

ENGLISH TOURING OPERA LIMITED
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Charity Number: 279354
Company Number: 1458501



ENGLISH TOURING OPERA LIMITED

REFERENCE & ADMINISTRATIVE DETAILS FOR YEAR ENDED 30 JUNE 2021

DIRECTORS AND TRUSTEES

English Touring Opera Limited (ETO) is a company limited by guarantee, which is registered as a charity. For the purposes of the Companies Act 2006, the members of the Board of Trustees are the directors of the company.

The Trustees that served during the year are as follows:

Mark Beddy	Chair
David Burke +	
Bill Bush +	
Anita Datta	
Jane Davies OBE	
David Ereira	(Joined 7 th June 2021)
Darren Joyce	
Joseph Karaviotis	(Left 30 th November 2020)
Abigail Kelly	(Joined 23 rd March 2021)
David Lasserson	(Left 9 th July 2021)
Laura Liede +	Chair of Finance Committee
Clarissa Meek	(Joined 7 th June 2021)
Trevor Moross	(Joined 7 th June 2021)
Ursula Owen	(Left 6 th July 2021)
Peter Puskas	(Joined 7 th June 2021)
Syed Rahman	(Joined 7 th June 2021)
Richard Salter QC +	
Tom Shakespeare	(Appointed 3 rd February 2020, left 8 th September 2020)
Leonora Thomson	(Joined 7 th June 2021)

+ Indicates a member of the Finance Committee

COMPANY LEADERSHIP

DIRECTOR

James Conway

COMPANY SECRETARY / PRODUCER

Matthew Turbett

WEBSITE

www.englishtouringopera.org.uk

PRINCIPAL OFFICE

Mountview, 120 Peckham Hill Street, London, SE15 5JT

REGISTERED OFFICE

7 Savoy Court, London, WC2R 0EX

AUDITORS

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

BANKERS

Barclays Bank PLC, 50 Pall Mall, London, SW1A 1QD

INTRODUCTION

2020/21 has been a year of challenges and achievements for English Touring Opera. Like all performing arts organisations, our activities have continued to be affected by the impact of the Covid-19 pandemic, and throughout, our response has been to support our artists where we can and to stay in the lives of our audiences.

When the first UK national lockdown led to the closure of our Spring 2020 tour after only a few performances, ETO supported freelance artists by honouring their contracts in full, a commitment we repeated when our planned Autumn 2020 tour was also closed shortly after opening. By pivoting to a programme of work online, we have provided opportunities to our artists and freelancers to continue working together and create great work under difficult circumstances.

ETO maintained its links with its audiences through creating a substantial body of filmed productions, insight events, skills sharing, masterclasses, singing lessons for adults and children and workshops for children with special educational needs, thus serving existing audiences and attracting new audiences across the globe. In Autumn 2020 ETO created a series of twentieth-century monodramas that captured the voice in isolation through the power of poetry and song, with responses to that power in dance, image and drama, which were filmed for broadcast. In 2021, ETO created a high-quality in-house, streaming platform, ETO at Home, to broadcast new, filmed productions, celebrating some of the finest composers spanning over eight centuries as well as projects filmed for ETO's Learning and Participation programme.

We have been pleased with the response of our audiences to this work, and we are deeply appreciative of the financial support that we have received this year from individuals, and from our trusts and foundations, many of whom are our long-term supporters. We are particularly grateful for the continuing financial support we receive from Arts Council England, and the grant we received from the Cultural Recovery Fund significantly enhanced our ability to deliver the online programme.

The curtailing of live touring has led to reduced touring costs in 2020/21, and we have been cautious in managing risk against a background of continuing uncertainty caused by the pandemic. We therefore end the year with a higher level of reserves than customary, and we plan to use these enhanced reserves wisely over the coming years to further our mission in a financially sustainable way.

The achievements of 2020/21 would not have been possible without the creativity, flexibility and hours of hard work put in by our artists, support staff and management, and the Board owes a deep debt of gratitude to all who have contributed to making this an exceptional year for the company.

Mark Beddy

Chair of Trustees

January 2022

The Trustees present their report and financial statements for the year ended 30 June 2021.

OBJECTIVES AND ACTIVITIES

ETO's objectives are to create, present and promote vibrant, innovative and high-quality opera, music and theatre to existing and new audiences and venues and to encourage the development of the arts including the arts of drama, ballet, music, singing, literature, sculpture and painting. The company seeks to stimulate new access, understanding and appreciation of the genre of opera, while promoting the development of the highest performance standards and enlivening career development opportunities for its artists.

The objectives can be split into three sections:

Artistic Objectives:

- to tour complete operas at "classical scale" with orchestra
- to select and produce lively, particular programming at which ETO can excel, from the traditional to the contemporary
- to ensure the programme appeals to and reaches widespread and diverse audiences
- to achieve excellence on stage and in the pit
- to enhance the critical reputation of ETO and support new artists through the engagement of a mixture of established and rising singers
- to run a flexible and lean organisation enabling artistic risk
- to develop talent and ideas through partnerships
- to integrate Learning and Participation work closely with stage work, mixing personnel and creativity
- to engage in virtual productions and outreach to communities

Learning and Participation Objectives:

- to excite and inspire young people and adults
- to deliver work that is completely inclusive, and to work in particular with young people with special needs
- to reach areas of significant social and economic deprivation
- to create new work with participants and also to bring high standards of performance into schools

Promotional and Development Objectives:

- to increase the number of members of the public who attend ETO performances
- to maintain accessible ticket prices
- to develop a network of supporters to help promote the company's objectives at a local level
- to source and sustain regional syndicates of donors and opera enthusiasts to help secure the future of regional touring opera performance

The strategies employed to achieve these objectives in the year covered by these accounts included the production and presentation of operas, recitals and related outreach, creating digital opera productions during the Covid-19 lockdowns and Learning and Participation activities. Particular attention during the period has been placed on developing sustained relationships, notably with funders, key venues, other arts organisations and with ETO's audience through local networks. A number of digital productions were completed and provided through select streaming platforms, including ETO's own designated platform accessible through our website.

In reviewing and developing ETO's activities and future plans, careful consideration is given to the public benefit arising from ETO's work. The Trustees take particular account of the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charity. The Trustees consider that the work of the charity provides considerable benefit to the public as illustrated by the activities described in this report.

ACHIEVEMENTS AND PERFORMANCE

OPERATIONS AND CONTINUED RESPONSE TO COVID

During the year ETO piloted new artistic, touring and digital models; adapting to venue closures, significantly reduced capacities and box office income, and many of ETO's core audiences continuing to shield; to deliver exceptional live opera back to our communities across the UK. The continuing Covid-19 crisis has had a direct impact on the activities that ETO and organisations across the performing arts industry were able to deliver. Following a restructure of the organisation's leadership team the executive was able to adjust the organisation's business model to continue its offering of high-quality opera to its audiences throughout the national restrictions of 2020 and 2021. In producing digital content, ETO was able to support freelance singers, orchestral players, technicians, designers, and directors through paid work. Fundraised income continued to be generated and relationships with venues continued and strengthened during this challenging period. ETO drew upon support from regular venue partners to disseminate digital work and forged new working relationship with leading professionals in the live recording industry.

AUTUMN 2020 SEASON

Re-imagining our autumn 2020 season, ETO created a series of twentieth-century monodramas that captured the voice in isolation through the power of poetry and song, with responses to that power in dance, image and drama. Bringing together some of the twentieth century's most evocative and challenging operas and song cycles, ETO celebrated underperformed works by Shostakovich, Poulenc, Britten, Tippett and Argento.

ETO was able to give five performances (of a scheduled twenty-five) at Snape Maltings and Tunbridge Wells. These went ahead despite Covid-19 restrictions. The UK's second lockdown in November then forced ETO to cancel the remainder of the tour.

Despite this, ETO was determined to reach as wide an audience as possible with this work and immediately adapted to film seven of our lyric monodramas at Hackney Empire, for broadcast in partnership with Marquee Arts TV. The intimacy of the productions was enhanced and adapted for screen by BAFTA-nominated director Tim Van Someren, who has worked at the forefront of the theatre-film space for many years. ETO's broadcasting partnership with Marquee Arts was highly successful, exceeding viewing targets set by our broadcasting partner by 50%, reaching over 1,800 people across the UK and internationally, increasing our exposure to new audiences through their 50,000+ subscribers and retaining our existing audiences through meaningful digital performances.

SPRING 2021 SEASON

In Spring 2021, having had to postpone its live tour of Handel's *Amadigi* due to a nationwide lockdown, ETO developed digital programming and created a new high-quality in-house, streaming platform as a sub-domain of our website, to broadcast a new digital performance programme, reaching thousands of existing audiences at home and inviting new audiences to watch our work. ETO at Home hosted an ambitious body of outstanding new, filmed productions, celebrating some of the finest composers spanning over eight centuries as well as projects filmed for ETO's Learning and Participation programme. Producing works by Josquin, Machaut, Handel, Shostakovich and Elena Langer, this programme showcased the defining characteristics of our artistic programming: sharing new realisations of rare masterpieces, breathing dramatic life into early song and showcasing exceptional and challenging contemporary work. To date ETO at Home has hosted 40 individual films, received 11,000 views and secured 3,200 new subscribers.

Learning and Participation Projects

This year we continued to adapt our Learning & Participation offer in response to the challenges faced as a result of the pandemic. To this end in July 2020 – June 2021 nearly all of our L&P work was digital.

Shh! We have a plan

Views: 21,991

Inspired by the popular children's book by Chris Haughton we produced a new 15-minute puppet opera aimed at 2-5 year olds. Working with composer Noah Mosley and the team behind Little Angel Theatre's highly successful 'Hat trilogy' (Ian Nicholson,

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TRUSTEES' REPORT FOR YEAR ENDED 30 JUNE 2021

Sam Wilde, Jim Whitcher) we created a colourful, musically accessible performance that was enjoyed by large numbers in Autumn 2020. Abigail Kelly (see note 14) performed in the piece alongside Ian Nicholson.

Shh! We have a plan Craft videos

Number of videos: 4

Views: 2,506

To support the *Shh! We have a plan* film we made craft videos teaching children how to make their own puppets, musical instruments, and put on their own puppet show.

Al-Haytham's Light

Number of videos: 7

Views: 1830

Number of schools: 97

Number of children engaged: 5,559

Recognising the gap in the market for digital curriculum-based opera, we set about making an opera for Key Stage 2 (7–11-year-olds) audiences based around the discoveries of physicist Ibn Al-Haytham relating to light. This piece had a similar tone to those we have had success within schools (*Laika, the Spacedog; Paradise Planet; Shackleton's Cat*) and had an extensive teachers' pack to accompany the piece. The opera was written by Iain Farrington and Bradley Travis with Neil Balfour and Ellie Edmonds taking the lead roles. Split into six episodes with a lesson plan linked to each episode, the opera was designed so teachers could use it as part of remote learning, or back in the classroom.

Al-Haytham's Light Learning Materials

Number of videos: 6

Views: 323

Squawky's Musical Makaton

Number of videos: 8

Views: 1,101

Following on from the success of the SEND workshops we produced in early 2020, *Squawky's Musical Makaton* developed those ideas, and focussed on colours, rhythm and song. Developed with the help of children with autism and downs syndrome, songs in the series were composed by Errollyn Wallen, Sally Beamish, Lucie Treacher, Ella Jarman-Pinto, Susie Self, and Omar Shahryar. Bradley Travis devised and led the sessions.

Choir singing lessons

Number of videos: 17

Views: 1,931

Choir members were silenced for 18 months due to the nationwide restrictions, and we made a series of singing lessons to address this issue, and to help them 'get their voice back'. Devised by Bradley Travis and led by Jenny Stafford, Felicity Buckland, Thomas Elwin and Edward Hawkins, the lessons were specific to each voice type and informal, taking the choir members through four 30-minute sessions of practical exercises, advice and technical guidance.

Hammersmith & Fulham Dementia Action Alliance

Participants: 100

Working with the Hammersmith & Fulham Dementia Action Alliance we sent two opera singers into care-homes and onto doorsteps in Summer 2020 to provide some much needed musical therapy. The singers performed a short concert of 20 minutes and then moved on to the next venue.

Turtle Song Roadshow

Participants: 60

In association with Turtle Key Arts and the Royal College of Music we sent a team of leaders and musicians into twelve different settings in Hammersmith and Hackney, collaborating with 60 participants living with dementia and their carers to create lyrics and music for songs. Each borough wrote their own song about their special places followed by a song that imagined we could be anything that we wanted to be – a collaboration between all participants across all settings.

How to find your name - Greenvale School workshop

Participants: 140

English Touring Opera had an enjoyable workshop day at Greenvale Community Special School in Lewisham. ETO Associate Artist Bradley Travis and singer/ composer Joanna Skillett ran six mini performance workshops during the morning with several different groups of young people. In the afternoon they ran a longer song writing workshop with the sixth form students which acted as Research & Development for ETO's new opera for young people with SEND, *How to find your name*, which will tour the country in Spring 2022. With the support of Joanna and Bradley the students wrote two new songs which will be in the opera.

PLANS FOR FUTURE PERIODS

As part of ETO's commitment to returning to its audiences, in Autumn 2021 ETO delivered a tour of Handel's magic-opera *Amadigi* to 12 venues across the UK for a total of 18 performances. With a cast of 4 principal singers and a young performer role that was cast from children from each of the venue's locality, this programming choice continued ETO's strong strand of baroque and early music, partnering with our period orchestra the Old Street Band. It also minimised the potential financial liabilities in the event that further restrictions were imposed throughout the tour.

In Spring 2022, the company plans to tour fully staged productions of Puccini's *La Boheme* and Rimsky Korsakov's *Golden Cockerel* for a total of 35 performances along with a 4-week semi-staged community engagement tour of Bach's *St John Passion* that places local community choirs on stage with professional principal soloists and orchestra.

FINANCIAL REVIEW

Our activities in 2020/21 resulted in an overall surplus of £1,251,760, compared to a prior year surplus of £55,547. Income from productions was significantly reduced by the continued impact of the Covid-19 pandemic, but additional support from the Arts Council Cultural Recovery fund, Fundraising income remaining close to FY20 level, and income received through the Furlough scheme meant that the total income was only 9% less than the prior year. Given the reduction in activity due to Covid-19 restrictions the costs were 53% less than the prior year.

INCOME

Income for 2020/21 fell to £2,554,436 (2020: £2,815,999), a reduction of 9%. Arts Council income increased because of receipt of £175,000 from the Cultural Recovery fund to cover costs incurred as part of our Spring digital season and Development income remained stable year on year. However, income from touring and productions fell by £290,172 because of the cancellation of most of the Autumn tour and all the Spring tour due to Covid-19 restrictions and national lockdowns.

Touring and Production Income

ETO's income generated from touring and production fell by 97% this year. The Autumn tour completed just five performances across two theatres with box office income at those venues at similar levels to FY20. The rest of the Autumn tour and all the Spring tour were then cancelled due to restrictions and lockdowns. In response ETO pivoted online and delivered a series of productions available at no cost to the audiences which were available to stream online from Spring 21.

Arts Council England Income

ETO's 2020/21 financial year is the third year of the four-year National Portfolio Organisation (NPO) funding period from 1 April 2018 to 31 March 2022. During the year ETO received NPO funding of £1,743,322 (2019/2020: £1,775,339). In addition ETO is grateful to ACE for the award of funding from round two of the Cultural Recovery Fund in May 2021 to cover costs associated with the creation and broadcasting of the Spring Digital Season. The total funding award totalled £250,000 of which £175,000 was received in 2020/21.

Development Income

Development income (from Trust and Foundation grants, syndicates, and other private donations, and ETO's Membership scheme) totalled £389,650 (2020: £438,308). Of the total 2020/21 income, £35,550 (2020: £124,216) was received from Trusts and Foundations to support ETO's Learning and Participation activity.

The remaining £205,069 of Trust Income supported ETO's core and mainstage activity (2020: £76,591).

Individual donations accounted for 35% of Development income and 5% of income overall. Membership income fell slightly to £51,490 (2019: £61,999).

Support In-Kind

For many years the Poulton Hall Estate has kindly accommodated the company's larger set elements on a site in Oxfordshire.

Creative Tax Reliefs

ETO claims Theatre Tax Relief on its mainstage and Learning and Participation productions and Orchestra Tax Relief on its concert activity. Income from the combined reliefs in 2020/21 was £50,040 (2020: £228,661) representing 2% (2020: 9%) of ETO's total income for the year. Income was reduced due to the lack of touring and other activity due to Covid-19 restrictions.

EXPENDITURE

ETO's expenditure for 2020/21 was £1,302,676 (2020: £2,760,453), a significant reduction of some 53%. As noted above, this was primarily a result of a reduction in costs following the cancellation of much of the Autumn tour and all the Spring tour.

Touring & Production Costs

Following the cancellation of most of the Autumn tour and the whole Spring tour, it was decided to honour the contracts of the artists involved in the productions. They were paid either 100% of fees due if the cancellation was within one week of the performance date, or 80% of their fees for the remaining venues/dates at which productions could not take place which were more than one week past the cancellation. The total cost for fees paid as described was £52,990. For Spring 21 no fees were paid as contracts had yet to be issued to creatives or performers before the tour was cancelled. Across the year, most of costs of travel, subsistence, transport, and venue costs that would have been incurred had the ETO been able to tour as planned were saved, resulting in the significant fall in overall touring expenditure for the year.

Learning and Participation

Expenditure on Learning and Participation was £157,949 in 2020/21 (2020: £271,984), a reduction of 42% on the prior year, with much of the activity pivoting to online delivery.

NET MOVEMENT IN FUNDS

Overall, there was an increase in funds of £1,251,760 (2020: increase of £55,547).

Total reserves at the close of 2020/21 comprise:

- £14,012 (2020: £14,217) in Restricted Funds
- £2,316,765 (2020: £1,064,800) in Designated Funds
- £500,000 (2020: £500,000) in General Risk Funds

For further details of each Fund, please see the Reserves Policy below.

Financial Outlook and Covid-19

The Covid-19 pandemic has required ETO, along with many other arts organisations, to rethink business planning for the forthcoming years. Notwithstanding this, the relaxation of Covid-19 restrictions and the reopening of our partner venues has allowed a full touring schedule to be planned for Autumn 2021 and Spring 2022.

ETO is financially underpinned by an annual Arts Council grant, the agreement for which runs until 31 March 2023. This reflects an extension of the current NPO agreement which had previously been due to finish in 2022. ETO will continue to make full use of Creative Tax Relief Schemes, together with any other schemes of support for the arts sector. We will continue with our ambitious fundraising strategy which seeks to support both the core costs as well as individual productions and learning and participation projects.

A budget has been set for the year financial year 2021/22 which draws down on designated funds built up over the past few years. Given the uncertainties in the funding and operational environment, ETO plans to continue to hold a healthy level of reserves which is crucial to the protection of the charity in the medium term.

RESERVES POLICY

ETO requires reserves to plan its future work, as set out in its Business Plan, with confidence and to provide for unforeseen contingencies as they may arise, as highlighted in its risk register. The nature of the company's operation requires reliance on significant levels of income from ACE, grants, donations, and ticket sales that can show substantial variation due to changes in the economic climate, governmental policy, or exceptional events. As is customary in the sector, ETO develops its artistic plans several years in advance, at which point many of the income streams can only be based on forecasts.

While ETO's ACE NPO Agreement covers the period to March 2023 inclusive, in the terms of the grant offer, the annual figure quoted is indicative only and there is a risk that current political and economic uncertainty could adversely affect ETO's funding from ACE in the future periods. ETO's Business Plan also follows a July-June financial year, meaning its 2022-23 Business Plan extends for 3 months beyond the 2018-23 ACE NPO settlement.

Consequently, the company aims to retain general unrestricted (free) reserves at a level the Trustees anticipate will be sufficient to enable the company to continue to operate successfully and fulfil its Business Plan, provide liquidity in case of unexpected variations in revenue and other risks, and act as a contingency against winding up the company should the need arise. The Trustees and the company continuously monitor the level of the reserves and adapt the reserves policy as required to achieve appropriate level of liquidity to continue operations and settle the liabilities as they arise. In addition, the company retains in its unrestricted fund a contingency reserve for wind up costs should the need arise.

Restricted Funds

Restricted Funds of £14,012 (2020: £14,217) comprise:

- £10,283 to cover the depreciation of lighting equipment purchased with a capital grant generously donated by the Linbury Trust
- £3,620 towards bursaries for Young Artist Coaching
- £109 to cover a ticket scheme for two ETO Friends

Designated Funds

At 30 June 2021, ETO has Designated Funds of £2,316,765 (2020: £1,064,800) allocated from unrestricted funds. These reserves have been built up from surpluses accumulated through successful touring over several years as well as significantly reduced costs in 2020 and 2021 because of national lockdown and inability to tour. The intention is that these funds will be expended through the coming years to support the strategic priorities the charity has identified for opera on tour.

The company has considered a number of designated funds to support the charity's strategic priorities and has developed a five-year investment plan. The designated funds have been carefully assessed to align with the defined investment principles. These funds will focus on artistic recovery post Covid-19, strategic touring, increased financial support for freelance artists, vocal training for singers, music training and development for players, digital development where appropriate to the repertoire, research and development, and work for children with special educational needs.

At year end £1,141,765 was designated to the Touring activity fund to support future strategic touring, to allow ETO to enrich and widen its repertoire and to support development of future Learning and Participation work. £770,000 was designated to the Artistic dynamism fund to support artistic recovery post Covid-19, increase support to freelance artists and develop the skill base of ETO's singers and players, and £405,000 is held in the Digital and Audience Development fund to develop ETO's digital offering and develop audience numbers.

The Trustees have approved the designated funds allocation for the 2021/22 financial year. A total of £303,417 has been allocated to support three distinct areas of strategic activity: £185,417 has been allocated to support the core touring activity, £68,000 to support and promote artistic dynamism and £50,000 to support digital audience development. The allocations for the financial periods beyond June 2022 (as assigned in the company business plan) have been considered by the Trustees, however these will be subject to further Trustee approval along with the annual budget for each period. This will ensure that appropriate medium and long term plans and priorities are defined and planned in line with the strategic objectives of the company while retaining financial agility.

Furthermore, the company has developed a framework for designation, approval, delivery and review of the designated reserve spending with keyholders allocated to each designated fund. Regular investment reviews will take place to assess the necessary resources to carry out investment projects, the associated spending and effective measurement of indicators of return on investment.

General Risk Fund

At 30 June 2021, ETO holds £500,000 in general, free reserves (2020: £500,000) to protect the charity from unforeseen risks in the medium to long term.

RISK MANAGEMENT AND GOING CONCERN

Financial risks

The Trustees have considered the primary financial risks detailed below, and the mitigating actions that ETO has taken to reduce the impact of these risks:

- Box Office income not performing to budget given the current climate and continued impact of Covid-19 on ticket sales. To mitigate against this ETO sets box office targets at prudent levels to reduce the impact of any underperformance of box office against budgeted targets, and has included a contingency within its annual budget setting to allow for income shortfall.
- Fundraising income not meeting targets. Income raised through fundraising accounts for circa 15% of total income per year not including statutory funding from ACE. To mitigate against the risk of not meeting income targets, ETO pursues a policy of targeting multi-year funding agreements to give more certainty to income receipt and constantly reviews the development pipeline both at leadership team and Trustee level.
- Production costs. At the current time there is a shortage of production freelancers available to fill required roles and post the initial impact of Covid-19 rates of remuneration have increased. To allow ETO to employ the required staff to deliver productions to the required artistic standard ETO has set aside designated funds to cover these potential cost increases while not compromising its artistic vision and standards.

Operational risks

Theatre venues visited being under threat in terms of reduced income from Arts Council England, local authorities, other funders, and audiences potentially resulting in closure. The status of venues is kept under close review and deals are struck/implemented to minimise as much as possible the impact of risk on the company.

Illness suffered by ETO employees or freelancers, audience members or participants during ETO activity. Health and safety risk assessments are carried out and measures implemented for all ETO staff and freelancers, especially in relation to Covid-19. We work in conjunction with the venues to ensure that all regulations and health and safety policies applicable at the time of ETO's rehearsals and performances are fully implemented and adhered to.

Going Concern

The Trustees have assessed the charity's ability to continue to adopt the going concern basis of accounting which contemplates the realisation of assets and the satisfaction of liabilities and commitments in the normal course of activity for foreseeable future. The company cash flow projections, based on management estimates and judgements, indicate sufficient cash reserves to continue trading through a projected Autumn and Spring tour even with significant reductions in income. Beyond this period the charity carries sufficient funds to support its current overhead through to January 2023.

The Trustees have considered the charity's financial position, reserve levels, projections, estimates and related uncertainties and have concluded that there is a reasonable expectation that the charity will have sufficient resources to continue operations as a going concern.

INVESTMENT POLICY

Under the Memorandum and Articles of Association, the company has the power to invest in any way the Trustees think fit. The Trustees, having regard to the liquidity requirements of operating the company and to the reserves policy, have operated a policy of keeping available funds in an interest-paying deposit account and limited length treasury deposits, with an aim to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail price index. In the prevailing low interest rate environment, there is a gap between the aim of the investment policy and rates available in the market which meet the Trustees' objective of retaining adequate liquidity.

APPROACHES TO FUNDRAISING

ETO's main source of Development income (voluntary income, excluding the public funds it receives from Arts Council England) is Trusts & Foundations, accounting for 62% of its development income and 10% of its income overall in 2020/21. Grant applications are made to these bodies based on careful research into grant funds available and assessment of their eligibility criteria against ETO's core objectives and the nature of each of its projects.

Income from individual donors, accounting for 35% of Development income and 5% of income overall, is solicited carefully. Direct approaches inviting contributions to specific campaigns are made only to sympathetic patrons who have expressed an interest in receiving such communication.

General opportunities to donate – such as making a one-off donation, contributing regularly via the ETO Friends scheme, or leaving a legacy – are publicised in ETO print literature (e.g. programmes), online on the ETO website and in its social media channels and on ETO's display screens at venues. ETO does not carry out – or commission from others – any telephone campaigns.

ETO continues to review its data management procedures and privacy policy to ensure compliance with the GDPR regulations.

ETO has an ethical fundraising policy and uses due diligence to ascertain that the Trusts and Foundations and individuals with whom it has – or seeks to establish – a relationship a) derive their income from verifiable and legitimate sources and b) that their investments and business practices are not at odds with ETO's commitment to respecting the environment and upholding human rights.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

ETO is a company limited by guarantee governed by its Memorandum and Articles of Association dated 1 November 1979. A revised Memorandum and Articles of Association was adopted by the Board in June 2018. The current members of the company are the Trustees.

The liability of the members of the company is limited by guarantee. In the event of the company being wound up during the period of membership or within the year following, members are required to contribute an amount not exceeding £1. There were 11 members as at 30 June 2021 (30 June 2020:11).

Appointment of Trustees

Any Trustee is entitled to nominate people for board membership and names go forward to be approved by the Board of Trustees. The Trustees represent a wide range of specialist skills, including but not limited to arts administration, arts performance, finance, human resources, and fund-raising. An essential requirement is a passion for opera and a desire to increase access to opera and the diversity of its audience.

Trustee induction and training

Potential new board members are given the opportunity to meet the Chairman and Director before being invited to meet the full Board of Trustees and observe a board meeting. The Trustees are drawn from a wide range of professional backgrounds and are expected to maintain their skills to contribute to the Board.

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TRUSTEES' REPORT FOR YEAR ENDED 30 JUNE 2021

Organisation

The Board of Trustees oversees and is responsible for the administration of the company. There were nine board meetings during the period. There were also four meetings of the Finance Committee. The Director is appointed by the Trustees with delegated authority to manage the operations of the company.

Remuneration of key management

The Trustees set the salary for ETO's company leadership - the Director. The responsibility for salary setting for the remaining members of staff is delegated to the Director. Salary levels are established and reviewed with reference to comparable roles in peer organisations of a similar scale and to contracted rates negotiated for artistic personnel.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of English Touring 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 period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

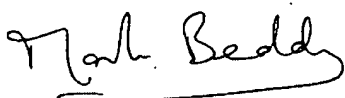
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

Disclosure of Information to Auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information that has not been made available to the auditors for the purpose of carrying out statutory audit. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

In preparing this report the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Trustees on 28th January 2022 and signed on their behalf by:



Mark Beddy (Chair)



Laura Liede (Finance Committee Chair)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH TOURING OPERA LIMITED
FOR YEAR ENDED 30 JUNE 2021**

Independent auditor's report to the members of English Touring Opera Limited

Opinion

We have audited the financial statements of English Touring Opera Limited for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cashflow 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 charitable company's affairs as at 30 June 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH TOURING OPERA LIMITED
FOR YEAR ENDED 30 JUNE 2021**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the 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 charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 & Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006, Charities Act 2011, Health and Safety regulations and Tax and Employment legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Requesting and inspecting correspondence with HMRC, the Charity Commission for England and Wales, and Arts Council England;
- Evaluating management's controls designed to prevent and detect irregularities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and at the end of the financial year; and
- Challenging assumptions and judgements made by management in their valuation of accounting estimates.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH TOURING OPERA LIMITED
FOR YEAR ENDED 30 JUNE 2021**

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.

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.



Jane Askew (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
28th January 2022

10 Queen Street Place
London
EC4R 1AG

ENGLISH TOURING OPERA LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds General £	Designated £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:						
<i>Donations & Grants</i>	2	2,224,613	-	164,608	2,389,222	2,271,736
<i>Investments</i>		909	-	-	909	3,987
<i>Charitable activities</i>						
Touring and production		9,355	-	-	9,355	299,527
Learning and participation projects		-	-	-	-	12,088
Other		104,911	-	-	104,911	-
<i>Other income: Creative Tax Reliefs</i>		50,040	-	-	50,040	228,661
Total income		2,389,828	-	164,608	2,554,436	2,815,999
EXPENDITURE ON:						
<i>Raising funds</i>	3	199,921	-	-	199,921	256,227
<i>Charitable activities</i>						
Touring and production	3	838,071	-	106,734	944,806	2,233,141
Learning and participation projects	3	99,870	-	58,079	157,949	271,084
Total expenditure	3	1,137,862	-	164,813	1,302,676	2,760,453
NET INCOMING RESOURCES BEFORE TRANSFERS		1,251,965	-	(205)	1,251,760	55,547
Transfers Between Funds		(1,251,965)	1,251,965	-	-	-
NET MOVEMENT IN FUNDS	5	-	1,251,965	(205)	1,251,760	55,547
Fund balances brought forward		500,000	1,064,800	14,217	1,579,017	1,523,470
FUND BALANCES CARRIED FORWARD	10	500,000	2,316,765	14,012	2,830,777	1,579,017

All recognised gains and losses in the period are dealt with above. They are all derived from continuing activities.

The annexed notes form part of these financial statements.

Full comparatives for the year to 30 June 2020 are shown in note 15.

ENGLISH TOURING OPERA LIMITED

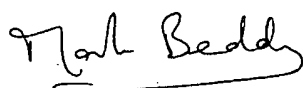
BALANCE SHEET

FOR YEAR ENDED 30 JUNE 2021

	Notes	At 30 June 2021 £	£	At 30 June 2020 £	£
FIXED ASSETS	7/8				
Tangible			95,856		112,265
Intangible			22,097		16,033
CURRENT ASSETS					
Debtors	9	224,338		433,599	
Cash at bank and in hand		2,658,990		1,285,293	
		<u>2,838,328</u>		<u>1,718,892</u>	
CURRENT LIABILITIES					
CREDITORS: amounts falling due within one year	10	(170,504)		(268,173)	
NET CURRENT ASSETS			<u>2,712,824</u>		<u>1,450,719</u>
NET ASSETS			<u><u>2,830,777</u></u>		<u><u>1,579,017</u></u>
REPRESENTED BY					
Restricted funds	11		14,012		14,217
Unrestricted funds					
- Designated funds	11		2,316,765		1,064,800
- General risk funds	11		500,000		500,000
			<u><u>2,830,777</u></u>		<u><u>1,579,017</u></u>

The annexed notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 28 January 2022 and were signed below on its behalf by:



Mark Beddy (Chair)



Laura Liede (Finance Committee Chair)

ENGLISH TOURING OPERA LIMITED

CASH FLOW STATEMENT

FOR YEAR ENDED 30 JUNE 2021

	Note	2021 £	2020 £
Net cash provided by/(used in) operating activities	A	<u>1,395,721</u>	<u>310,300</u>
Cash flows from investing activities			
Interest income		909	3,987
Purchase of tangible fixed assets		<u>(22,933)</u>	<u>(114,046)</u>
Cash (used in) investing activities		<u>(22,024)</u>	<u>(110,059)</u>
Increase in cash and cash equivalents in the period		<u>1,373,697</u>	<u>200,242</u>
Cash and cash equivalents at the beginning of the period		1,285,293	1,085,052
Total cash and cash equivalents at the end of the period		<u><u>2,658,990</u></u>	<u><u>1,285,293</u></u>

A. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Income for the reporting period	1,251,760	55,547
Adjustments for:		
Investment income	(909)	(3,987)
Depreciation charge	33,278	22,539
Loss on disposal of Fixed Assets	-	-
Decrease in debtors	209,261	176,345
Increase / (Decrease) in creditors	(97,669)	59,857
Net cash provided by (used in) operating activities	<u><u>1,395,721</u></u>	<u><u>310,300</u></u>

1. ACCOUNTING POLICIES

The principal accounting policies adopted are as follows:

a) Basis of preparation

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.

English Touring Opera is a Public Benefit Entity registered as a charity and a company in England and Wales. It was incorporated on 1 November 1979 (company number 1458501 and charity number 279354).

b) Going concern

The Trustees have assessed the charity's ability to continue to adopt the going concern basis of accounting which contemplates the realisation of assets and the satisfaction of liabilities and commitments in the normal course of activity for foreseeable future. The company cash flow projections, based on management estimates and judgements, indicate sufficient cash reserves to continue trading through a projected Autumn and Spring tour even with significant reductions in income. Beyond this period the charity carries sufficient funds to support its current overhead through to December 2021.

The Trustees have considered the charity's financial position, reserve levels, projections, estimates and related uncertainties and have concluded that there is a reasonable expectation that the charity will have sufficient resources to continue operations as a going concern for the foreseeable future.

c) Income

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

Donations, gifts and grants are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Box office receipts are recognised as income at the date of performance. Learning and Participation income is recognised at the date of the workshop or educational performance.

Government Coronavirus Job Retention grants are credited to the period for which they relate. There are no unfulfilled conditions to the grant, and there is no form of government assistance from which the entity has benefitted.

d) Expenditure

Touring and Production, Learning and Participation and Governance costs are all recognised at the date incurred, except where they relate to a future period when they are deferred. Marketing costs are included in touring and production expenses under direct charitable expenditure.

Where expenditure cannot be directly attributed to a single activity it is allocated between activities on a basis consistent with the use of resources. Support costs are apportioned on a per capita basis. Salaries are directly allocated to the activities to which they relate.

Expenditure relating to costumes and stage settings for each production is written off on the date of the first performance.

Governance costs consist of audit, legal and professional fees.

e) Restricted funds

Restricted funds represent funds received for specific purposes as laid down by the donor. Expenditure which meets the relevant criteria is charged to the fund together with a fair allocation of staff and support costs.

f) Unrestricted funds

Unrestricted designated funds are amounts which have been put aside out of unrestricted funds for specific expenditure purposes at the discretion of the Trustees. Unrestricted general funds are available for use at the discretion of the Trustees in furtherance of the general objects of the company.

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

g) *Operating leases*

Rentals paid under operating leases are charged to expenditure on a straight-line basis over the lease term.

h) *Tangible fixed assets*

Assets costing in excess of £500 are capitalised. Tangible fixed assets are stated at cost less accumulated depreciation over their estimated useful lives on a straight-line basis as detailed below:

Leasehold Property – 25 years

Lighting equipment - 5 years

Furniture, fittings and equipment - 3 years

Intangible assets, website – 3 years

i) *Financial Instruments*

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. All financial instruments in both periods are held at amortised cost.

j) *Debtors*

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

k) *Cash at bank and in hand*

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

l) *Creditors and provisions*

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) *Employee benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

The charity runs an Auto-Enrolment pension scheme introduced on 1 July 2017. All staff are enrolled on commencement of their employment, though they may exercise their right to opt out. The charity also contributes to personal pension schemes for some employees. The pensions costs charged in the financial statements represent the contributions payable during the year.

n) *Critical accounting judgements and key sources of estimation uncertainty*

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

2. DONATIONS & GRANTS

	Unrestricted funds		Restricted funds			Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Arts Council England – General Grant	1,743,322	1,775,399	-	-	1,743,322	1,775,399
Arts Council England – Strategic Touring	-	-	-	5,172	-	5,172
Arts Council England – Cultural Recovery Fund	175,000	-	-	-	175,000	-
Job Retention Grant	81,330	52,856	-	-	81,330	52,856
Trusts and Foundations	133,500	50,000	107,119	150,807	240,619	200,807
Donations and Friends	63,760	138,760	57,489	62,003	121,249	200,763
Gift aid	11,602	36,738	-	-	11,602	36,738
Legacies	16,100	-	-	-	16,100	-
	<u>2,224,613</u>	<u>2,053,753</u>	<u>164,608</u>	<u>217,982</u>	<u>2,389,222</u>	<u>2,271,736</u>

3. EXPENDITURE

	Direct staff costs	Other direct costs	Support & Governance costs	Total
	2021	2021	2021	2021
	£	£	£	£
Raising funds	73,090	5,906	120,925	199,921
Charitable activities:				
Touring and production	186,411	465,630	292,765	944,806
Learning & participation projects	55,224	64,538	38,187	157,949
	<u>314,725</u>	<u>536,074</u>	<u>451,876</u>	<u>1,302,676</u>
	Direct staff costs	Other direct costs	Support & Governance costs	Total
	2020	2020	2020	2020
	£	£	£	£
Raising funds	75,929	17,699	162,598	256,227
Charitable activities:				
Touring and production	236,212	1,680,291	316,638	2,233,141
Learning & participation projects	57,060	111,331	102,694	271,084
	<u>369,201</u>	<u>1,809,321</u>	<u>581,930</u>	<u>2,760,453</u>

4. ANALYSIS OF SUPPORT & GOVERNANCE COSTS

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	£	£
Staff costs	190,476	288,031
Office & store rent	53,819	72,244
Other support costs	197,981	213,255
Governance costs	10,600	8,400
	<u>451,876</u>	<u>581,930</u>

Governance costs comprise audit fees.

5. NET EXPENDITURE / INCOME FOR THE YEAR

	2021	2020
	£	£
This is stated after charging:		
Depreciation	33,278	22,539
Auditor's remuneration	10,600	8,400
- audit fee		
- tax advisory		
	<u>43,878</u>	<u>30,939</u>

No member of the Board of Trustees received any remuneration in respect of his or her services (2020: £Nil). No members of the Board of Trustees was reimbursed travel expenses (within the UK) (2020: £nil).

6. STAFF COSTS

	2021	2020
	£	£
The total staff costs for the period were as follows:		
Salaries and other staff costs	415,584	563,032
Social security costs	34,082	60,141
Pension contributions	55,535	34,310
	<u>505,201</u>	<u>657,483</u>

No employee received annual remuneration above £60,000 per annum (2020: No employee received annual remuneration above £60,000).

Director, James Conway received directing fees totalling £4,500 (2020: £13,000) for the Spring 2021 digital season, in addition to his permanent staff salary.

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

6. STAFF COSTS (continued)

Artistic Associate, Bradley Travis is employed on a part-time basis as Head of Learning and Participation. At other times he received fees for directing and performing in ETO operas during the year, totalling £5,130 (2020: £28,170).

The average number of staff employed during the year was 13.8 (2020: 17.2).

Total Key Management Personnel compensation in the year, including employer national insurance contributions and pension contributions, was £144,587 (2020: £149,133).

7. TANGIBLE FIXED ASSETS

	Lighting	Furniture, Fittings & Equipment	Leasehold Improvements	Total
7. Tangible fixed assets				
COST				
As at 1 July 2020	35,316	87,467	92,610	215,393
Additions	-	4,839	983	5,822
Disposals	-	-	-	-
Transfers	-	-	-	-
As at 30 June 2021	35,316	92,306	93,593	221,215
DEPRECIATION				
As at 1 July 2020	30,219	72,909	-	103,128
Charge for the year	3,738	14,750	3,744	22,232
Disposals	-	-	-	-
Transfers	-	-	-	-
As at 30 June 2021	33,957	87,659	3,744	125,360
NET BOOK VALUE				
As at 30 June 2021	1,359	4,647	89,849	95,856
As at 1 July 2020	5,097	14,558	92,610	112,265

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

8. INTANGIBLE FIXED ASSETS

	Website	Total
COST		
As at 1 July 2020	16,033	16,033
Additions	17,111	17,111
Disposals	-	-
Transfers	-	-
As at 30 June 2021	33,144	33,144
DEPRECIATION		
As at 1 July 2020	-	-
Charge for the year	11,047	11,047
Disposals	-	-
Transfers	-	-
As at 30 June 2021	11,047	11,047
NET BOOK VALUE		
As at 30 June 2021	22,097	22,097
As at 1st July 2020	16,033	16,033

9. DEBTORS

	2021 £	2020 £
Trade debtors	10,700	84,501
Prepayments and accrued income	152,922	50,064
Other debtors	60,716	299,034
	<u>224,338</u>	<u>433,599</u>

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

10. CREDITORS

	2021	2020
	£	£
Trade creditors	79,558	92,993
Accruals	11,884	95,046
Deferred income	67,185	76,460
Other tax and social security	1,406	1,689
Other creditors	10,471	1,984
	<u>170,504</u>	<u>268,173</u>

Analysis of deferred income	2021	2020
	£	£
At 1 July	76,460	40,917
Released to income in the period	(76,460)	(40,917)
Deferred in the period	67,185	76,460
Closing balance	<u>67,185</u>	<u>76,460</u>

Deferred income relates to grants and donations received in advance for activity taking place in the following year.

11. MOVEMENT IN FUNDS

	As at 01-Jul-20	Income	Expenditure	Transfers	As at 30-Jun-21
	£	£	£	£	£
Unrestricted funds					
General risk fund	500,000	2,389,828	1,137,862	(1,251,965)	500,000
Designated funds	1,064,800	-	-	1,251,965	2,316,765
	<u>1,564,800</u>	<u>2,389,828</u>	<u>1,137,862</u>	<u>-</u>	<u>2,816,765</u>
Restricted funds					
Autumn Season	-	57,400	57,400	-	-
Spring Season	-	46,129	46,129	-	-
Learning & Participation	-	58,079	58,079	-	-
Young Artists	620	3,000	-	-	3,620
Ticket Fund	108	-	-	-	109
Lighting Rig Fund	13,489	-	3,205	-	10,283
	<u>14,217</u>	<u>164,608</u>	<u>164,813</u>	<u>-</u>	<u>14,012</u>
	<u>1,579,017</u>	<u>2,554,436</u>	<u>1,302,676</u>	<u>-</u>	<u>2,830,777</u>

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

Restricted funds

The Autumn tour was curtailed to 5 performances due to Covid-19 restrictions, but significant expenditure had already been incurred above the level of restricted fund support. Though the Spring tour was cancelled due to continuing Covid-19 restrictions, ETO incurred significant expenditure relating to the season as it honoured contracts agreed in advance with freelance creatives and performers.

Restricted expenditure on learning and Participation projects totalled £58,079 and relates to expenditure incurred against *Shh! We have a plan* and *Al-Haytham's Light*.

The Lighting Rig Fund is supported by a grant from the Linbury Trust. This enabled the upgrade and re-stocking of ETO's touring lighting rig.

The Young Artists Fund supported costs associated with early-career artists' engagements for Spring seasons, including bursaries towards specialist coaching as well as a range of training activities and masterclasses on tour.

The Ticket Fund supports tickets purchased by individuals for others as a gift.

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

11. MOVEMENT IN FUNDS (continued)

Unrestricted funds

Unrestricted funds include a General Risk Fund of £500,000 (2020: £500,000) and Designated Funds of £2,316,765 (2020: £1,064,800) in total.

Comparatives for the year to 30 June 2020 are shown in note 16.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Fixed assets	107,670	10,283	117,953
Current assets	2,879,598	3,728	2,883,326
Current liabilities	(170,504)	-	(170,504)
Net assets	2,816,765	14,012	2,830,777

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Fixed assets	114,809	13,489	128,298
Current assets	1,718,164	729	1,718,892
Current liabilities	(268,173)	-	(268,173)
Net assets	1,564,800	14,217	1,579,017

13. OPERATING LEASE COMMITMENTS

At 30 June 2021, the charity was committed to the following minimum future payments under operating leases:

	Office equipment		Land and buildings	
13. Operating lease commitments	2021	2020	2021	2020
	£	£	£	£
In less than one year	4,232	4,232	59,240	59,240
In two to five years	1,058	5,290	225,720	260,960
In more than five years	-	-	24,000	48,000
	5,290	9,521	308,960	368,200

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

ETO rents office premises at Mountview Academy of Theatre Arts, Peckham, with a lease extending to 2045 with a break clause every five years, the first break clause arising in 2025.

ETO rents storage facilities in Northfleet, Kent until August 2028.

ETO is grateful for additional storage space donated by Poulton Hall Estate and English National Opera. As the charity would not rent this space were it not offered free of charge, no value is included in the accounts for this gift in kind.

The lease for ETO's current photocopier is due to expire in September 2022.

14. RELATED PARTY TRANSACTIONS

Jonathan Peter Kenny, the civil partner of James Conway, Director, was hired by the charity as conductor in FY21. He was remunerated £7,450 for these services (inclusive of tour expenses) in line with fees and expenses of other conductors engaged by ETO (2020: remunerated £21,512 for conducting in the Spring 2020 season).

Abigail Kelly, ETO trustee, was hired by the charity to perform in Shh! We have a plan and was remunerated £2,786 for these services (2020: remunerated £12,794 for performing Laika the Space Dog and performing in the Autumn 2019 season).

The aggregate of donations received from the Trustees and their related parties in the period was £3,435 (2020: £26,060).

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

15. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY FOR THE YEAR ENDED 30 JUNE 2020

	Unrestricted funds		Restricted funds	Year to 30-Jun 2020
	General	Designated		
	£	£	£	£
INCOME FROM:				
<i>Donations & Grants</i>	2,053,753	-	217,982	2,271,736
<i>Investments</i>	3,987	-	-	3,987
<i>Charitable activities</i>				
Touring and production	299,527	-	-	299,527
Education and community projects	12,088	-	-	12,088
<i>Other income: Theatre Tax Relief</i>	228,661	-	-	228,661
Total income	2,598,017	-	217,982	2,815,999
EXPENDITURE ON:				
<i>Raising funds</i>	256,227	-	-	256,227
<i>Charitable activities</i>				
Touring and production	2,139,444	-	93,697	2,233,141
Educational and community projects	140,765	-	130,319	271,084
Total expenditure	2,536,436	-	224,016	2,760,453
NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS	61,581	-	(6,034)	55,547
Transfers between funds	(300,576)	300,576	-	-
NET MOVEMENT IN FUNDS	(238,995)	300,576	(6,034)	55,547
Fund balances brought forward	738,995	764,224	20,251	1,523,470
FUND BALANCES CARRIED FORWARD	500,000	1,064,800	14,217	1,579,017

ENGLISH TOURING OPERA LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2021

16. COMPARATIVE MOVEMENT IN FUNDS ANALYSIS FOR THE YEAR ENDED 30 JUNE 2020

	As at 01-Jul-19 £	Income £	Expenditure £	Transfers £	As at 30-Jun-20 £
Unrestricted funds					
General risk fund	738,995	2,598,017	2,536,436	(300,576)	500,000
Designated funds	764,224	-	-	300,576	1,064,800
	<u>1,503,219</u>	<u>2,598,017</u>	<u>2,536,436</u>	<u>-</u>	<u>1,564,800</u>
Restricted funds					
Autumn Season	-	39,016	39,016	-	-
Spring Season	-	43,205	43,205	-	-
Strengthening Live Opera Provision Nationwide	-	5,172	5,172	-	-
Learning & Participation	-	130,319	130,319	-	-
Young Artists	350	270	-	-	620
Ticket Fund	108	-	-	-	108
Lighting Rig Fund	19,793	-	6,304	-	13,489
	<u>20,251</u>	<u>217,982</u>	<u>224,016</u>	<u>-</u>	<u>14,217</u>
	<u>1,523,470</u>	<u>2,815,999</u>	<u>2,760,452</u>	<u>-</u>	<u>1,579,017</u>