

Registered number: 03001101
Charity number: 1043391

MID WALES OPERA
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



WR
Whittingham Riddell
chartered accountants

MID WALES OPERA
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees

Simon Baynes
Sara Clutton
Sheila Drury CBE
Suzanne Edwards (appointed)
Kingsley George
Alun Jones
John Stephenson
Gareth Williams, Chair

Company registered number

03001101

Charity registered number

1043391

Registered office

Bryn Wgan, Trefeglwys, Powys, SY17 5QU

Company secretary

Alun Jones

Chief executive officer

Lydia Bassett

Accountants

Whittingham Riddell LLP, Hafren House, 5 St Giles Business Park, Newtown, Powys, SY16 3AJ

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the independently examined financial statements of Mid Wales Opera Limited (the company) for the period ended 31 March 2019. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

This report covers the twelve-month period to 31 March 2019 which included MWO's SmallStages tour of Ravel's L'heure espagnole as well as a main-stage tour of Puccini's Tosca.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

Mission: Building a passion for opera across Wales and beyond.

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

The scale at which we work enables us to fulfil our ambitions to:

Stage thought-provoking, moving and high quality productions in small and mid-scale venues across Wales and England where fully staged professional live opera is rarely or never shown, thus reaching audiences who would not otherwise be able to experience it.

Play a part in sustaining a vibrant culture of live opera performance by offering invaluable career development opportunities to young singers, helping them to progress their careers on a national and international level. Fifty per cent of our casts are "young artists" under 30 or within four years of leaving college.

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

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

b. Activities for achieving objectives

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

2016 also saw the introduction of our new Young Artists' Policy – whereby at least 50% of singers employed by the company will be under 30 and/or within 4 years of leaving education. The cast of our Tosca tour reflected this strategy with four singers from a cast of eight falling into the Young Artist category, as well as two singers in L'heure espagnole and we have been able to combine our desire and demand for excellent singers with the ability to support young artists in the early stages of their careers by offering them key roles within our production.

Our Autumn 2018 SmallStages tour visited 16 venues across Wales and the Borders with a new reduction of Ravel's A Spanish Hour – L'heure espagnole for four musicians and five singers. The production was designed to work in the widest possible range of spaces – from a small church in Hay-on-Wye to more conventional venues such as Pontardawe Arts Centre – and was seen by 1777 people – an increase of 48% on audiences for the previous year's SmallStages production.

c. Main activities undertaken to further the charity's purposes for the public benefit

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

This year's touring work has reflected that ambition with 16 performances of L'heure espagnole right across Wales and the Borders, and nine performances of Tosca in our core venues of Hafren in Newtown, Aberystwyth Arts Centre, Pontio in Bangor, The Riverfront in Newport, Theatr Clwyd in Mold, Theatr Brycheiniog in Brecon, Ffwrnes in Llanelli, The Torch in Milford Haven and The Courtyard in Hereford.

The Tosca tour was our second in partnership with Ensemble Cymru, who will also join us for the performances of The Marriage of Figaro in Spring 2020.

Achievements and performance

a. Review of activities

The year to March 2019 was the second following MWO's new model of linked Autumn SmallStages performances and Spring main stage shows, this time under the season branding of 'Ignite the Passion'.

Autumn 2018 saw the performance of MWO's second tour of SmallStages shows with Ravel's A Spanish Hour - L'heure espagnole performed in 16 venues across Wales and the Borders with a new orchestral reduction by Jonathan Lyness and a new translation by Richard Studer. L'heure espagnole reached an audience of 1777 as opposed to 1199 for The Bear in Autumn 2018, representing a 48% increase in sales.

The production also received excellent reviews:-

Four star review - Stephanie Power in The Stage, reviewing in Black Mountain Barns, Clodock

"It's a vaudeville approach which successfully combines brash, Carry On humour with abstract concepts of time – endless, wasted, running out – within a happy-sad, clownish frame. A wonderful gift for far-flung rural audiences otherwise starved of live opera, Ravel's scant 50 minutes (plus second-half Spanish medley concert) whizz by in no time at all."

Richard Bratby, The Arts Desk reviewing in SpArC, Bishops Castle

"so perfectly pitched, and so musically and dramatically satisfying. It's hard to imagine that Ravel – had he found himself at a loose end on an autumn night in the Welsh Borders – would have been anything other than enchanted."

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FOR THE YEAR ENDED 31 MARCH 2019

The Bear in 2018 and L'heure espagnole in 2019 were originally designed as part of a two year pilot and the combination of audience and critical response, and the enthusiasm for the work from community promoters, has given us the confidence to plan SmallStages touring into the future as a key element of MWO's annual programme.

Our Spring 2019 tour of Tosca was the second full-scale tour led by MWO's new Artistic Team of Jonathan Lyness and Richard Studer, visiting the nine venues with whom we plan to work for the future. Tosca reached a total audience of 2479 – as opposed to 1668 for Eugene Onegin, an increase of 45%. Again the production was extremely well received by both audiences and critics.

Four star review - Stephanie Power, The Stage reviewing Tosca at Theatr Brycheiniog

"This new English-language staging by director-designer Richard Studer is bleak yet handsome and keeps things simple, placing its focus on a narrative in which innocence and love stand no chance against systemic evil made personal."

Both shows were targeted at new and infrequent opera attenders, sung in English and with marketing designed to emphasise the accessibility of the productions. Both used bilingual feedback post cards to collect audience response to the productions and analyse travel times and so on.

For L'heure espagnole we know from analysing our feedback cards that:-

13% of those who responded had not seen an opera before

32% had seen opera once or twice

55% were regular opera goers

We also know that:-

41% of our SmallStages audience travelled less than 5 miles

24% 5-10 miles

12% 10-20 miles

23% more than 20 miles

For Tosca we know that:-

7% of the audience had not seen an opera before

19% had seen opera once or twice

74 % were regular opera attenders

In terms of distance travelled:-

28% less than 5 miles

23% 5-10 miles

23% 10-20 miles

25% more than 20 miles

The Tosca tour continued our community chorus programme, with included a community chorus performing the Te Deum at end of Act One at all nine performances. Altogether 87 singers from local choirs and individual singers joined us, with many performing at more than one venue - the record being six! Chorus members were recruited through social media, through our mailing list, through venue contacts and through an e-newsletter sent out by Ty Cerdd to choirs. They were supplied with music in advance and joined us on stage for an hour of rehearsal before the performance. The opportunity to perform on stage with our cast has been hugely appreciated and the feedback below from a chorus member is typical - this is an area of work we plan to expand in future.

"Just a little note to say a huge thank you to you, Richard, Jon and team for exploding those long-held belief that opera was for elitist toffs!! You welcomed and entrusted us with your top-notch, thrilling production. The soloists were so down-to-earth and we had such fun behind the scenes!

Although not quite ready to give up rock & roll, if you have any space for a maturish student for Figaro, you have

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a ready and willing volunteer. I suddenly can't get enough opera!! Huge respect. Claire X"

In addition to the chorus programme we ran a successful schools programme, reaching 980 children in 10 schools in Montgomeryshire with activities ranging from an assembly for 350 year 7 and 8 pupils in Newtown High to a master class for five GCSE music students in Llanidloes.

In June 2018 we undertook our second week's residency in Montgomery School, working with 50 children across the entire junior department to create an opera from scratch with songs, music, set and costumes all created by the children. The programme was a huge success and Anna Griggs Head teacher, told us:-

"It has been really inspirational and the energy levels are superb. The collaborative work between the Artistic Directors and the pupils is wonderful to see."

"We've had boys standing up and speaking their lyrics then singing them in groups and working on them to improve their pieces, something they would never normally do. The children are ambitious and confident in what they're doing – the whole week is both inspirational and aspirational."

"When the children came in on the first day they were really buzzing about what had happened last year and getting the chance to do it again. They have a huge sense of pride in their work and ownership of what they have created. The work hits the whole curriculum from the school's perspective."

Our Friends concert at Gregynog in summer 2018 featured singers from Wales International Academy of Voice, with whom we are developing a partnership which will include a tour of Mozart's The Marriage of Figaro in Spring 2020. We also held a summer gala concert at Powis Castle in August, opening the castle gardens for an evening of music and song with student singers and local choirs and musicians. The event was sponsored by Tanners and an ideal opportunity to gently introduce audiences to opera in a relaxed and informal setting.

In addition in February 2019, a concert was held at Hafren to celebrate Mid Wales Opera's thirtieth anniversary, featuring young singers from WIAV and former company members.

b. Investment policy and performance

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

Financial review

a. Going concern

After making appropriate enquiries the Trustees have carried out a review of the going concern basis and is pleased to report a strengthening of the company's reserves position during the year. The Trustees have a reasonable expectation that the company has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The free reserves of the company are £93,761 (2018 : £86,790), being the total unrestricted funds of £164,237 less depreciated fixed assets of £31,801 and designated funds of £38,675.

The trustees' reserves policy was reviewed in January 2011 and it was agreed to aspire to have 20% of the annual income in free reserve. The detailed result is set out on page 11 in the Statement of Financial Activities.

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TRUSTEES' REPORT (continued)
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c. Principal funding

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

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company is constituted under a Memorandum of Association and is a registered charity number 1043391.

At the prompting of Arts Council Wales, the Trustees undertook a review of the Memorandum and Articles of Association during the 2015/16 and concluded that these remained fit for purpose. There have therefore been no changes in the objectives since the last annual report.

b. Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are co-opted and elected under the terms of the Trust deed.

The company invites new trustees who have an appreciation and understanding of the arts, and particularly of opera. Ideally they will have regularly attended performances given by the company prior to their appointment. Suzanne Edwards joined the Board as a Trustee in December 2018, Suzanne has performed as a community chorus member for MWO and regularly attends our performances, her experience combines a lifelong passion for choral music as well as business expertise and she is based in Newtown.

c. Policies adopted for the induction and training of Trustees

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

d. Related party relationships

The Friends of Mid Wales Opera is run by a small group of volunteers who manage a number of fundraising events during the year. The trustees want to particularly acknowledge the contribution of Jackie Titley the Chair of the Friends' Committee for co-ordinating this effort. Friends' activities are reflected in the company's accounts and it is very pleasing to note the hard work that went into making the annual Gregynog Opera Gala so successful.

The Friends also contributed by ensuring a presence for the company at the Newtown Food Festival, to the Summer concert at Powis Castle, to our Christmas Carols concert held in Montgomery Church in December

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2018 and by selling programmes at our home venue of Hafren in Newtown.

e. Risk management

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

Plans for future periods

a. Future developments

Our Autumn 2019/Spring 2020 season will see a further 24 performances on tour. Our SmallStages production of Mrs Peachum's Guide to Love and Marriage – a radical reworking of John Gay's 1728 work The Beggar's Opera, featuring Mrs Peachum, her daughter Polly and the Beggar himself in their bawdy, ballsy take on relationships and the relative virtues of virginity. Mrs Peachum's Guide to Love and Marriage opens in Llandinam, Powys on November 7th before touring to 14 other venues across Wales and the Borders and is supported by G & M Davies Charity as well as Lottery funded through ACW.

Our Spring 2020 production will be our first collaboration with Wales International Academy of Voice, whose students will join us as full cast members alongside eight more experienced performers in a nine venue tour of Mozart's classic. The production will also be our third tour with our orchestra partners Ensemble Cymru whose work has been highly praised by reviewers: "the drama of the reduced-orchestra score, performed by an excellent 12-strong Ensemble Cymru under arranger-conductor Jonathan Lyness." The Stage

In addition we will launch our OpenStages project in Presteigne, Powys, where professional, student and amateur singers and string players will come together to produce Purcell's Dido & Aeneas in an intense week of music-making. With a fund-raising concert in the Judge's Lodging during the week there will be many opportunities for performers and audience alike to experience opera in different ways.

We are back in schools in June thanks to ACW funding through the Creative Collaborations scheme, following the successful pilot over the last two years. The new projects will involve week-long visits to Arddleen and Buttington Trewern Schools respectively to create an opera from scratch.

The Friends will be holding their annual fundraising Opera Gala at Gregynog in July where upcoming young singers will join vocal coach and pianist Charlotte Forrest, who leads the event and devises a special concert to showcase and develop their performance skills.

Our fundraising focus in 2019/20 will be on applications for Autumn 2020 tour of Puccini's Il tabarro and Spring 2021 tour of Puccini's La bohème performed in partnership with Wales International Academy of Voice, Ensemble Cymru and with a community chorus drawn from amateur singers across Wales and the Borders.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources,

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

including the income and expenditure, of the charitable company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

This report was approved by the Trustees, on 23 September 2019 and signed on their behalf by:



Gareth Williams
Trustee & Chair of the Board

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Independent Examiner's Report to the Trustees of Mid Wales Opera (the 'company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2019.

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

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

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

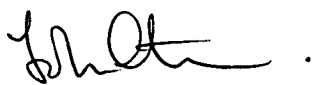
I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

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


Signed:

Dated: 25 October 2019

Mr J Fletcher BA(Hons) FCA

WHITTINGHAM RIDDELL LLP
Chartered Accountants
Hafren House
5 St Giles Business Park
Newtown
Powys
SY16 3AJ

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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Donations and legacies	2	31	7,820	7,851	6,293
Charitable activities	3	133,997	152,913	286,910	259,669
Other trading activities	4	1,550	5,708	7,258	5,346
Investments	5	-	125	125	57
Other income		1,608	26,377	27,985	10,467
TOTAL INCOME		137,186	192,943	330,129	281,832
EXPENDITURE ON:					
Raising funds		-	30,746	30,746	29,200
Charitable activities	8	159,117	118,797	277,914	249,208
TOTAL EXPENDITURE	9	159,117	149,543	308,660	278,408
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(21,931)	43,400	21,469	3,424
Transfers between Funds	16	20,150	(20,150)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(1,781)	23,250	21,469	3,424
NET MOVEMENT IN FUNDS		(1,781)	23,250	21,469	3,424
RECONCILIATION OF FUNDS:					
Total funds brought forward		14,592	140,987	155,579	152,155
TOTAL FUNDS CARRIED FORWARD		12,811	164,237	177,048	155,579

The notes on pages 13 to 25 form part of these financial statements.

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REGISTERED NUMBER: 03001101

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	13		31,801		32,429
CURRENT ASSETS					
Debtors	14	43,258		18,482	
Cash at bank and in hand		107,224		109,461	
		<u>150,482</u>		<u>127,943</u>	
CREDITORS: amounts falling due within one year	15	(5,235)		(4,793)	
NET CURRENT ASSETS			<u>145,247</u>		<u>123,150</u>
NET ASSETS			<u>177,048</u>		<u>155,579</u>
CHARITY FUNDS					
Restricted funds	16		12,811		14,592
Unrestricted funds	16		164,237		140,987
TOTAL FUNDS			<u>177,048</u>		<u>155,579</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 23 September 2019 and signed on their behalf, by:


Gareth Williams Chair

The notes on pages 13 to 25 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.5 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Debtors

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Pensions

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

1.12 Fund accounting

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Other donations	31	960	991	3,313
Patrons Circle	-	5,355	5,355	1,690
Friends of Mid Wales Opera	-	1,505	1,505	1,290
	<u>31</u>	<u>7,820</u>	<u>7,851</u>	<u>6,293</u>
Total donations and legacies	<u>31</u>	<u>7,820</u>	<u>7,851</u>	<u>6,293</u>
<i>Total 2018</i>	<u>-</u>	<u>6,293</u>	<u>6,293</u>	

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Ticket sales and fees	27,176	30,695	57,871	32,385
Grants receivable	89,521	120,718	210,239	201,284
Trust funds received	17,300	1,500	18,800	26,000
	<u>133,997</u>	<u>152,913</u>	<u>286,910</u>	<u>259,669</u>
<i>Total 2018</i>	<u>133,886</u>	<u>125,783</u>	<u>259,669</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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GRANTS AND TRUST FUNDS RECEIVABLE

	Restricted 2019 £	Unrestricted 2019 £	2019 £	2018 £
The Arts Council of Wales	89,521	115,768	205,289	177,334
Powys County Council	-	4,950	4,950	4,950
Millichope Foundation	-	1,500	1,500	1,500
G&M Davies Charitable Trust	5,000	-	5,000	5,000
John Lewis Chairman's Fund	2,000	-	2,000	2,000
D'Oyly Carte Charitable Trust	3,000	-	3,000	3,000
Garrick Charitable Trust	-	-	-	3,000
Ashley Family Foundation	-	-	-	20,000
Garfield Weston	-	-	-	7,500
Fenton Arts Trust	-	-	-	3,000
Hanfod Cymru	7,300	-	7,300	-
Total	106,821	122,218	229,039	227,284

4. FUNDRAISING INCOME

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Other sales	-	5,708	5,708	3,846
Sponsorship	1,550	-	1,550	1,500
	1,550	5,708	7,258	5,346
<i>Total 2018</i>	<i>-</i>	<i>5,346</i>	<i>5,346</i>	

5. INVESTMENT INCOME

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	-	125	125	57
<i>Total 2018</i>	<i>-</i>	<i>57</i>	<i>57</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. DIRECT COSTS

	Production costs £	Total 2019 £	Total 2018 £
Orchestra	47,850	47,850	56,679
Singers	66,970	66,970	48,488
Design Team	750	750	2,466
Production Crew	10,399	10,399	4,099
Set Transport	16,049	16,049	11,774
Travel expenses and accommodation	6,274	6,274	4,638
Other production costs	13,761	13,761	9,945
Wages and salaries	36,713	36,713	34,502
Depreciation	17,684	17,684	18,184
	216,450	216,450	190,775
<i>Total 2018</i>	<i>190,775</i>	<i>190,775</i>	

7. SUPPORT COSTS

	Production costs £	Total 2019 £	Total 2018 £
Sundry expenses	4,273	4,273	3,434
Postage and stationery	382	382	764
Advertising and marketing	13,861	13,861	15,268
Bank charges and interest payable	306	306	223
Telephone and computers	510	510	598
Insurance	2,414	2,414	2,343
Travel expenses	3,839	3,839	1,371
Light and heat	96	96	102
Fees for admin services	1,095	1,095	-
Repairs and maintenance	1,215	1,215	1,470
Training and development	-	-	200
Wages and salaries	18,357	18,357	17,251
Depreciation	513	513	919
	46,861	46,861	43,943
<i>Total 2018</i>	<i>46,861</i>	<i>46,861</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

8. GOVERNANCE COSTS

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Accounting fees	-	1,595	1,595	1,600
Professional fees	-	-	-	33
Consultancy fees	-	-	-	775
Trustee meetings	-	491	491	582
Strategic Development	-	342	342	77
Salaries	-	9,178	9,178	8,625
Pension costs	-	2,997	2,997	2,798
	-	14,603	14,603	14,490

9. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	27,535	-	3,211	30,746	29,200
Costs of raising funds	27,535	-	3,211	30,746	29,200
Production costs	55,070	18,197	190,044	263,311	234,718
Expenditure on governance	12,175	-	2,428	14,603	14,490
	94,780	18,197	195,683	308,660	278,408
<i>Total 2018</i>	-	-	-	-	-

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the charity	17,150	18,318

During the year, no Trustees received any remuneration (2018 - £NIL).
During the year, no Trustees received any benefits in kind (2018 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

11. EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,595 (2018 - £1,550), and other tax work of £ -(2018 - £ 775).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. STAFF COSTS

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	91,783	86,254
Other pension costs	2,997	2,798
	<u>94,780</u>	<u>89,052</u>

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

2019 No.	2018 No.
5	4

Average headcount expressed as a full time equivalent:

	2019 No.	2018 No.
Employees	4	3

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Sets, props and costumes £	Total £
Cost				
At 1 April 2018	25,000	46,125	373,791	444,916
Additions	-	-	16,522	16,522
At 31 March 2019	<u>25,000</u>	<u>46,125</u>	<u>390,313</u>	<u>461,438</u>
Depreciation				
At 1 April 2018	9,625	46,062	356,800	412,487
Charge for the year	500	13	16,637	17,150
At 31 March 2019	<u>10,125</u>	<u>46,075</u>	<u>373,437</u>	<u>429,637</u>
Net book value				
At 31 March 2019	<u>14,875</u>	<u>50</u>	<u>16,876</u>	<u>31,801</u>
At 31 March 2018	<u>15,375</u>	<u>63</u>	<u>16,991</u>	<u>32,429</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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14. DEBTORS

	2019 £	2018 £
Trade debtors	13,655	16,246
Theatre Tax credits	28,792	1,443
Prepayments and accrued income	811	793
	<u>43,258</u>	<u>18,482</u>

15. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	373	454
Other taxation and social security	3,312	2,789
Accruals and deferred income	1,550	1,550
	<u>5,235</u>	<u>4,793</u>

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds					
Eugene Onegin/Tosca	21,768	29,596	(70,129)	38,257	19,492
Redundancy Liability	-	-	-	15,543	15,543
	<u>21,768</u>	<u>29,596</u>	<u>(70,129)</u>	<u>53,800</u>	<u>35,035</u>
General funds					
General Funds - all funds	119,219	163,347	(79,414)	(73,950)	129,202
Total Unrestricted funds	<u>140,987</u>	<u>192,943</u>	<u>(149,543)</u>	<u>(20,150)</u>	<u>164,237</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

16. STATEMENT OF FUNDS (continued)

Restricted funds

Creative Learning Fund	2,457	570	(2,759)	(268)	-
L'Heure Espagnole	12,135	39,700	(55,475)	3,640	-
Creative Collaborations	-	6,795	-	-	6,795
Dido and Aeneas	-	1,658	(609)	-	1,049
Mrs Peachum's Guide	-	5,000	(10)	-	4,990
Tosca	-	83,463	(100,241)	16,778	-
The marriage of Figaro	-	-	(23)	-	(23)
	<u>14,592</u>	<u>137,186</u>	<u>(159,117)</u>	<u>20,150</u>	<u>12,811</u>
Total of funds	<u>155,579</u>	<u>330,129</u>	<u>(308,660)</u>	<u>-</u>	<u>177,048</u>

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 April 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2018 £</i>
Eugene Onegin/Tosca	20,100	-	-	1,668	21,768
General funds					
General Funds - all funds	<u>112,952</u>	<u>144,352</u>	<u>(124,756)</u>	<u>(13,329)</u>	<u>119,219</u>
Restricted funds					
Creative Learning Fund	(120)	5,130	(2,553)	-	2,457
L'Heure Espagnole	-	12,500	(365)	-	12,135
The Bear Project	19,223	39,965	(47,620)	(11,568)	-
Eugene Onegin	-	79,885	(103,114)	23,229	-
	<u>19,103</u>	<u>137,480</u>	<u>(153,652)</u>	<u>11,661</u>	<u>14,592</u>
Total of funds	<u>152,155</u>	<u>281,832</u>	<u>(278,408)</u>	<u>-</u>	<u>155,579</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds	21,768	29,596	(70,129)	53,800	35,035
General funds	119,219	163,347	(79,414)	(73,950)	129,202
	<u>140,987</u>	<u>192,943</u>	<u>(149,543)</u>	<u>(20,150)</u>	<u>164,237</u>
Restricted funds	14,592	137,186	(159,117)	20,150	12,811
	<u>155,579</u>	<u>330,129</u>	<u>(308,660)</u>	<u>-</u>	<u>177,048</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Designated funds	20,100	-	-	1,668	21,768
General funds	112,952	144,352	(124,756)	(13,329)	119,219
	<u>133,052</u>	<u>144,352</u>	<u>(124,756)</u>	<u>(11,661)</u>	<u>140,987</u>
Restricted funds	19,103	137,480	(153,652)	11,661	14,592
	<u>152,155</u>	<u>281,832</u>	<u>(278,408)</u>	<u>-</u>	<u>155,579</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	31,801	31,801
Current assets	12,811	137,671	150,482
Creditors due within one year	-	(5,235)	(5,235)
	<u>12,811</u>	<u>164,237</u>	<u>177,048</u>

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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Restricted funds 2018 £</i>	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	32,429	32,429
Current assets	14,592	113,351	127,943
Creditors due within one year	-	(4,793)	(4,793)
	<u>14,592</u>	<u>140,987</u>	<u>155,579</u>

18. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the company to personal pension funds and amounted to £2,997 (2018: £2,798), contributions totalling £Nil (2018: £Nil) were payable to the personal pension funds at the balance sheet date and are included in creditors.

19. RELATED PARTY TRANSACTIONS

The Friends of Mid Wales Opera is run by a small group of volunteers who manage a number of fundraising events during the year. Friends' activities are reflected in the Charity's accounts. Income from subscriptions, donations and ticket sales in the year to 31 March 2019 total £1,505 (2018: £1,290). Patrons contributed a further £5,355 (2018: £1,690).