficit from Autumn 2023. A short Summer 2024 Season of *Il trittico* was performed in Cardiff achieving 128% of box office target and laying the foundations for a successful tour in Autumn 2024.

company model in the short term is challenging, given internal restructuring timelines. This challenge is further compounded by the fact that seasons are planned two to three years in advance.

WNO secured £3.25 million from the ACE Transform Stage 2 funding over a two-year period. The additional funding is to facilitate the change, and any additional costs associated with the transformation. In January 2024, ACE announced that the 2023-26 National Portfolio Investment Programme will be extended for a further year, which will take the current allocation to March 2027.

Therefore, we are continuing to take a phased approach to reshaping our offer with a target date of being in a financially sustainable position by summer 2026. To support this phased approach, a financial strategy is being developed to support the new operating delivery model from 2024-2028, this will include reviewing and renegotiating the contractual arrangements of WNO colleagues, repertoire that retains quality and audience engagement and touring patterns that are affordable.

## Board

The WNO Board met six times during 2023/2024.

In 23/24 there were four resignations and the appointment of five new trustees. The Chair of the board was re-elected in September 2023 for a period agreed by the board, until October 2025. Details can be found in Directors' and Officers' note on page 57 of this report. All the appointments were made following an open and transparent recruitment and selection process, which included the use of advertising and recruitment and selection specialists.

## Subsidiaries

WNO has two wholly owned subsidiaries. Details of both are included in note 18.

**Cardiff Theatrical Services Limited** was established in 1984 as the in-house workshop for WNO and has a reputation for building outstanding quality scenery for some of the World's leading performing arts companies, visitor attractions and exhibitions.

The company had a successful year, with turnover increasing 42% to £3.4 million. This resulted in a profit of £0.3 million, compared with a slight loss last year. Strong demand and the controls and processes introduced by management during recent years contributed to the success.

The directors would like to express their gratitude to the company's employees for effectively managing this significant increase in activity and achieving a healthy profit. The employees' dedication and flexibility have enabled the company to deliver this increase in activity while maintaining its delivery and quality standards. Customer feedback has been excellent. Although the entertainment sector is experiencing challenging times due to constraints on consumer spending, the company's sales pipeline remains strong, and the directors anticipate a positive outcome for the current year.

**WNO Productions Limited** was set up in 2014 to create and prepare theatrical productions for the Welsh National Opera Group of companies.

## Public benefit

Welsh National Opera's public benefits are covered by its mission vision and values.

The Directors have considered the Charity Commission's guidance on public benefit when reviewing the Company's aims and objectives and in planning future activities. In particular, the Directors have considered how the planned activities will contribute to the Company's aims and objectives.

Our activities are planned ahead of the year being reported, and from the outset, consideration is given to the likely public benefits and public impact of all activities, the accessibility of this offer and the inclusivity of design and reach and how they fulfil the Company's mission, alongside the objectives of our funder (both Arts Councils) and DCMS and Welsh Government, as well as the public benefit objectives of Trusts and Foundations funding. The details of the activities carried out, including activities aimed at encouraging specific audience groups, are shown in the business performance strand 1 review under the Artistic Content and Presentation section.

Several members of the WNO team are available at all our performances and events, to respond to participants or audience enquiries and to publicly represent the Company. Our Marketing team capture audience feedback through surveys and qualitative and quantitative data collection. Feedback and participation direct from audiences is encouraged, through surveys, through our website and through activities outside the main productions and is used through our evaluation process to improve our public offer.

Children, young people and intergenerational participants take part in many of our productions and engagement activities. Projects involving young people are supported by suitably qualified professionals and artists and are supported by legally compliant Safeguarding policies and procedures. We aim to encourage audiences from the widest catchment area across the communities we tour to, and we perform in easily accessible theatres, in major towns and cities in England and Wales. To further support access, we offer *Touch Tours* and *Audio Description* in all our venues for people with visual impairments and BSL interpretation and Makaton to support communication. All the theatres we tour to are part of the *Hynt* scheme. Several of our Youth Opera performers are disabled or neurodivergent as well as many of our participants and we are working with an accessibility consultant across our Youth Opera performance programme in partnership with Taking Flight Theatre.

Our Programmes and Engagement strategy is predicated on values of access for all, supporting participants and audiences through the widest range of activities in community spaces, health care environments, centres for disabled people and PMLD units and through schools and colleges. We focus activities to support people who are socially excluded or with protected characteristics. Our schools programme is only offered in low-income areas or to those who rank highly on the deprivation index or to schools with a high proportion of free school meals. Due to the growth of our regular schools activity in low-income areas, 60% of young people in our Youth Opera company can only take part due to our bursary support programme and since this offer we have seen a growing increase of diversity through the group. We seek to balance our activity across Wales with programmes in South, North, Mid and West Wales and a developing programme across the Southwest of England; and we proactively work with other arts organisations and national bodies to ensure we do not duplicate cultural provision in these areas.

Our third sector partners have enabled us to increase our reach and support of people who would never otherwise engage with opera, but have now become life-long participants and collaborators. Our marketing, communications, digital content and socials, are accessible and encourage audiences from all backgrounds to take part through targeted activity and ticketing strategies especially developed for young people and families. We endeavour to create communication that is accessible and inclusive in tone and content. This is supported by our pricing policy and commitment to affordability wherever we perform, both through pricing structures that are set below the market average for opera performances and free or 'taster' event and activities wherever possible. We also offer free dress rehearsal tickets for schools and community groups, including to schools from further afield by providing free transport and access to our theatres. We also provide school concerts and free workshop opportunities for schools and youth groups.

Our talent programme, through our Associate Artists provision is committed to searching for and encouraging diverse talent from across the UK and actively encouraging artists with protected characteristics to audition. To ensure there are no barriers to access we have no entry fee to apply for the scheme, and we hold auditions in five different cities across the UK, lowering costs for applicants. We reimburse expenses for applicants offered a second audition and application requirements are kept to a minimum and we have been actively working with conservatoires, particularly the Royal Welsh College of Music and Drama, Birmingham Conservatoire, Royal Northern College of Music and the National Opera Studio and Voices of Black Opera to encourage a wider pool of applicants.

## Environmental sustainability

The Company monitors its energy consumption and environmental impact and recycles its productions and sets extensively. The Company has incentives in place for colleagues to minimise their environmental impact while travelling and encourages rail use whenever possible. We continue to assess our future productions by employing the *Theatre Green Book*, an industry-wide initiative to reduce the carbon footprint of the performing arts sector. Plans have been put in place to review our

## Income

Total incoming resources increased by £157,000 to £18,323,000 (2023 – £18,166,000).

## Financial Review

The Consolidated Statement of Financial Activities for the Group and its subsidiaries is shown on page 24. Overall, the Group's activities resulted in net incoming resources of £718,000 (2023 £179,000).

We now have an All-Wales cultural strategy, established by a collective of colleagues from different departments across WNO, working together with the Senior Leadership Team and members from the Board, to outline our new holistic approach to the use and promotion of the Welsh language and culture which incorporates not only legal compliance but our common understanding as a Company of how we can use our cultural and competitive advantage to support the interplay of Welsh culture within a multi-cultural and multi-lingual Wales; and how through our art form we can become the cultural heartbeat of our nation and uphold our flagship status as a national and international company representing Wales to the world.

The outcome of the investigation concluded that WNO has a duty to always comply with standard 80: that there is a Welsh medium course also available. We must also ensure that all registration forms for education courses include an option for a person to choose to attend a Welsh medium course and that we must provide the Welsh Language Commissioner with sufficient written evidence that enforcement actions 1 and 2 have been completed within three months of the date of issuing the final determination. This written evidence has now been supplied to the Commissioner and the investigation is now resolved.

Welsh National Opera is one of 32 organisations to which the Regulations are specifically applicable and as such the Company has been fully compliant with the Standards since the end of July 2017. We have received one complaint from the Welsh Language Commissioner in 2023 of which the investigation has now been concluded.

## Welsh language

The Welsh Language Standards (No.2) Regulations ('the Regulations') specify service delivery standards; policy making standards; operational standards; and record keeping standards.

Since 2023 we have also been presenting work that features climate and social justice themes, particularly through Programmes and Engagement work, ensuring that these productions are created sustainably, with minimum waste through recycled set, costumes and props, in line with the Theatre Green Book's standards. In 2025 our new production of *Peter Grimes* will be made to 80% of recycled sets with an ambition to target the Green Book baseline.

Over the forthcoming year we will be pioneering a new concept of multiple productions sharing, scenic staging and looking to swap and enter co-production agreements where possible, to reduce set build costs and materials consumption. We have ensured that building materials are being sourced from sustainable sources and traceable timber reserves (FSC wood). Scenery and props are held for recycling for new productions, and all costumes are taken into storage for re-use where possible.

Since 2023 we have also been presenting work that features climate and social justice themes, particularly through Programmes and Engagement work, ensuring that these productions are created sustainably, with minimum waste through recycled set, costumes and props, in line with the Theatre Green Book's standards. In 2025 our new production of *Peter Grimes* will be made to 80% of recycled sets with an ambition to target the Green Book baseline.

We have been working on implementing an environmental management system (EMS) that will be integral to Welsh National Opera, whilst actively looking for external advice and auditing facilities. Over the last year we have continued as an active partner of a wider initiative of European Opera companies looking at environmental sustainability (Green Group Opera Europa) and have continued to work with Julie's Bicycle on reporting and analysing our data. We have reduced the number of printers and photocopiers across the business and replaced them with energy-efficient models.

Lighting rig switch to LED fixtures and the regeneration of the HGV fleet to minimise fuel consumption and carbon footprint of our touring activities.

**Expenditure**  
Overall expenditure this year reduced by £111,000 to £20,613,000 (2023 – £20,724,000).  
Expenditure on charitable activities reduced by £886,000 and accounts for 83% of all expenditure (2023 – 87%).

## Subsidiaries

**Cardiff Theatrical Services Limited** enables WNO to maintain its own excellent set-making facilities and continues to build sets for many other clients. The subsidiary made a profit after taxation of £304,264 (2023- loss of £7,242) during the year after contributing an appropriate share of premises and overhead costs to WNO.

**WNO Productions Limited** was formed in 2014 to create and prepare theatrical productions for the

Group.

Details of both subsidiaries are included in note 18.

## Fixed assets, investments and cash

Fixed assets purchased during the year amounted to £143,000 (2023- £64,000) primarily replacement trailers.

After investing the funds referred to above, at the year-end the group held cash at bank of £1,877,000 (2023 – £2,751,000).

The Group holds its cash in major UK clearing banks. The Investment Committee regularly reviews the Group's banking arrangements and investment policy and in May 2014 it invested £2,332,000 of reserves which are held for the long term (over three years) into an investment portfolio. These investments, which are openly traded investments and securities, are classified as fixed asset investments with a market value of £4,225,000 at year end (2023 - £3,038,000) (see note 7b).

## Pension

Group employees contributed to a defined contribution pension scheme; the Group's defined benefit scheme was closed to new entrants and future accrual on 5 April 2009 but continues to be maintained by the trustees for its pensioners (see note 17). The surplus on the defined benefit scheme amounted to £3,984,000 at 31 August 2024 (2023 – surplus of £4,186,000) with an actuarial loss of £428,000 shown in the year (2023 - gain of £1,374,000). These movements reflect the changes in the valuation of the actual assets and estimated liabilities in the scheme, and do not represent crystallized net assets or liabilities.

## Risk management

The Board recognises its legal responsibility to provide an annual Risk Management Statement to show they have given due and proper consideration of the charity's major risks and that they have satisfied themselves of the adequacy of the systems which are in place to manage those risks (Charities (Accounts and Reports) Regulations 2008).

Detailed review authority is delegated to the Audit and Risk Committee, which meets on a biannual basis. The Committee is made up of two Board Trustees, two external members with specialist knowledge/experience and is also attended by the General Director and the Executive Director and the Chair of Trustees in an Ex-Officio capacity. Findings and recommendations are made to the full Board of Trustees, along with a summary of the risk register.

The board considers risk to be the opportunities/uncertainties which may impact its ability to deliver its vision/mission/strategy or which may jeopardise the WNO's compliance with legal and regulatory requirements.

In applying a particular approach, the Board aims to assess and agree its own appetite to the risks identified, which enables the executive team to manage them accordingly. For example is the Board:

- risk averse, where avoidance of the risk is a key organisational objective;

- risk balanced, where the preference of the board is for delivery options having a low degree of inherent risk/may only have limited potential for reward or;
- risk seeking where the board is perhaps keen to be innovative and therefore willing to choose options offering potentially higher rewards (albeit with greater inherent risk).

In identifying and assessing risk, WNO looks at both internal and external factors which may impact its strategic objectives, as well as its financial position. In addition, there are key leading and lagging indicators, which may influence its ability to over or under achieve what it has set out to do. Risk areas have been aligned to the organisation's strategic objectives and have been categorised into the following:

- Financial (e.g. loss of income, pension liabilities, cash flow, reserves)
  - Operational (e.g. staff skills/welfare/collective agreements, resources, business continuity)
  - Reputational (artistic quality, partner agreements)
  - Strategic (e.g. economic climate, government policy)
- above:

- Legal (e.g. H & S breach, legal/regulatory responsibilities, breach of trust)
- Governance (e.g. organisational controls, trustee skills, conflicts of interest)

The trustees can confirm there have been no reportable serious incidents during this period and are kept aware of the renewed guidance given by the Charity Commission on safeguarding, governance, complaints handling, staff engagement and public trust in charities.

The Board recognises that risks ebb and flow, depending on both external and internal factors. Therefore, the management of these risks is a dynamic process, which requires regular review. The organisation's approach to managing risk is multi-faceted, depending on the type of risk and includes:

- stopping the activity to avoid the risk completely
- mitigating the risk to best possible controls measures
- transferring the financial consequences to insurers or outside companies
- accepting the risk as unavoidable.

The trustees can confirm there have been no reportable Serious Incidents during this period and are kept aware of the renewed guidance given by the Charity Commission on safeguarding, governance, complaints handling, staff engagement and public trust in charities.

## Reserves

As of 31 August 2024 the total funds held by the Group stood at £14,538,000 (2023 - £14,248,000); of this total £4,403,000 was classed as restricted or endowed funds (2023 - £4,152,000) leaving unrestricted funds totalling £10,135,000 (2023 - £10,096,000).

The Group has set a minimum level of free reserves of £1,500,000. This provides the Group with a short-term safety net in the event of unforeseen shortfalls in income and is based on a risk assessment of all the Group's sources of income. This level of reserves is considered by the Board to be the appropriate acceptable level of free reserves to provide for the stability of the Group.

The calculation of free reserves is shown below and shows free reserves of £2,416,000 (2023 - £2,187,000); the remaining unrestricted reserves have been designated to support the transition to a new operational structure over the next 3 years.

## Free reserves

This refers to the Group's free reserves which are calculated as directed by SORP as follows:

At 31 August	2024	2023
<b>Total unrestricted funds</b>	<b>10,135</b>	<b>10,096</b>
Exclude designated funds - restructuring reserve (Note 13)	-	(239)
Exclude designated funds – production reserve (Note 13)	-	(2,002)
Exclude designated funds – transformation reserve (Note 13)	(2,239)	-
Less fixed assets	(1,496)	(1,482)
Exclude pension reserve	(3,984)	(4,186)
<b>Free reserves</b>	<b>2,416</b>	<b>2,187</b>

# Directors' Report

## Governance and Management

The Company is a registered charity constituted as Company Limited by Guarantee and does not have share capital (See note 12).

The reference and administrative details of the Company are shown on page 56, and the details of the Directors of the Company, who are also its members and charitable trustees, are shown on page 57.

## Governance

As required by the Company's Articles of Association, directors are appointed by the members of the Company at the annual general meeting of the Company, after nomination by a member. The Board's membership is drawn from Wales, London and the English regions. Between them directors possess the range of expertise, skills and experience necessary to carry out the full remit of the Board's responsibilities.

New directors are provided with an induction to the Group and given guidance as to the role and responsibilities of being both a charity trustee and a company director. A copy of the Governance Code is provided for each director as part of the induction process.

The Board is responsible for approving overall policies, plans and organisation.

Directors may expect to serve two consecutive terms of three years in office and are eligible to serve a third term if approved by the Board, following a review by the Nomination and Remuneration Committee. An extension of office beyond three terms is only considered in exceptional circumstances. The Chair of the Group is expected to serve for two terms of office irrespective of how long they have served as a director prior to appointment, if relevant.

The directors who held office during the year and up to the date of signing of the Financial Statements are listed in the Group Details section beginning on page 57.

## Directors' interests

Directors have no interests in the Group or the related bodies shown in note 19 to the Financial Statements. Directors received no remuneration as directors in the year (2023 - £nil).

## Senior Leadership

The Executive Team is made up of the General Director, Executive Director plus the Music Director who report directly to the Board.

The Senior Management Team comprises departmental directors with responsibility for artistic administration, chorus and orchestra, engagement and partnerships, development and external relations, technical operations, people & culture, marketing and communications, and finance.

Note 4 contains details of the arrangements in relation to Senior Management remuneration.

## Colleague involvement

During the year meetings took place with colleagues and their representatives to share an understanding of the Group's performance and the financial and economic factors that affect it. These meetings enable the Group to consider the views of colleagues when making decisions likely to affect their interests. The Group also continues to invest in colleague learning and development and operates a colleague appraisal system to support their personal development and career aspirations. Due to financial restrictions of the public funding a change programme was run during the period, which culminated in a collective consultation. Excluded from the programme were the unionised staff. The programme is scheduled to be concluded in December 2024, resulting in staff reductions.

## Directors' Report (continued)

### Equal opportunities and diversity

The Group is committed to a policy of equal opportunities in its employment practices. The Group does not own or manage any of its performing venues but monitors facilities for disabled patrons and encourages the theatre owners to improve facilities where necessary. Full consideration is given to the employment and training of disabled persons as permitted by the conditions of employment. It is Company policy to ensure that continued employment is offered, wherever possible, to employees who become disabled during their employment.

The Group is currently reviewing its Equality Policy and creating a new, robust Diversity Action Plan which will move the Group forward in the areas of artistic, workforce and audience diversity.

### Going concern

The directors have assessed the Company's ability to continue as a going concern. The directors have considered several factors when forming their conclusions as to whether the use of the going concern basis is appropriate when preparing these financial statements including liquidity, cash resources, liabilities, and the support available from ACE and ACW Transform funding schemes. After assessing the impact of income and cost reduction scenarios, the directors have concluded that the charity has a reasonable expectation that there are adequate resources to continue to operate for at least 12 months from the date of signing of the financial statements and have continued to prepare the financial statements on a going concern basis.

## Auditor

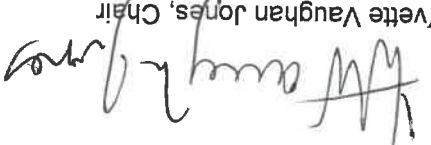
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A resolution to reappoint Azets Audit Services will be proposed at the forthcoming Annual General Meeting.

The Directors' Report and the Strategic Report were approved by the Board of Directors and signed on its behalf by:

  
Yvette Vaughan Jones, Chair

Date: 12 February 2025

## Statement of Trustees' Responsibilities

The trustees (who are also directors of Welsh National Opera Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees 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 the group and of the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:

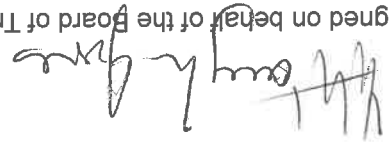
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Signed on behalf of the Board of Trustees



# Independent Auditor's Report to the Members of Welsh National Opera Limited

## Opinion

We have audited the financial statements of Welsh National Opera Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Cash Flow Statement and 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 August 2024, and of the group's incoming resources and application of resources 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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 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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

# Independent Auditor's Report to the Members of Welsh National Opera Limited

## Options 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 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 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 and directors' 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 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's 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.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent charitable company for the purposes 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 and 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor responsibilities for the audit of the financial statements

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

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]. This description forms part of our auditor's report.

# Independent Auditor's Report to the Members of Welsh National Opera Limited

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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# Independent Auditor's Report to the Members of Welsh National Opera Limited

## 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.

*Andrew Howells*

**Andrew Howells**  
Senior Statutory Auditor  
For and on behalf of  
**Azets Audit Services**  
Chartered Accountants and Statutory Auditors  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

Date 1 April 2025

# Consolidated Statement of Financial Activities

Incorporating the income and expenditure account for the year ended 31 August 2024

Years to 31 August:		Note		Unrestricted funds	Restricted funds	Endowment funds	Total
				2024	2023		
				£'000	£'000	£'000	£'000
Income and endowments from:							
Charitable activities	2a	2,247	-	-	-	2,247	2,728
	Donations	1,078	1,051	-	-	2,156	1,466
	Legacies	88	-	-	-	88	1,911
	General grants	8,352	1,944	-	-	10,296	10,033
	Trading income	3,414	-	-	-	3,414	2,349
	Investment income	68	-	-	-	54	79
	Total income	15,247	2,995	81	18,323	18,166	
Expenditure on:							
Charitable activities		14,042	2,456	578	17,076	17,962	
	Raising funds	377	-	-	377	344	
	Trading expenditure	3,160	-	-	3,160	2,418	
	Total expenditure	17,579	2,456	578	20,613	20,724	
Other recognised gains and losses							
Net (losses)/gains on investments		132	-	-	132	(77)	
	Net income/(expenditure) before tax	(2,200)	539	(497)	(2,158)	(2,636)	
Taxation							
	18	2,876	-	-	2,876	2,814	
Net income/(expenditure) for the year		3	676	539	(497)	718	179
Transfers							
Transfer from Endowment fund		298	-	(298)	-	-	
	Transfer from Restricted fund	(507)	507	-	-	-	
Other gains/losses							
Actuarial (losses)/gains in the defined benefit pension scheme	17	(428)	-	-	(428)	1,374	
	Net movement in funds	39	1,046	(795)	290	1,553	
Fund balance brought forward		16	10,096	459	3,693	14,248	12,695
Fund balance carried forward			10,135	1,505	2,898	14,538	14,248

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities. The notes on pages 28 to 55 form part of these financial statements. No separate income and expenditure account is presented for the parent Company in accordance with the provisions of s.408 of the Companies Act 2006. The total income for the parent company is £18,153,279 (2023 - £20,278,000). The result reported in the accounts of the parent Company is a surplus of £358,145 (2023 - deficit £582,000).

# Consolidated Balance Sheet

## As of 31 August 2024

	Note	31 August 2024	31 August 2023
Fixed assets		£'000	£'000
Tangible assets	7a	1,496	1,482
Investments	7b	4,225	3,038
		<b>5,721</b>	<b>4,520</b>
Current assets			
Stocks	8	72	102
Debtors	9	4,174	4,420
Cash and bank deposits	10	1,877	2,751
		<b>6,695</b>	<b>7,273</b>
Creditors: amounts falling due within one year	11	(1,862)	(1,731)
		<b>4,833</b>	<b>5,542</b>
<b>Total assets less current liabilities</b>		<b>10,554</b>	<b>10,062</b>
<b>Net assets excluding pension liability</b>		<b>10,554</b>	<b>10,062</b>
Defined benefit pension (liability)/asset	17	3,984	4,186
		<b>14,538</b>	<b>14,248</b>
<b>Net assets</b>		<b>14,538</b>	<b>14,248</b>
<b>Unrestricted funds</b>			
Other charitable funds	13	3,044	2,803
Designated funds	13	2,239	2,239
Revaluation reserve	13	868	868
Pension reserve	17	3,984	4,186
<b>Total unrestricted funds</b>		<b>10,135</b>	<b>10,096</b>
Restricted funds	14	1,505	459
Endowment funds	15	2,898	3,693
<b>Total charity funds</b>		<b>14,538</b>	<b>14,248</b>

The notes on pages 28 to 55 form part of these financial statements

The financial statements of Welsh National Opera Limited, company registered number 00454297, were approved by the Board of Directors and authorised for issue on 12<sup>th</sup> February 2025

*Harriet Feilding*

Signed on behalf of the Board of Directors:

Harriet Feilding - Trustee

# Company Balance Sheet

As of 31 August 2024

Note	2024	2023	£'000
	31 August	31 August	
Fixed assets			
Tangible assets	7a	1,496	1,482
Investments	7b	4,225	3,038
		5,721	4,520
Current assets			
Stocks	8	72	102
Debtors	9	1,860	1,334
Cash and bank deposits	10	1,614	2,673
		3,546	4,109
Creditors: amounts falling due within one year	11	(1,563)	(1,354)
Net current assets		1,983	2,755
Total assets less current liabilities		7,704	7,275
Net assets excluding pension liability		7,704	7,275
Defined benefit pension (liability)/asset	17	3,984	4,186
Net assets		11,688	11,461
Unrestricted funds:			
Other charitable funds	13	194	16
Designated funds	13	2,239	2,239
Revaluation reserve	13	868	868
Pension reserve	17	3,984	4,186
Total unrestricted funds	13	7,285	7,309
Restricted funds	14	1,505	459
Endowment funds	15	2,898	3,693
Total charity funds		11,688	11,461

The notes on pages 28 to 55 form part of these financial statements.

No separate income and expenditure account is presented for the parent Company in accordance with the provisions of s.408 of the Companies Act 2006. The total income for the parent company is £18,153,279 (2023 - £20,278,000). The result reported in the accounts of the parent Company is a surplus of £358,145 (2023 - deficit £582,000).

The financial statements of Welsh National Opera Limited, company registered number 00454297, were approved by the Board of Directors and authorised for issue on 12<sup>th</sup> February 2025

*Amethydy*

Signed on behalf of the Board of Directors: - Trustee

## Consolidated Cash Flow Statement

Years to 31 August:		Note	2024	2023	£'000
Net cash flow from operating activities (see below)					
Interest received					
			122	(203)	(773)
Investing activities:					
Proceeds from sale of investments (shares etc.)					
		7b	705	796	796
Investments (in shares etc.)					
		7b	(1,371)	(883)	(883)
Purchases of fixed assets					
		7a	(143)	(64)	(64)
Proceeds from sale of fixed assets					
		2a	16	6	6
Net cash movement					
			(874)	(839)	(839)
Opening cash at bank and in hand					
			2,751	3,590	3,590
Closing cash at bank and in hand					
			1,877	2,751	2,751

Years to 31 August:		Net cash flow from operating activities	
2024	2023	£'000	£'000
Net expense for the year			
Adjustments for:			
Release from reserves			
		-	-
Movement in WNO Endowment Fund			
		-	-
Interest receivable			
		(122)	(79)
Depreciation charges			
		7a	126
		125	125
Profit on sale of fixed assets			
		2a	(13)
		(6)	(6)
Movement in investments			
		7b	(521)
		164	164
Operating cash flow before movement in working capital			
		188	383
Movements in working capital:			
Movement in stocks			
		8	30
		12	(970)
Movement in debtors			
		9	(326)
		131	(82)
Movement in creditors			
		11	(116)
Adjustment for pension funding			
		17	(226)
		(391)	(1,156)
Net cash (outflow)/inflow from operating activities			
		(203)	(773)

No separate statement of cash flows is presented for the parent Company in accordance with the provisions of s408 of the Companies Act 2006.

The notes on pages 28 to 55 form part of these financial statements.

# Notes to the Financial Statements

## 1. Accounting Policies

Welsh National Opera Limited is a registered charity incorporated in England and Wales as a company limited by guarantee without share capital. The trustees are also the members of the Company. Each member has undertaken to contribute a sum not exceeding £10 to the assets in the event of winding up. The registered office is given on page 56.

### Basis of accounting

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### Basis of consolidation

Group financial statements have been prepared in respect of Welsh National Opera Limited and its wholly-owned subsidiaries, Cardiff Theatrical Services Limited and WNO Productions Limited, on a line by line basis. The results of the subsidiaries are set out in note 18.

No separate statement of financial activities and income and expenditure account has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the Statement of Recommended Practice: Charities SORP (FRS 102).

### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the board in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

# Notes to the Financial Statements

## 1. Accounting Policies (continued)

### Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from charitable activities and trading income is recognised in the period to which the service relates with any amounts received in advance being deferred.

No amounts are included in the financial statements for services and time donated by volunteers.

Interest on funds is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank. Dividend income is recognised on the date the charity's right to receive payment is established.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

### Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs in relation to generating income such as fundraising and events, marketing and publicity and certain costs associated with the charity's trading subsidiaries.
  - Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## Notes to the Financial Statements

### Expenditure recognition (continued)

Expenditure in respect of productions to be presented in a future financial period is charged at the time of the first performance of the production. Such expenditure includes the company's share of the costs of the set, props, costumes, wigs, rehearsals and marketing of that production.

An analysis has been provided for the charitable activities on a departmental basis.

Costs where possible are attributed directly to the activity to which they relate. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

### Taxation

As a registered charity Welsh National Opera Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

### Theatre Tax Relief

Amounts due to Welsh National Opera in respect of Theatre Tax Relief, is included in the financial year to which the claim relates within Income from Charitable Activities rather than as a tax credit or a reduction in expenditure as the nature and intention of Theatre Tax Relief is akin to government grant income.

### Fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses or in cases where fixed assets have been donated to the charity, at valuation at time of acquisition.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Category of Asset:	Depreciation Policy:
Long leasehold premises	Depreciated over 50 years
Vehicles	10% to 25% per annum on a straight-line basis
Equipment, fixtures and fittings	9% to 33% per annum on a straight-line basis

The Group's long leasehold premises were valued upon transition to FRS 102, and this value has now been adopted by the Group as the deemed cost as permitted by FRS102. Other fixed assets are included at cost less accumulated depreciation.

Costs of creating opera productions are written off in full at the time of the first performance of the production by the Company.

# Notes to the Financial Statements

## 1. Accounting Policies (continued)

### Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

### Stocks

Stocks consist of raw materials and are stated at the lower of cost and net realisable value.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Capital grants, in accordance with Accounting and Reporting by Charities: (SORP 2015), are accounted for within restricted funds. Accordingly, this fund is reduced by the depreciation arising on the tangible fixed assets acquired with the grant.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

### Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# Notes to the Financial Statements

## 1. Accounting Policies (continued)

### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### Pensions

For defined contribution schemes:

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due and are allocated against unrestricted funds.

# Notes to the Financial Statements

## 1. Accounting Policies (continued)

For the defined benefit scheme:

The Group retains a defined benefit pension scheme which was closed to new entrants and future accrual with effect from 5 April 2009. Note 17 sets out full disclosures in accordance with FRS 102 'Retirement Benefits'.

The assets of the scheme are held separately in an independently administered fund.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

### Operating leases

Rental costs under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

### Critical accounting judgements and key sources of estimation uncertainty

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Pensions accounting requires an estimation of actuarial assumptions. These represent the charity's best estimate of the variables that will determine the liability at the year-end. The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

## Notes to the Financial Statements

### 2. Analysis of Charitable Activity

(a) Income					Years to 31 August				
Unrestricted	Restricted	Endowment	Fund	Fund	2024	2024	2023	2023	Year
					£'000	£'000	£'000	£'000	Year
Box office and similar income									
1,732	-	-	-	-	1,732	1,732	1,741	1,741	
Programmes & Engagement									
160	-	-	-	-	160	160	77	77	
Income from other charitable activity									
342	-	-	-	-	342	342	904	904	
Profit on disposal of fixed assets									
13	-	-	-	-	13	13	6	6	
Income from charitable activities									
2,247	-	-	-	-	2,247	2,247	2,728	2,728	
Grants receivable:									
Arts Council England									
4,000	-	-	-	-	4,000	4,000	5,304	5,304	
Arts Council England (Transformation)									
-	1,944	-	-	-	1,944	1,944	-	-	
Arts Council of Wales									
4,352	-	-	-	-	4,352	4,352	4,729	4,729	
General grants									
8,352	1,944	-	-	-	10,296	10,296	10,033	10,033	

The majority of the income in the previous year derived from activities in the UK with less than £100,000 arising from the European Union. The majority of the income in the current year was derived from activities in the UK.

### (b) Expenditure on charitable activities

Years to 31 August:					Years to 31 August:				
Direct	Support	Year	Direct	Support	2024	2023	2023	2023	Year
					activity costs	activity costs	costs	costs	Year
Main-scale opera									
13,584	2,333	15,917	14,696	2,057	16,753	16,753	1,209	1,209	
Programmes & Engagement									
1,010	149	1,159	1,078	131	1,209	1,209	1,209	1,209	
Charitable activity									
14,594	2,482	17,076	15,774	2,188	17,962	17,962	344	344	
Fundraising									
300	77	377	276	68	2,418	2,418	2,418	2,418	
Trading									
3,160	-	3,160	2,418	-	2,418	2,418	2,418	2,418	
Total expenditure									
18,054	2,559	20,613	18,468	2,256	20,724	20,724	20,724	20,724	

## Notes to the Financial Statements

### 2. Analysis of Charitable Activity (continued)

#### (c) Support costs

Years to 31 August:	2024	2023
£'000		
Wales Millennium Centre premises	496	414
Finance & IT	1,063	852
Administration, HR	952	913
Governance costs	2	1
Defined Benefit Scheme pension costs	46	76
<b>Support costs</b>	<b>2,559</b>	<b>2,256</b>

Allocation of support costs to activities based on direct costs incurred:

Opera	2,333	2,057
Programmes & Engagement	149	131
Fundraising	77	68
<b>Support costs</b>	<b>2,559</b>	<b>2,256</b>

The allocation of support costs to trading activity is factored into the transfer pricing arrangements, so no further allocation is required.

### 3. Net Income and Expenditure

#### (a) Net incoming / (outgoing) resources is stated after charging:

Years to 31 August:	2024	2023
£'000		
Rentals under operating leases – land and buildings	184	180
Rentals under operating leases – equipment	14	14
Depreciation – owned assets	126	125
Auditor remuneration as statutory auditor	39	36
Other non-audit fees paid to the auditor	-	-

The auditor, Azets Audit Services, additionally provides audit services to the Welsh National Opera Limited Pension Scheme which has independent trustees to the charity paying audit fees of £5,450 (2023 - £5,925).

## Notes to the Financial Statements

### 3. Net Income and Expenditure (continued)

#### (b) Net income for the parent Company

A separate statement of financial activities has not been included in respect of Welsh National Opera Limited. Included in the consolidated statement of funds are the following amounts in respect of Welsh National Opera Limited:

Years to 31 August:	
2024	2023
£'000	£'000
20,278	20,278
18,153	(582)
358	1,490
(202)	908
372	
(Deficit)/surplus including actuarial (loss)/gain in the pension scheme	
Actuarial (loss)/gain on defined benefit scheme (see note 17)	
Net (deficit)/surplus for the year	
Total incoming resources	

### 4. Employee Costs and Numbers

#### Group and Company

Employee costs during the year (including temporary staff) amounted to:

Years to 31 August:	
2024	2023
£'000	£'000
8,346	8,283
905	896
392	418
46	76
9,689	9,673
Wages and salaries	
Social security costs	
Other pension costs	
Pension deficit costs	

Included in employee costs above are the costs of 89 temporary and casual staff (2023 – 41) who were employed during the year paying total wages and salaries of £766,966 (2023 – £968,058). Redundancy and termination payments totalling £77,135 for the year ended 31st August 2024 (2023: £54,868). Amounts outstanding at the year end totalled £nil (2023: £nil) are also included.

Monthly average numbers of permanent employees by activity were:

Years to 31 August:	
2024	2023
Number	Number
148	155
10	11
16	17
7	8
22	23
Trading	
Fundraising	
Support	
Programmes and Engagement	
Opera	

Notes to the Financial Statements

4. Employee Costs and Numbers (continued)

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

Years to 31 August:		
2024	2023	Number
1	3	£60,000 - £69,999
4	5	£70,000 - £79,999
1	1	£80,000 - £89,999
1	-	£90,000 - £99,999
1	-	£100,000 - £109,999
-	-	£110,000 - £119,999
-	1	£120,000 - £129,999
-	1	£130,000 - £139,999

Senior management pay

The senior management personnel of the Company and the Group are listed on page 58. The total remuneration (including pension contributions and freelance fees) in respect of the senior managers of the Company and Group for the year amounted to £889,974 (2023 - £733,709).

The remuneration and terms of employment of the General Director are set by the Board and reviewed annually. Those of other senior managers are reviewed annually and subject to periodic comparison with similar roles.

Directors' emoluments

The directors received no remuneration for their roles as directors in the year (2023 - £nil) and no accommodation and travel expenses were reimbursed to directors during the year (2023 - £nil). Tickets for performances are purchased at box office prices by the directors other than for a small number of complimentary tickets for official hosting and marketing purposes.

## Notes to the Financial Statements

### 5. Taxation on Ordinary Activities

Welsh National Opera Limited is a Company limited by guarantee and is a registered charity.

As a registered charity Welsh national Opera Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only. The charity has two wholly owned subsidiaries:

- i) Cardiff Theatrical Services Limited is, however, subject to tax. In the current year no corporation tax (2023 - £nil) was incurred by the subsidiary.
- iii) WNO Productions Limited is also subject to tax and applied for Theatre Tax Relief on the major productions created in the year to 31 August 2024 amounting to £2,875,693 (2023 £2,814,399).

### 6. Operating Lease Commitments

The Company and Group were committed to making the following future minimum lease payments in respect of operating leases:

Years to 31 August:	2024	£
Due, 1 year	218,404	194,062
Due 2-5 years	213,885	112,000
Due > 5 years	2,793,069	2,249,742

### 7. Fixed Assets

#### 7a. Tangible fixed assets

Group and Company	Long leasehold	Vehicles	Equipment	Total
Cost	£'000	£'000	£'000	£'000
At 1 September 2023	1,500	498	1801	3,799
Additions	-	143	-	143
Disposals	-	108	-	108
At 31 August 2024	1,500	533	1,801	3,834
Depreciation				
At 1 September 2023	240	430	1,647	2,317
Charge for the year	30	34	62	126
Disposals	-	105	-	105
At 31 August 2024	270	359	1,709	2,338
Net book value				
At 31 August 2023	1,260	68	154	1,482
At 31 August 2024	1,230	174	92	1,496

## Notes to the Financial Statements

### 7a. Tangible fixed assets (continued)

The other long leasehold premises have been professionally valued by Lambert Smith Hampton, Chartered Surveyors, on an open market, existing use and vacant possession valuation basis, upon transition to FR5102, at 31 August 2015 at £1,500,000 in accordance with the Royal Institution of Chartered Surveyors Valuation – Professional Standards UK January 2014 (revised April 2015).

### 7b. Fixed asset investments

Brewin Dolphin Limited is the investment manager of the Company's long-term funds. The following investments were held and managed by Brewin Dolphin at the year-end:

Group and Company:		At 31 August	
		2024	2023
		£'000	£'000
Corporate bonds and cash		703	512
Equities:			
- UK		1,668	878
- US		1,276	1,009
- Other equities		461	584
- Property		117	55
		4,225	3,038

The movements in investments held were as follows:

Years ended 31 August:		2024		2023	
		£'000		£'000	
Market value at the beginning of the year		3,038	3,115		
Additions at cost		1,371	883		
Disposals at carrying value		(705)	(796)		
Net realised and unrealised (losses)/gains		521	(164)		
Market value at the end of the year		4,225	3,038		
Historical cost at the end of the year		3,857	2,844		
Included within the above is cash held within the portfolio totalling		34	81		

## Notes to the Financial Statements

### Other investments

The Company also held 100% of the share capital in its trading subsidiaries at the beginning and end of the year (see note 18 for details):

- Cardiff Theatrical Services Limited (historical cost £90), and
- WNO Productions Limited (historical cost £100).

### 8. Stocks

At 31 August	Group	Group	Company	Company
	2024	2023	2024	2023
Raw materials	£'000	£'000	£'000	£'000
	72	102	72	102

Stocks comprise materials held in the workshops for use in building sets and scenery for sale to third-party customers.

### 9. Debtors

Amounts falling due within one year:

At 31 August	Group	Group	Company	Company
	2024	2023	2024	2023
£'000	£'000	£'000	£'000	£'000
Trade debtors	888	530	164	121
Amounts owed by Group undertakings	-	-	567	204
Other debtors	235	320	405	258
Taxation	2,899	2,824	-	-
Prepayments and accrued income	724	746	724	751
	4,746	4,420	1,860	1,334

Amounts owed by Group undertakings comprise amounts due from Cardiff Theatrical Services Limited for normal monthly transactions.

### 10. Cash at Bank and in Hand

At 31 August	Group	Group	Company	Company
	2024	2023	2024	2023
£'000	£'000	£'000	£'000	£'000
Cash at bank and in hand	1,877	2,751	1,614	2,673

The Company has no borrowings or overdraft facilities.

## Notes to the Financial Statements

### 11. Creditors: Amounts Falling Due Within One Year

At 31 August	Group	2024	2023	Group	Company	2024	2023	Company
Trade creditors	174	107	174	107	174	107	174	107
Other creditors including taxation	332	428	457	432	432	432	432	432
Accruals	592	637	594	594	432	432	432	432
Deferred grant income	333	383	333	333	383	383	383	383
Other deferred income	431	176	5	176	5	5	5	5
	1,862	1,731	1,563	1,731	1,354	1,354	1,354	1,354

Other deferred income arises from co-productions, future productions and the work of Cardiff Theatrical Services Limited.

#### Analysis of movement in other deferred income

At 31 August	Group	2024	2023	Group	Company	2024	2023	Company
Brought forward	176	478	-	478	345	345	345	345
Released in year	(176)	(302)	-	(302)	-	-	-	(345)
Received in year	431	-	5	-	5	5	5	-
Carried forward	431	176	5	176	5	5	5	-

#### Analysis of movement in deferred grant income

At 31 August	Group	2024	2023	Group	Company	2024	2023	Company
Brought forward	388	383	383	383	383	383	383	383
Released in year	(10,832)	(10,033)	(10,832)	(10,033)	(10,832)	(10,033)	(10,033)	(10,033)
Received in year	10,777	10,033	10,777	10,033	10,777	10,033	10,033	10,033
Carried forward	333	383	333	383	333	333	333	333

### 12. Company Status

The Company is a registered charity constituted as a Company Limited by Guarantee and does not have share capital. The liability of each member is limited to £10, the maximum number of members being 20. The actual number of members at 31 August 2024 was 18 (2023 - 14).

## Notes to the Financial Statements

### 13. Unrestricted Funds

At 31 August 2024

Group		Opening	Incoming	Resources	Gains /	Transfers	Closing
		balance	resources	expended	(losses)		balance
		£'000	£'000	£'000	£'000	£'000	£'000
Total Group funds		10,096	21,633	(21,321)	(202)	(71)	10,135
Restructuring reserve	237	-	-	-	-	(237)	-
Production reserve	2,002	-	-	-	-	(2,002)	-
Transformation reserve	-	-	-	-	-	2,239	2,239
Pension reserve	4,186	-	-	-	(202)	-	3,984
Revaluation reserve	868	-	-	-	-	-	868
Income and expenditure	2,803	21,633	(21,321)	-	-	(71)	3,044
Company		Opening	Incoming	Resources	Gains /	Transfers	Closing
		balance	resources	expended	(losses)		balance
		£'000	£'000	£'000	£'000	£'000	£'000
Total Company funds		7,309	15,556	(15,307)	(202)	(71)	7,285
Restructuring reserve	237	-	-	-	-	(237)	-
Production reserve	2,002	-	-	-	-	(2,002)	-
Transformation reserve	-	-	-	-	-	2,239	2,239
Pension reserve	4,186	-	-	-	(202)	-	3,984
Revaluation reserve	868	-	-	-	-	-	868
Income and expenditure	16	15,556	(15,307)	-	-	(71)	194

The Designated funds are made up of the Restructuring and Production reserves as detailed below.

A 'Restructuring' reserve has been designated to enable investment in change and forms part of the Company's unrestricted reserves. It also incorporates what was formerly known as the Media fund.

The 'Production' reserve is set aside to support the planning of an ambitious repertoire in future years, especially important with the long planning lead times for large-scale operas and to support exploitation of the Company's work.

The 'Transformation Reserve' is a designated fund established to support the organisation's transition to a new operational structure over the next 3 years. It will be used to finance key activities essential for this transformation, including restructuring operations, investing in new technologies and processes, staff training, infrastructure changes, and professional services directly related to the transformation. The fund has been allocated from unrestricted funds and is monitored regularly to ensure expenditure aligns with the strategic objectives of the transformation plan.

## 13. Unrestricted Funds (continued)

At 31 August 2023

Group	Opening balance	Incoming resources	Resources expended	Gains / (losses)	Transfers	Closing balance
	£'000	£'000	£'000	£'000	£'000	£'000
Restructuring reserve	437	-	-	-	(200)	237
Production reserve	2,002	-	-	-	-	2,002
Pension reserve	2,696	-	-	1,490	-	4,186
Revaluation reserve	868	-	-	-	-	868
Income and expenditure	4,373	18,921	(20,840)	(32)	381	2,803
<b>Total Group funds</b>	<b>10,376</b>	<b>18,921</b>	<b>(20,840)</b>	<b>1,458</b>	<b>181</b>	<b>10,096</b>
Company	Opening balance	Incoming resources	Resources expended	Gains / (losses)	Transfers	Closing balance
	£'000	£'000	£'000	£'000	£'000	£'000
Restructuring reserve	437	-	-	-	(200)	237
Production reserve	2,002	-	-	-	-	2,002
Pension reserve	2,696	-	-	1,490	-	4,186
Revaluation reserve	868	-	-	-	-	868
Income and expenditure	2,347	18,219	(20,899)	(32)	381	16
<b>Total Company funds</b>	<b>8,350</b>	<b>18,219</b>	<b>(20,899)</b>	<b>1,458</b>	<b>381</b>	<b>7,309</b>

## Notes to the Financial Statements

### 14. Restricted Funds

At 31 August 2024

Group and Company	Opening balance	Incoming resources	Resources expended	Revalue	Transfers	Closing balance
Eira Francis Davies Bursary	-	35	(18)	-	218	235
Sheila and Richard Brooks	-	-	(98)	-	233	136
Peter Bynng	-	-	-	-	87	87
Seligman Trust	76	-	-	-	(31)	45
Colwinston Trust	-	180	-	-	-	180
Arts Council England	-	1,944	(1,944)	-	-	-
Other	383	836	(397)	-	-	822
<b>Total restricted funds</b>	<b>459</b>	<b>2,995</b>	<b>(2,457)</b>	<b>-</b>	<b>507</b>	<b>1,505</b>

At 31 August 2023

Group and Company	Opening balance	Incoming resources	Resources expended	Revalue	Transfers	Closing balance
Seligman Trust	76	2	-	(2)	-	76
Schaefer Bursary	18	-	-	-	-	18
C Ball Bursary	3	-	-	-	(3)	-
Parry Family Bursary	11	-	-	-	-	11
Other	242	267	-	-	(155)	354
<b>Total restricted funds</b>	<b>350</b>	<b>269</b>	<b>-</b>	<b>(2)</b>	<b>(158)</b>	<b>459</b>

Restricted funds are held for use under the conditions set out by the donors, such as for specific productions or to support types of musical or community activity.

## Notes to the Financial Statements

### 15. Endowment Funds

At 31 August 2024

Group and Company					
Opening balance	Income resources	Interest income	Resources expended	Transfers	Closing balance
£'000	£'000	£'000	£'000	£'000	£'000
1,440	-	16	(132)	(259)	1,064
517	-	5	(422)	(100)	-
1,336	27	18	(18)	-	1,363
400	-	15	(5)	61	471
3,693	27	54	(578)	298	2,898
funds					
Total endowment					
Mary Warner Trust					
RW Pethybridge					
Seligman Legacy					
Rolf Olsen Fund					
Total endowment					

At 31 August 2023

Group and Company					
Opening balance	Income resources	Resources expended	Revalue	Closing balance	
£'000	£'000	£'000	£'000	£'000	
1,432	38	-	(30)	1,440	
514	14	-	(11)	517	
23	2	(23)	(2)	-	
-	1,336	-	-	1,336	
-	400	-	(43)	3,693	
funds					
Total endowment					
Mary Warner Trust					
RW Pethybridge					
Sir John Moores Award					
Seligman Legacy					
Rolf Olsen Fund					
Total endowment					

The Mary Warner Trust is a permanent endowment created under the terms of a legacy and managed by a defined group of trustees for the objects set out in the gift: the training and development of tenors of Welsh origin.

The RW Pethybridge fund is an expendable endowment fund held for the benefit of the people of Wales who are disabled, elderly, or in prison.

The Sir John Moores Award fund is a permanent endowment held for the granting of an annual award for the career development of a young artist

Seligman Legacy - Income earned each financial year is to be used for the promotion of WNO Youth Opera, subject to the condition that an annual concert with tickets on sale to the general public being performed by the members of WNO Youth Opera to be called 'The Seligman Concert'.

Rolf Olsen - To provide Bursaries to support the professional development of young singers.

## Notes to the Financial Statements

### 16. Analysis of Net Assets Between Funds

At 31 August 2024

Group				
At 31 August 2024				
Unrestricted funds				
Restricted funds				
Endowment funds				
Total				
£'000				
Tangible fixed assets				
1,496	-	-	-	1,496
Fixed asset investments	-	-	-	4,225
Net current assets	-	-	-	430
Pension reserve	-	-	-	3,984
Net assets				
10,135	1,505	2,898	14,538	7,285
Company				
Tangible fixed assets				
1,496	-	-	-	1,496
Fixed asset investments	-	-	-	4,225
Net current assets	-	-	-	(2,420)
Pension reserve	-	-	-	3,984
Net assets				
7,285	1,505	2,898	11,688	

At 31 August 2023

Group				
Unrestricted funds				
Restricted funds				
Endowment funds				
Total				
£'000				
Tangible fixed assets				
1,482	-	-	-	1,482
Fixed asset investments	-	-	-	3,038
Net current assets	-	-	-	5,542
Pension reserve	-	-	-	4,186
Net assets				
10,096	459	3,693	14,248	7,309
Company				
Tangible fixed assets				
1,482	-	-	-	1,482
Fixed asset investments	-	-	-	3,038
Net current assets	-	-	-	2,341
Pension reserve	-	-	-	4,186
Net assets				
7,309	459	3,693	11,461	

## Notes to the Financial Statements

### 17. Pension Schemes

The disclosures below have been prepared for Welsh National Opera Limited (the "Company") in relation to benefits payable from the Welsh National Opera Limited Pension Scheme (the "Scheme").

There were no Company contributions to the Scheme for the year ended 31 August 2024, and Company contributions for the year ending 31 August 2024 are expected to be nil.

The valuation used for FRS 102 disclosures has been based on a full assessment of the liabilities of the Scheme as at 31 August 2024. The present values of the defined benefit obligation were measured using the projected unit credit method.

The principal assumptions used to calculate the liabilities under FRS 102 are set out below:

Assumptions			
31 August 2024	31 August 2023	31 August 2022	% p.a.
3.10	3.25	3.50	
CPI Inflation			
2.70	2.80	3.05	
Pension increases (Pre April 1997 in excess of GMP)			
3.00	3.00	3.00	
Pension increases (April 1997 – April 2005)			
2.65	2.75	2.95	
Pension increases (Post April 2005)			
1.85	2.00	2.05	
Discount rate for Scheme liabilities			
4.95	5.40	4.30	
Longevity for member currently aged 65:			
Male	21.0	21.2	21.9
Female	23.6	23.7	24.3
Longevity for member reaching 65 in 20 years:			
Male	21.9	22.2	23.2
Female	24.7	24.8	25.7

## Notes to the Financial Statements

### 17. Pension Schemes (continued)

Fair value of assets		
31 August 2024	31 August 2023	31 August 2022
£'000	£'000	£'000
Equities		
Over 15Y Gilts Index	-	7,952
Index-linked gilts	511	-
Corporate bonds	4,397	6,074
Buy & Maintain Credit	-	1,541
Other	10,006	-
Total	134	81
15,048	14,931	15,648
Reconciliation of funded status to balance sheet		
31 August 2024	31 August 2023	31 August 2022
£'000	£'000	£'000
Fair value of Scheme assets		
Present value of funded defined benefit obligations	15,048	14,931
(Deficit)/surplus	(11,064)	(10,745)
(Liability)/asset recognised on the statement of financial position	3,984	4,186
Analysis of profit and loss		
31 August 2024	31 August 2023	Value at
£'000	£'000	31 August 2023
Administration expenses	-	-
Net interest cost	-	-
Past service cost	(226)	(116)
Expense recognised in profit and loss	-	-
(226)	(116)	(116)

## Notes to the Financial Statements

### 17. Pension Schemes (continued)

Changes to present value of the defined benefit obligation

Value at 31 August 2024	Value at 31 August 2023
£'000	£'000
10,745	12,952
Administration expenses	-
Interest cost	548
Remeasurement (gains)/losses	
- Actuarial losses on Scheme liabilities in respect of assumptions	521
- Actuarial losses on Scheme liabilities in respect of experience	(91)
- From change in demographic assumptions	(429)
Net benefit paid out	(414)
Past service cost	-
<b>Closing defined benefit obligation</b>	<b>11,064</b>
10,745	-

Changes to the fair value of Scheme assets

Value at 31 August 2024	Value at 31 August 2023
£'000	£'000
14,931	15,648
Interest income on Scheme assets	790
Actuarial gains/(losses)	
- Return on Scheme assets less interest income	(53)
Contributions by the Company	(967)
Net benefits paid out	(414)
<b>Closing fair value of Scheme assets</b>	<b>14,931</b>

Analysis of amounts recognised in the Statement of financial activities

Value at 31 August 2024	Value at 31 August 2023
£'000	£'000
53	967
Return on Scheme assets less interest income	
(Losses)/gains on financial assumptions	521
(Losses)/gains on demographic assumptions	(55)
Experience Gains on Scheme liabilities	(91)
<b>Total (loss)/gain</b>	<b>428</b>
(1,374)	

## Notes to the Financial Statements

### 17. Pension Schemes (continued)

Actual return on Scheme assets

Value at	31 August 2024	31 August 2023
Interest income on Scheme assets	£'000	£'000
Return on Scheme assets less interest income	790	664
Total return on Scheme assets	(53)	(967)
	737	(303)

### 18. Additional Information on Subsidiaries

Welsh National Opera Limited has two subsidiaries:

Cardiff Theatrical Services Limited - company registration 01705868 which is incorporated in the UK.  
Registered office - Ellen Street, Cardiff, CF10 4TT

Acquired by Welsh National Opera Limited for £nil on 1 April 1989, the share capital of Cardiff Theatrical Services Limited comprises 90 ordinary shares of £1 which are all wholly owned by Welsh National Opera Limited. The purpose of Cardiff Theatrical Services Limited is to act as the trading arm of Welsh National Opera Limited, primarily undertaking sales of theatrical sets, costumes and properties and transportation for Welsh National Opera Limited and external parties. Theatrical sets are produced within a production division of Welsh National Opera Limited and charged to Cardiff Theatrical Services Limited at full cost.

The trading results of the subsidiary were as follows:

Years to 31 August:	2024	2023
Turnover	3,414	2,411
Cost of sales	3,141	2,410
Gross profit	273	1
Administrative expenses	(19)	(8)
Operating profit/(loss)	254	(7)
Gift Aid to parent company	(250)	-
Profit/(Loss) before taxation	4	(7)
Taxation	-	-
Profit/(loss) for the financial year	4	(7)

The aggregate of the assets, liabilities and funds was:

At 31 August	2024	2023
Assets	£'000	£'000
Liabilities	1.113	542
Shareholder funds	(1,139)	(572)
	(26)	(30)

## Notes to the Financial Statements

### 18. Additional Information on Subsidiaries (continued)

Included within turnover and cost of sales is inter-company trade

At 31 August		
2024	2023	
£'000	£'000	
183	135	Sales
2,418	2,907	Purchases
185	519	Amounts outstanding at year end

#### Statement of Changes in Equity

Company	Share capital	Profit and loss reserves	Total
£	£	£	£
Balance at 1 <sup>st</sup> September 2022	90	(23,210)	(23,120)
Year ended 31 August 2023:			
Profit and total comprehensive income for the year	-	(7,242)	(7,242)
Distributions to parent charity under gift aid	-	-	-
Balance at 31 August 2023	90	(30,452)	(30,362)
Year ended 31 August 2024:			
Profit and total comprehensive income for the year	-	4,264	4,264
Balance at 31 August 2024	90	(26,188)	(26,098)

## Notes to the Financial Statements

### 18. Additional Information on Subsidiaries (continued)

WNO Productions Limited – company registration 09247950 which is incorporated in the UK.  
Registered office – Wales Millennium Centre, Bute Place, Cardiff CF10 5AL

Formed by Welsh National Opera Limited on 3 October 2014, the share capital of WNO Productions Limited comprises 100 ordinary shares of £1 which are all wholly owned by Welsh National Opera Limited. The purpose of WNO Productions Limited is to create and prepare theatrical productions for the Welsh National Opera Group of companies.

The trading results of the subsidiary were as follows:

Years to 31 August:

	2024	2023
Turnover	11,123	11,621
Cost of sales	(11,100)	(11,608)
Gross profit	23	13
Administrative expenses	(23)	(13)
Operating profit / (loss)	-	-
Profit / (Loss) before taxation	-	-
Theatre tax relief on productions	2,876	2,814
Profit retained in subsidiary	2,876	2,814

The aggregate of the assets, liabilities and funds was:

At 31 August

	2024	2023
Assets	£'000	£'000
Liabilities	2,899	2,829
Shareholder funds	(23)	(13)
	2,876	2,816

## Notes to the Financial Statements

### 18. Additional Information on Subsidiaries (continued)

2024	2023
£'000	£'000
At 31 August	
Sales	11,621
Purchases	11,621
Amounts outstanding at year end	12,647
23,021	

### Statement of Changes in Equity

Company	Share capital	Profit and loss reserves	Total
£	£	£	£
Balance at 1 <sup>st</sup> September 2022	100	2,045,584	2,045,684
Year ended 31 August 2023:			
Profit and total comprehensive income for the year	2,780,438	2,780,438	2,780,438
Distributions to parent charity under gift aid	(2,043,568)	(2,043,568)	(2,043,568)
Balance at 31 August 2023	100	2,782,454	2,782,554
Year ended 31 August 2024:			
Loss and total comprehensive income for the year	100	2,875,821	2,913,801
Distributions to parent charity under gift aid	(2,782,454)	(2,782,454)	(2,782,454)
Balance at 31 August 2024	100	2,875,821	2,913,801

Notes to the Financial Statements

19. Related Parties

Welsh National Opera Limited has connections to the following independently registered charities:

Welsh National Opera Benevolent Trust (charity 1085756).

At 31 August	
2024	2023
£	£
Income received	
Funding awarded	170
Debtor	-
	-

Welsh National Opera Endowment Fund (charity 1146595).

At 31 August	
2024	2023
£	£
Investment income	
Bursaries applied for	38,914
Debtor	20,000
Creditor	76,423
Value of portfolio	21,740
	1,015,958

## Consolidated Statement of Financial Activities 2023

Incorporating the income and expenditure account for the year ended 31 August 2023

Years to 31 August:

	Note	Unrestricted funds	Restricted funds	Endowed funds	Total 2023	Total 2022
<b>Income from:</b>						
Charitable activities	2a	2,728	-	-	2,728	4,150
Donations		849	217	400	1,466	774
Legacies		125	50	1,336	1,911	132
General grants	2a	10,033	-	-	10,033	10,848
Trading income		2,349	-	-	2,349	2,156
Investment income		23	2	56	79	102
<b>Total income</b>		<b>16,107</b>	<b>269</b>	<b>1,790</b>	<b>18,166</b>	<b>18,162</b>
<b>Expenditure on:</b>						
Charitable activities		17,962	-	-	17,962	17,752
Raising funds		344	-	-	344	356
Trading expenditure		2,418	-	-	2,418	2,061
<b>Total expenditure</b>	2b	<b>20,724</b>	<b>-</b>	<b>-</b>	<b>20,724</b>	<b>20,169</b>
Net (losses)/gains on investments	7b	(32)	(2)	(43)	(77)	(6)
<b>Net income/(expenditure) before tax</b>	18	<b>(4,649)</b>	<b>267</b>	<b>1,747</b>	<b>(2,636)</b>	<b>(2,013)</b>
Taxation		2,814	-	-	2,814	2,044
<b>Net income/(expenditure) for the year</b>	3	<b>(1,835)</b>	<b>267</b>	<b>1,747</b>	<b>179</b>	<b>31</b>
<b>Transfers</b>						
Transfer from Endowment		23	-	(23)	-	-
Transfer from restricted funds	13	158	(158)	-	-	-
Other gains/losses	17	1,374		1,374	1,374	1,664
Actuarial (losses)/gains in the defined benefit pension scheme						
<b>Net movement in funds</b>		<b>(280)</b>	<b>109</b>	<b>1,724</b>	<b>1,553</b>	<b>1,695</b>
Fund balance brought forward		10,376	350	1,969	12,695	11,000
<b>Fund balance carried forward</b>		<b>10,096</b>	<b>459</b>	<b>3,693</b>	<b>13,834</b>	<b>12,695</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on pages 28 to 55 form part of these financial statements.

No separate income and expenditure account is presented for the parent Company in accordance with the provisions of s.408 of the Companies Act 2006. The total income for the parent company is £20,278,000 (2022 - £16,568,000). The result reported in the accounts of the parent Company is a deficit of £792,000 (2022 - deficit £1,507,000).

## Reference and administrative details

### Company Details

Welsh National Opera Limited

(Company limited by guarantee and without share capital)

Registered office Wales Millennium Centre

Bute Place

Cardiff

CF10 5AL

Company number

00454297 (registered in England and Wales)

Charity number

221538

VAT registration

GB 218 9895 51

### Professional Advisers

Auditor

Azets Audit Services

Ty Drew

Lime Tree Court

Cardiff Gate Business Park

Cardiff

CF23 8AB

Solicitors

Eversheds LLP

1 Callaghan Square

Cardiff CF10 5BT

Bankers

Lloyds Bank plc

31 Queen Street

Cardiff CF10 2AG

Bank deposits are also held at National Westminster and Barclays.

Investment Managers

Brewin Dolphin

5 Callaghan Square

Cardiff CF10 5BT

## Directors and Officers

### Board of Directors and Committees

The directors are also the Company's charitable trustees. The directors who served throughout the financial year, unless otherwise stated, and the committees they attend, are shown below:

Name		Designation	Main Board	Audit & Risk (ARC)	Nom & Rem	CTS	Endowment Fund	Artistic Advisory	Change	Health & Wellbeing	All Wales
Yvette Vaughan Jones	Chair	X		X	X	X					
Nicola Amery	Trustee	X			Chair				X		
Manon Edwards Ahir	Trustee	X								Chair	X
Prof Medwini Hughes	SID	X			SID				X		Chair
Henry Little	Trustee	X			X			Chair	X		
Dr Arun Mishra	Trustee	X		X							X
Claire Pillman	Trustee	X		X		X			Chair	X	
Aileen Richards	Trustee	X		X		X					
Martyn Ryan	(Resigned 26/02/2024)	Trustee	X	Chair			Chair		X		
Dr Chitra Bharucha	(Resigned 21/10/2023)	Trustee	X								
Lynne Berry	(Resigned 23/10/2023)	Trustee	X								
Samuel Jones	(Resigned 24/10/2023)	Trustee	X								
Harriet Feilding	(Appointed 31/10/2023)	Trustee	X	X			X				
Kenan Manon	(Appointed 30/10/2023)	Trustee	X			X			X		
Donald Maxwell	(Appointed 18/12/2023)	Trustee	X					X			
Gerald Jones	(Appointed 30/10/2023)	Trustee	X	X	X						X
Paul Hughes	(Appointed 30/10/2023)	Trustee	X			X			X		
Nan Williams	(Appointed 30/10/2023)	Independent		Co-opted							
Stephen Harrison		Independent				Chair					
Geraïni Davies		Independent			Chair		X				
Nigel Goldsworthy		Independent		X							

The Board meets a minimum of six times per year, delegating appropriate matters to the Audit & Risk and Nominations committees. Each committee determines its own frequency for meetings subject to the requirement to meet at least twice each year.

### Executive Team

Christopher Barron	Interim General Director	(Appointed 08.01.2024)	(Resigned 30.09.24)
Stephanie Bradley	Executive Director	(Appointed 21.11.22)	(Resigned 30.09.24)
Adele Thomas	Joint General Director/CEO	(Appointed 02.01.25)	
Sarah Crabtree	Joint General Director/CEO	(Appointed 02.01.25)	
Jan Michaelis	Interim General Director	(Appointed 01.10.24)	(Resigned 31.01.25)
Tomáš Hannus	Music Director		

### Senior Management Team

Tom Doster	Director of Finance & IT	(Appointed 01.09.2023)	(Resigned 09.08.2024)
Sarah Boswell	Director of Development & External Relations		(Resigned 06.02.25)
Emma Flatley	Director of Engagement and Partnerships		
Jan Michaelis	Technical Director	(Resigned 26.06.24)	
Allison Woodward	Director of People & Culture	(Resigned 10.05.24)	
Kate Baylis	Director of Artistic Administration		
Nadine Holloway	Interim Director of Finance	(Appointed 01.10.24)	