



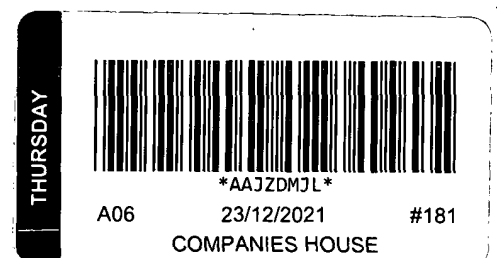
MOORE Kingston Smith

ENGLISH NATIONAL BALLET (Limited by guarantee)
Registered Company Number: 735040
Charity Registration Number: 214005

**English National Ballet
(A Company Limited by Guarantee)**

**Trustees' Report and
Consolidated Financial Statements
for the year ended 31 March 2021**

Registered in England and Wales
Registered Company number: 00735040
Charity Registration number: 214005



Contents

COMPANY INFORMATION	3
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021	4
INDEPENDENT AUDITOR'S REPORT	23
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	27
CONSOLIDATED BALANCE SHEET	29
CHARITY BALANCE SHEET	30
CONSOLIDATED STATEMENT OF CASH FLOWS	31
NOTES TO THE FINANCIAL STATEMENTS	32
1. ACCOUNTING POLICIES	32
2. GRANT INCOME	36
3. EXPENDITURE ON RAISING FUNDS	37
4. EXPENDITURE ON CHARITABLE ACTIVITIES	37
5. SUPPORT COSTS	38
6. EXPENDITURE	38
7. REMUNERATION OF TRUSTEES	38
8. STAFF NUMBERS	39
9. TANGIBLE FIXED ASSETS	40
10. INVESTMENTS	41
11. DEBTORS	42
12. CREDITOR	42
13. DEFERRED INCOME	42
14. PENSIONS	42
15. UNRESTRICTED RESERVES	43
16. MOVEMENTS IN RESTRICTED FUNDS	44
17. GROSS TRANSFERS BETWEEN FUNDS	45
18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES	46
19. ANALYSIS OF NET ASSETS BETWEEN FUNDS	46
20. COMMITMENTS UNDER OPERATING LEASES	47
21. CONTINGENT ASSETS AND LIABILITIES	48
22. RELATED PARTY TRANSACTIONS	48

COMPANY INFORMATION

Directors and Trustees

Sir Roger Carr	(Chair)
Sue Butcher	(Deputy Chair)
Marilyn Berk	(Appointed 17 September 2020)
Lady Deborah Buffini	
Grenville Turner	(Resigned 2 June 2020)
Susan Boster	(Resigned 18 September 2020)
Kamara Gray	(Appointed 2 June 2020)
Zachary Lewy	(Resigned 7 October 2021)
Christopher Marks	
Paul Pacifico	
Christopher Saul	
Susan Sloan	
Caroline Thomson	
Dr Shirley Thompson	(Appointed 4 May 2020)

Company Secretary

Grace Chan

Registered Office and Principal Office

Mulryan Centre for Dance
41 Hopewell Square
London
E14 0SY

Principal Bankers

Barclays
Level 27, 1 Churchill Place
London
E14 5HP

Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the consolidated financial statements of the Group, including English National Ballet (ENB or the Charity) and English National Ballet Enterprises Limited (the trading subsidiary), for the year ended 31 March 2021. The Trustees confirm that the annual report and financial statements of the group comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

English National Ballet's mission is to take world-class ballet to the widest possible audience, delighting them with the traditional and inspiring them with the new. We aspire to be the United Kingdom's most exciting and creative ballet company.

The primary objectives of English National Ballet are:

- to present productions of classical ballet of the highest quality within England and around the world;
- to offer access to the widest possible audience through affordable pricing and attractive repertoire in a variety of venues including theatres, schools, festivals and digital platforms;
- to inspire, enlighten and uplift the public through performances, events, interaction and experience;
- to develop the art form of ballet by commissioning new choreography, design, and musical composition as well as cherishing the classical repertoire; and
- to maintain the highest artistic standards.

Our objectives can be distilled into four strategic priorities, which underpin everything we do and how we do it. Focusing on these priorities will enable us to deliver our vision and mission:

1. to consistently deliver artistic excellence and creativity;
2. to nurture and develop talent, on and off stage;
3. to extend our reach and relevance;
4. to ensure sustainable growth.

We evaluate our progress against these objectives by:

- measuring our impact with audiences;
- measuring our reputation among artists, critics, industry colleagues and stakeholders;
- checking ourselves and our audiences against wider societal demographics;
- measuring our income against targets.

Public Benefit

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's general guidance on public benefit and fee charging, including its guidance 'Public Benefit: Running a Charity (PB2)'. English National Ballet's programme of activities focusses on encouraging as many people as possible to attend our performances. We ensure that our pricing policy reflects our commitment to enabling audiences, whatever their means, to have access to our work. We work closely

with educational providers, community groups and our creative industries colleagues across the country to ensure that there are as few barriers as possible to accessing a performance or activity. Our programmes are broad in their format and multi-disciplinary in their content, which ensures that participation does not require a prior knowledge of ballet. We use our network of partner organisations to help ensure that we maximise opportunities for participation or for affordable tickets, for those sections of the community that may not otherwise engage with ballet, or who may be marginalised in some way. We also offer different mediums in which to see our work, such as film or live-streaming of some of our performances and free digital content offering additional insight.

STRUCTURE, GOVERNANCE AND MANAGEMENT

English National Ballet is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

English National Ballet is governed by its Memorandum of Association and Articles of Association.

The Board of Trustees

The Board of Trustees are the non-executive and unpaid governing body of English National Ballet, led by the Chair, Sir Roger Carr.

Appointment of Trustees

As set out in the Articles of Association, the Chair of the Trustees is nominated by their fellow Trustees. The Trustees may serve for a period of up to two concurrent three-year terms. Trustees are, for the period of their appointment, also Members of the Company, guaranteeing a maximum of £1 each in the event of the Company's insolvent liquidation.

Trustee Induction and Training

New Trustees undergo an induction meeting with the Chair, and the Company Secretary briefs them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the Charity. Trustees are encouraged to keep fully up to date with the latest Charity Commission directives. In addition, regular presentations are made to the Board on key issues of current and ongoing importance, and regular charity trustee updates are provided by English National Ballet's charity lawyers.

Governance Structure

The Board of Trustees, which can have up to 20 members, administers the Charity and meets a minimum of four times per year. An Executive Director and Artistic Director are appointed by the Trustees to manage the day to day business operations of the Charity. To facilitate effective operations, the Executive Director and Artistic Director have been delegated authority by the Trustees for day to day operational matters including finance, employment and artistic performance related activity.

During the year, the Board of Trustees met six times to ensure it was maintaining effective control over strategic, financial, organisational and compliance matters, and there were regular meetings between the Chair of the Board and the Executive Director, Artistic Director and Chief Operating Officer throughout the year. These three Executive Team members also attend each of the Board meetings, along with other members of the Executive Team when relevant. Board members serving during the year and up to the date of this report were as follows:

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

Sir Roger Carr	(Chair)
Sue Butcher	(Deputy Chair)
Marilyn Berk	(Appointed 17 September 2020)
Lady Deborah Buffini	
Grenville Turner	(Resigned 2 June 2020)
Susan Boster	(Resigned 18 September 2020)
Kamara Gray	(Appointed 2 June 2020)
Zachary Lewy	(Resigned 7 October 2021)
Christopher Marks	
Paul Pacifico	
Christopher Saul	
Susan Sloan	
Caroline Thomson	
Dr Shirley Thompson	(Appointed 4 May 2020)

In order to provide effective oversight and to enable particular focus on key areas of the day to day operations, four Board committees support the work of the Board and aim to meet prior to Board meetings. The committees are appointed by and generally made up of members of the Board. The Finance and General Purposes Committee, London City Island Project Steering Board, and Governance, Nominations and Remuneration Committee have some delegated authority from the Board. Additional co-opted members (non-board members) are invited to join committees where their skills and experience are both relevant and highly valued.

The membership of the standing committees is detailed below with co-opted members marked with an asterisk*.

Finance and General Purposes Committee

The Committee met five times in the year and the main responsibilities are the management of finances, tax, audit and risk. During the year, the Committee also supported the Executive Team in regular financial scenario planning and options analysis to support the Company's Emergency Response Strategy in relation to the Covid pandemic. From June 2020, upon the disbanding of the London City Island Project Steering Board, this committee also assumed responsibility for considering property related matters on behalf of the Board. Membership of this Committee at the date of this report was:

Christopher Marks	(Chair)
Sue Butcher	
Zachary Lewy	(Resigned 7 October 2021)

London City Island Project Steering Board

The Steering Board was disbanded in June 2020 on retirement of its Chair, Grenville Turner. The Steering Board was previously responsible for all aspects of the Company's building development at London City Island. The Committee included members of the Board and was attended by English National Ballet's internal project team (Executive Director, Chief Operating Officer, Project Director, and mobilisation Project Manager) and the external Project Manager and Quantity Surveyor/Cost Manager. Membership during the year until June 2020 was:

Grenville Turner	(Chair – resigned 2 June 2020)
Justin Bickle*	(Resigned as a trustee 21 June 2018 but remained as a co-opted member until committee disbanded in June 2020)
Zachary Lewy	(Resigned 7 October 2021)

Governance, Nominations and Remuneration Committee

The Governance, Nominations and Remuneration Committee met four times in the year. The Committee is responsible for all governance matters relating to English National Ballet, including reviewing board membership and performance, managing potential conflicts of interest, ensuring legal and regulatory compliance and relevant policies are in place, hearing staff-related matters, and overseeing the contractual terms of employment, performance, and remuneration of both the Artistic Director and Executive Director. During the year it oversaw the process of new trustee recruitment interviews and appointments, and the Company's work in relation to Equity, Diversity and Inclusion. Membership as at the date of this report was:

Christopher Saul	Chair
Kamara Gray	(Appointed 24 May 2021)
Paul Pacifico	(Appointed 1 June 2020)
Caroline Thomson	
Grenville Turner	(Resigned 2 June 2020)
Philip Willatt *	(Appointed 24 May 2021)

Development Board

The Development Board is a group of individuals who contribute to meeting English National Ballet's fundraising target by making introductions to potential donors and, as a group, deliver a specific fundraising target for the Charity's work. During the year the Board was refreshed with a new Terms of Reference and a change in focus in order to maximise the fundraising potential of ENB's new physical assets and the opportunities these provide at City Island. They met three times in the year and the members at the date of this report were:

Susan Sloan	Chair
Drew Ackroyd	(Appointed 4 June 2020)
Marilyn Berk	(Appointed 4 February 2020)
Sarah Blomfield*	
Lady Deborah Buffini	(Appointed 1 June 2020)
Alejandro Caro *	
Nick Claydon*	
Eva-Maria Dimitriadis	(Appointed 12 February 2021)
Baroness Rosario de Mandat Grancey *	
Jacque Gulbenkian *	
Lily Liebel *	

THE EXECUTIVE TEAM

The Trustees appoint the Artistic Director and Executive Director. The Board delegate the day-to-day management of English National Ballet to the Executive Team, led by the Executive Director. The Executive Team is made up of a director in each functional area of the business. The team met remotely on a weekly basis throughout the year, especially in relation to coordinating the Company's response to the pandemic. General topics include planning, decision making and sharing of information. Standing agenda items include artistic programming, finance, sales performance, health and safety, and risk management, and a key focus during the year was the coordination and delivery of the Company's Emergency Response Plan in relation to the Covid pandemic. During the year, the Executive Team comprised:

Patrick Harrison	Executive Director
Tamara Rojo	Artistic Director
Grace Chan	Chief Operating Officer

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

Rachel Case	Interim Development Director (fixed term contract appointed 21 October 2019 to 21 April 2020)
Heather Clark-Charrington	Director of Marketing and Communications (resigned 26 August 2021)
Samantha Dean	Human Resources Director (appointed 1 June 2021)
Fleur Derbyshire-Fox	Engagement Director
Gazala Hurley	Finance Director (appointed 26 May 2020, resigned 24 December 2020)
Lisa Leigh	Director of Marketing and Communications (appointed 6 December 2021)
Lisa Ramsell	Development Director (appointed 1 June 2021)
Louise Shand-Brown	Executive Producer
Gavin Sutherland	Music Director
George Thomson	Technical Director
Wendy Tull	Human Resources Director (resigned 31 March 2021)

Health and Safety

The health and safety of employees, contractors and visitors is a high priority. Health and safety is communicated throughout the organisation and all new employees are issued with a health and safety policy document. In addition to a consultant health and safety advisor who meets regularly with the building operations team and reviews work in preparation for productions, there are trained first aiders and fire wardens across the organisation. Prior to the facilities reopening in August 2021 for the return of members of staff who worked remotely during the Covid pandemic, the public, and external hirers and other users of the facilities, a full health and safety audit was carried out of the facilities, and a refreshed policy document was issued to all staff returning to the building.

Equal Opportunities

The Charity recognises its legal and ethical obligations under the Equality Act. Policies and procedures are in place to ensure that the Charity complies with the letter and spirit of the law and that diversity is celebrated strongly within the creative programme and the values of the organisation. ENB wants to be a diverse and inclusive place to work and an appropriate action plan is in place setting out what the organisation will do to promote equity, diversity and inclusion (EDI) and to increase representation from those with protected characteristics across the organisation. A significant staff and Trustee engagement exercise was initiated during the year, facilitated by two EDI specialists. The insights from this work, as well as wider consultation with sector peers and external experts, is being used to review and refresh the Charity's EDI strategy and action plan.

Remuneration

The Charity continues to strive to be an employer of choice and is committed to paying a fair salary for jobs undertaken by our employees. To support this, we are working towards the Greater London Authority's Good Work Standards and have committed to paying the London Living Wage as a minimum. The Remuneration Committee continues to provide oversight and monitor the performance of the Artistic Director and Executive Director, and sets their pay, considering sector-wide benchmarking (UK and internationally) and measuring performance against set objectives. The remuneration for other members of the Executive Team and staff of ENB is covered by the organisation's Remuneration Policy which demonstrates that the Charity is committed to ensuring that what it pays remains competitive in the labour market. As part of this the HR Department has established a robust benchmarking procedure that is followed at the beginning of the recruitment process both for new and replacement roles, to ensure we are continually reviewing pay. In addition, ENB conducts organisation-wide pay reviews, and regularly consult employee representatives and trade unions (where relevant) on pay levels. General pay awards reflect changes in the wider labour market and levels of inflation and are balanced against affordability to the organisation.

Employee Information

There is an established structure for information and consultation at ENB, and there is regular consultation with union and staff representatives on both a formal and informal basis. This was enhanced during the pandemic: for the first six months all-staff emails were sent weekly and all-staff meetings were held on Zoom at least monthly to keep employees informed about the company's emergency response plan, its ongoing lobbying, to maintain cohesion amongst colleague groups who were physically separated and provide welfare support to whomever needed it.

An initial three months of complete lockdown saw all staff working from home and dancers receiving coaching and class digitally. The return of the dancers to the studios was prioritised at the end of June to maintain physical fitness, and a small number of essential staff also returned to facilitate the conversion of the Mulryan Centre for Dance studios into a Covid-secure working environment.

Meetings continued to take place with staff committees representing our dancers, orchestra, and technical teams and the frequency was increased because of the degree of change to working environments and financial pressures on the organisation throughout the pandemic. In addition to pay and benefits, these staff committees were consulted on health and safety, with specific reference to Covid-security and were also a key forum for sharing how the company's emergency planning and advocacy was taking shape. Committee members were encouraged to raise any specific areas of concern to the staff they represent. These meetings were minuted and action lists tracked.

As well as staff meetings and staff committees, a number of staff surveys have been completed to feed into return-to-work planning and ENB's future approach to hybrid working. Focus groups and one-to-one sessions were offered to all staff to gain specific insight into staff engagement and welfare from the point of view of protected characteristics, the data from which is informing both ENB's EDI strategy and action plan and a review of its staff policies.

ENB's Equality & Diversity Policy requires that full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities; continuing the employment of, and arranging training for, employees who have become disabled persons while employed; and ensuring the same training, career development and progression opportunities are available to all staff regardless of any disability.

Subsidiaries and Related Parties

The Charity is the sole fully paid-up shareholder of two subsidiary companies. The principal activity of English National Ballet Enterprises Limited is commercial trading such as corporate sponsorships, memberships, hires and events. The principal activity of ENB Productions Limited is as a theatrical production company (currently dormant).

STRATEGIC REPORT

Achievements and performance

The impact of the Covid-19 pandemic meant that ENB, as with most performing arts organisations had to cancel, postpone or repurpose almost all of its planned performances nationally and internationally in 2020/21. Cancelled performances included:

- The world premiere of Akram Khan's *Creature* at Sadler's Wells in April 2020 and subsequent tour, with the loss of 23 performances across the year.
- 14 performances of *Swan Lake* in-the-round at the Royal Albert Hall in June 2020.
- The world premiere and national tour of Tamara Rojo's *Raymonda* between October 2020 and January 2021, with the loss of 28 performances across four venues.
- 31 performances of the *Nutcracker* at the London Coliseum across December 2020 and January 2021.
- The national tour of *My First Cinderella*, with the loss of 38 performances across four venues, as well as the planned tour of *My First Swan Lake*, due to premiere in March 2021.
- International tours to Barcelona in April 2020, Mexico City in May 2020, Paris in July 2020, and Montreal and Chicago in March 2021.

Despite the cancellation of our national and international performances, a drastic reduction in income and the changes to staffing that were required as a result, we have continued to deliver on our mission to bring world-class ballet to as many people as possible, wherever they are and whatever their means.

We repurposed as much of our resources as possible to deliver an Emergency Response Plan in May 2020, with its aim to keep the company intact and solvent, remain active throughout lockdown and, wherever possible, supporting the wider recovery of the arts sector. In order to achieve these aims, we focused our resources on: providing as much work as could be afforded to ENB's wider group of colleagues such as its orchestra, casual technical and production teams, and freelance makers, creative teams and teachers; strengthening our digital assets and ensuring an innovative and relevant online offer; retaining long-term relationships with partner venues and co-producers and supporting their recovery where we could; maximising reach through film, digital content and classes, as well as safe options for smaller scale live performance; repurposing finances to prioritise investment in areas critical for recovery; and using London City Island facilities to support wider sector recovery.

We were proud to win the award for the Best Company Response to the Pandemic at the annual National Dance Awards in June 2021.

We also undertook some of the last stages of our capital project to complete our London City Island facilities during the year, with most of the final fit-out snagging and remediation work carried out during the lockdowns. We were thrilled to name our building the Mulryan Centre for Dance, in recognition of Sean Mulryan and his family for their continued support of ENB and the capital project from the outset. We were also proud to be awarded the Royal Institute of British Architects' (RIBA) London Building of the Year 2021, a RIBA London Award 2021, a RIBA National Award 2021, and shortlisted for the upcoming AJ Architecture Awards 2021 in the Community, Cultural and Health category, having won AJ100 Building of the Year in 2020, in addition to other international architecture awards.

In all, ENB lost 55% of its budgeted income in 2020/21. Other than a small number of staff leaving during the year, the Company has remained intact in size and vision. We are grateful to everyone who played a part in the survival of ENB during the year, and who continue to work hard in their efforts to sustain the spirit of ENB. A crucial reason for ENB surviving the 2020/21 year is due to the efforts of its own staff. All staff members made sacrifices: we unfortunately said goodbye to a small number, some after many years

of service; the remainder accepted at least six months of pay reduction, and many covered a number of roles to keep the organisation going, with everyone being cognisant of the need for pay restraint going forwards. This was an organisation-wide effort.

We are also thankful that the Company had firmly established itself at London City Island well before the pandemic, as the improved facilities gave ENB many more opportunities than it would otherwise have had in its previous Victorian premises in Kensington. And last, but not least, we are grateful for Arts Council England's constant support and their critical Emergency Funding, to the Department for Digital, Culture, Media and Sport (DCMS) and the Government's Culture Recovery Fund, and to all of our donors who gave us the financial and moral support to enable ENB to keep going into its 71st year.

How ENB met its strategic priorities during the year

1. Consistently delivering artistic excellence and creativity

We moved quickly to digital platforms to ensure that we could continue to create, perform and sustain our artistic impact while communicating with our audiences. ENB's Artistic Director, Tamara Rojo, began sharing daily open-access classes from her kitchen via YouTube within 24 hours of lockdown. This provided professional class for all of the company's dancers restricted to their homes, but also to professional dancers around the world wishing to maintain fitness.

We shared the best of our company's skill and talent via our free Wednesday Watch Parties, which saw audiences around the world invited weekly to enjoy never before seen full-length recordings of Company performances, with premieres on Facebook and YouTube. The musicians of ENB Philharmonic supplemented these performance events by joining together from their homes to perform virtual renditions of extracts from *Swan Lake*, and then from Alexander Glazunov's *Raymonda*, to say thank you to the NHS.

By September 2020 we were able to live-stream our first new live performance and took the opportunity to showcase our best young dancers, with six finalists competing in our Emerging Dancer competition. We were able to broadcast the live performance event in a Covid-secure way from our own Holloway Production Studio, thanks to the theatre-sized space's generous proportions and fresh air flow. The event showcased the very best of ENB's artistic excellence and emerging talent in the highlights of classical repertoire, the newly commissioned work by Company dancers and young freelance choreographers, and the live music performed by a socially distanced ENB Philharmonic.

The Holloway Production Studio also proved transformational to our ability to develop a professional film studio, where we were able to create five new dance films made by a diverse group of choreographers and filmmakers to launch our digital season in November 2020. Filmmaker Amy Becker-Burnett worked with choreographer Arielle Smith to create an energetic, old movie musical inspired, *Jolly Folly*. Shaun James Grant collaborated with ENB Associate Choreographer Stina Quagebeur on *Take Five Blues*, a response to Bach's *Vivace* and Paul Desmond's jazz standard, *Take Five*. Michael Nunn and William Trevitt worked with Russell Maliphant on *Echoes*, which also used light as an integral partner. Filmmaker Thomas James worked on the creation of the final two films: *Laid in Earth* with choreographer Sidi Larbi Cherkaoui, and *Senseless Kindness* choreographed by Yuri Possokhov and based on Vasily Grossman's great novel, *Life and Fate*.

Although ENB's largescale productions could not be performed live on stage as planned under Covid restrictions, we were able to progress the development of both of the major new works which had been intended to premiere in 2020, thanks again to the quality and scale of the new facilities at the Mulryan

Centre for Dance. We created Covid-secure cast bubbles to safely complete Akram Khan's new full-length work, *Creature*, and we made significant progress on the creation of Tamara Rojo's new version of *Raymonda*. Both of these assets will be cornerstones of starting our recovery in 21/22. They will be vital for retaining our talented artists, reactivating our partner venues, employing numerous freelance partner artists and building back our high-profile international touring and co-production relationships. The successful completion of *Creature*, coupled with the rich learning from the digital season, gave us the skills and confidence to additionally capture *Creature* as a new feature film, with Oscar winning film director, Asif Kapadia in April 2021.

We ensured we were ready to take advantage of all opportunities for socially distanced live stage performances by preparing a live version of our digital works, *Reunion*, and a new, smaller-scale *Nutcracker Delights*, using an innovative combination of digital and projection story-telling and live performance and music. Unfortunately, both shows had to be cancelled when the second and third lockdowns were introduced, but they have been captured on film and shared for free on YouTube as a gift to our followers and provide options for future live performance.

Whilst much of our planned Engagement work could not go ahead, we reshaped activity where we could and gained insight into the possibilities of hybrid delivery as a result. A particular focus was proactively supporting those most severely affected by isolation and physical and mental wellbeing during the pandemic. For example, we consulted with people living with Parkinson's as we trained Associate Artists for transitioning ENB Dance for Parkinson's to online. Our major programmes for developing youth talent and participation, *Dance Journeys* and *ENBYouthCo*, were maintained with online options such as a free Youth Dance Intensive during the school holidays and the opportunity to create new dance-for-camera films. In addition, *ENBYouthCo-nnect* was launched to support and connect young people through lockdown.

2. Nurturing and developing talent, on and off stage

While nurturing and developing talent remained a goal in the year, the impact of the pandemic on ways of working, physical and mental wellbeing and the resources of the company meant that our main focus in 2020/21 was on talent retention and welfare.

A key focus throughout the year was managing Covid-security at the Mulryan Centre for Dance to keep our elite dancers in shape throughout lockdown and then to restart creation and rehearsal safely. Our return-to-work plan enabled wider staff consultation and incremental reopening. This approach was used as a case study for other organisations by Parents in Performing Arts.

Our Emerging Dancer live-streamed event was an opportunity to further nurture (and showcase) our emerging talent, with six finalists receiving coaching from senior members of the Company, before performing in front of a panel of judges. New choreographic commissions were created by ENB First Artist and Associate Choreographer Stina Quagebeur, ENB Lead Principal Jeffrey Cirio and Ballet Black dancer and choreographer Mthuthuzeli November. The whole event was produced by James Streeter as part of ENB's Dance Leaders of the Future, a mentoring and skills development programme focused on sharing wider industry skills and succession planning.

We also treated freelancers respectfully during the pandemic, paying people and suppliers on time and honouring commitments wherever possible. Although opportunities were limited, we were able to start work with a wide range of makers and designers from all over the UK as we created the digital season and feature film capture of *Creature*, as well as progressing our production of *Raymonda*. Across our Engagement work, 52 freelance Associate Artists delivered work during this period, some new to ENB,

and we initiated ENB Artists Community which provided training and development to our freelance colleagues.

In 2020/21, ENB began consultation and planning on a new five-year children and young people's training programme which we have named the Ballet Futures Project. The programme is in association with regional dance schools, focussed on diversifying the pipeline of ballet talent by offering high quality, early-stage ballet training for children from African Diaspora, Caribbean, South Asian and South East Asian heritage. During the year, we identified partner schools across England who will help ENB create a nationwide network of participants and teachers and create accessible platforms for children to work with ENB dancers and teachers and experience the Company's productions.

3. Extending our reach and relevance

The pandemic was the biggest barrier to physical reach the performing arts has ever faced. Nevertheless, we were able to make full use of our physical assets and talent to create relevant new work for online consumption. In 2020/21 we achieved 4,115,577 worldwide interactions with our online offers and classes (878,323 in 19/20). This substantial growth provides us with strong engagement and new knowledge, which will help us ensure digital commitment remains a core pillar of audience development alongside our work for live audiences.

Our new dedicated on-demand video platform, ENB at Home, was launched in November 2020 and has become our shop window for digital interaction. It hosts two new additions to our artistic offer: Ballet on Demand, and BalletActive. Ballet on Demand gives users of the platform the opportunity to enjoy world class ballet performances at home with full length productions available to rent, including works recorded specifically for screen, such as Akram Khan's *Giselle* and selections from the Company's archives. BalletActive offers a subscription-based classes programme, including a broad offer: technique masterclasses from members of ENB's own teachers and alumni; classes for professionals, classes for small spaces, chair-based classes; yoga, meditation and Pilates sessions to complement ballet practice; southeast Asian dance classes, Flamenco, and contemporary dance for beginners and young people.

Digital channels have also provided opportunities to learn from our Engagement programme volunteers and participants and we developed new delivery models to keep our offer responsive and relevant. For example, our 'In conversation with...' Zoom sessions provided an additional social element to participants living with Parkinson's. Our new befriending initiative, ENBTogether, was developed to specifically support engagement methods for people experiencing severe loneliness as a result of shielding, and following training with Befriending Networks, we piloted the scheme in April 2021 with a team of volunteers with lived experience of Parkinson's.

ENBYouthCo's 2019/20 cohort transferred to online, which allowed for an increase in interactions between YouthCo members, the Company and guest artists, and also enabled group mentoring sessions. Despite Dance Journeys and U.Dance postponements in the first lockdown, new dance film screening opportunities arose through digital platforms: Flexus: #HoldingHands A Captured Moment Digital Dance & Arts Festival; 'Fractured', choreographed by Arielle Smith; and Digital Platform U.Dance 'A Comedy in Long Shot', choreographed by ENBYouthCo. We implemented a new application process for the YouthCo's 2020/21 cohort, which included a digital task which enabled young people to express their creativity and reveal more of themselves than they may have felt comfortable doing in a studio-based audition alone. Applications increased by 26%, with a surge in the number of male applications and we were able to increase the size and diversity of ENBYouthCo in response.

4. Ensuring sustainable growth

Prior to the start of the 2020/21 year, ENB had plans in place to achieve some level of sustainable growth while facing into the uncertainty created by Brexit, continued inflationary pressure on costs and a challenging and competitive funding environment. Little did we know about the seismic consequences of the Covid pandemic and its specific impact on the performing arts sector, let alone the challenge to ENB's own survival and sustainability.

2020/21 was supposed to be the Company's first full year of occupancy at its new home at London City Island, a year in which ENB hoped to develop an understanding of the costs of running a premises five times the size of its previous home, as well as work to optimise the building for rehearsal, engagement and outreach, working with other organisations, and delivering events and hires.

While ENB has remained operational throughout the pandemic, the building was closed from March 2020 until the end of June 2020, at which time only dancers returned for class, training and rehabilitation, and later rehearsals. Artistic activity was significantly enabled by ENB's Return to Work team which met year-round to react and respond to changes in public health guidance. The team was a cross-functional team focussed on ensuring a Covid-secure way to enable artistic activity to continue productively. This enabled the completion of Akram Khan's *Creature*, which was almost completed before the first lockdown but was only able to be completed a year later, and also enabled work to start on Tamara Rojo's *Raymonda* for 2021/22. Administrative colleagues have worked remotely throughout and returned to the Mulryan Centre for Dance from late summer 2021.

The Emergency Response Plan enacted by the Company in May 2020 provided the organisation with a clear strategy for the year with enough flexibility to adapt to changing rules and conditions. ENB also worked collaboratively with venue partners such as Sadler's Wells and the London Coliseum, where we each adapted our business models and usual ways of working to help each other deliver both live performance and keeping venues open with viable content. Our swift response to the pandemic and prompt re-scheduling of international tour dates helped keep these in play for future dates and we were able to secure the co-production commitments of Ballet Flanders (for *Creature*) and Finnish National Ballet (for *Raymonda*) and re-schedule their premiere dates. We were also able to secure a second licencing of Akram Khan's *Giselle* to Ballet Flanders in place of the *Creature* premiere.

ENB also made use of the Government's Coronavirus Job Retention Scheme (CRJS) during periods where it was not possible for certain groups of employees to work and applied some of its limited financial reserves to pay for the top-up costs of using furlough to provide income for groups of colleagues that would ordinarily be engaged by ENB for performance periods only. ENB recognises that not everyone associated with the company could be supported throughout lockdown, however we always accessed whatever assistance we could in an equitable and fair way.

Cost savings were made wherever possible, balanced against not cutting costs in the short term if they would result in higher longer-term costs. Recruitment was frozen from April 2020 and roles recruited on an as-needs basis, with needed roles re-recruited from autumn 2021.

All contracts relating to the completion of the London City Island capital project fit-out were settled or agreed during the year, with only a few remediation projects remaining at the time of signing this report. ENB has part-acquired a 199-year leasehold of its building which begins to secure its future, with the final part-acquisition in the 2021/22 year. The Mulryan Centre for Dance has played a key role in ENB's survival during the pandemic, providing space, access, and the technology to stay open, remain active, create and to sustain some level of earned income. The Company being performance-ready in May 2021 is in no small part due to the fortuitous timing of the completion of the London City Island capital project.

ENB's Executive Team and Board have and will continue to reflect upon the learnings they acquired during the 2020/21 year. The pandemic has given ENB the opportunity to adapt and to develop new skills, which will no doubt have a key role in its future.

Overall, 2020/21 has been a year of loss, a year of gains, but ENB has remained intact which gives us the foundation we need as we face into the post-Covid recovery.

Fundraising report

Raising voluntary funds from charitable trusts and foundations and individual donors, and the income received from corporate partnerships and events, are vital to ENB and used to fulfil our charitable objectives as effectively as possible. We are grateful for the support given by all our donors.

We aim to build and maintain collaborative, long-term partnerships with our supporters and donors, based on mutual understanding and shared values. As part of our commitment to good fundraising practice and to support the Regulator's Code of Fundraising Practice, we are registered with the Fundraising Regulator. Our published Supporter Charter can be viewed online at <https://www.ballet.org.uk/supporter-charter/>.

ENB operates with a small fundraising (Development) team. It does not engage in door-to-door or telephone fundraising activity. The Development team works closely with ENB's Executive Team and with the Board's fundraising sub-committee, the Development Board, to develop the fundraising strategy and to identify potential fundraising prospects. The Development Board was further strengthened with skilled new members in 2020/21.

Our Privacy Policy, published on our website, clearly states what personal data ENB will hold in relation to supporters and how this data will be used. The Privacy Statement is published on the Company's website: <https://www.ballet.org.uk/privacy-statement/>. ENB's complaints procedure, reviewed annually, is also updated and is published online <https://www.ballet.org.uk/fundraising-complaints-procedure/>. No fundraising complaints were received during the 2020/21 financial year.

ENB's Gift Acceptance Policy clearly sets out the expectations of anyone fundraising for the Company, be that a paid employee, consultant or volunteer, and details the policy and decision-making process we will use to assess if there is any risk, reputational or otherwise, to ENB by accepting a donation, sponsorship or membership. The Gift Acceptance Policy is reviewed annually.

FINANCIAL REVIEW

The basis on which the financial statements have been prepared is explained in Note 1, found on page 32.

The Group includes English National Ballet (ENB or the Charity) and English National Ballet Enterprises Limited (the trading subsidiary). One other subsidiary, ENB Productions Limited, is dormant.

The long-term financial stability of ENB relies on the National Portfolio Organisation (NPO) grant funding that the Charity receives from Arts Council England (ACE) in the form of a revenue grant. ENB's NPO funding has remained at a similar level since 2006. The current four-year funding round was scheduled to end in March 2022. However, in response to the disruption caused by Covid-19 and to provide some

level of certainty, ACE will be extending the current funding round by one year, therefore ending in March 2023. The next NPO funding round applications are due to be submitted to ACE in Spring 2022.

With stand-still grant funding from ACE, even pre-Covid 19, ENB faced the increasing challenge of year-on-year wage and cost inflation, balancing that against the organisation's objective to ensure continued access to its live performances by providing reasonable ticket prices, continuing to evolve the artform, and ensuring work that is performed in London is also performed in the regions wherever possible. In addition to the ACE NPO grant and theatre tax relief, ENB has always relied on its income via box office sales from growing attendance numbers and fundraising to enable it to continue its mission to deliver excellent work to as many people as possible.

The financial year saw the full impact of the Covid-19 pandemic on ENB's operations and finances, with the complete loss of income from normal charitable activities (ticket sales and tour fees, outreach and engagement activity), and a significant decline in trading activities. The main source of income was from ENB's annual NPO grant from ACE, with additional support from ACE's Emergency Response Fund and the Department of Culture, Media and Sports' Culture Recovery Fund (CRF). Expenditure was also significantly lower, with fixed costs reduced wherever possible and production costs limited to what was affordable with the additional funding ENB received from ACE and DCMS. The year also included payments for the final stages of contractor costs related to the completion of the fit-out works on the London City Island facilities and part-payment of the lease premium on the building.

The Group reported a surplus of £6,418,000 for the year (2020: £2,376,000) which must be read with the additional information in this report as a significant proportion of this surplus relates to the designated funds relating to the final stages of completing the London City Island capital project. Total income for the year was £18,183,000 (2020: £23,022,000) of which £8,858,000 (2020: £115,000) was granted through various Government and ACE funds to financially support organisations through the pandemic in 2020/21. Further analysis on the breakdown of these grants can be found in Note 2 of the Financial Statements.

Total expenditure for the year dropped to £13,383,000 compared to £21,830,000 in the previous year. This was due to there being little expenditure related to delivering performances and reduced production expenditure due to the pandemic. Expenditure includes a depreciation charge of £1,454,000 (2020: £1,454,000) which relates predominantly to the London City Island asset.

Unrestricted General Funds at 31 March 2021 total £3,420,000 (2020: £3,001,000), Designated Funds at 31 March 2021 total £27,333,000 (2020: £21,644,000), and Restricted Funds at 31 March 2021 total £1,144,000 (2020: £834,000). These results are presented in the Consolidated Statement of Financial Activities (SOFA) on page 27.

In order to not overstate general funds available, two new designated funds have been created in 2020/21:

- Pre-paid Production Expenditure for New Akram Khan £984,000 (2020: £ nil) to offset already paid production expenditure relating to developing Akram Khan's *Creature* whose costs are, in accordance with ENB's accounting policies, held in the Balance Sheet as Work in Progress (current asset) and expensed to the SOFA on the opening night of the first live performance. These funds are designated so that general reserves, which are freely available, are not overstated.
- VAT Repayment Fund £2,500,000 (2020: £ nil). ENB has been operating as if it were partially culturally exempt since the end of 2017/18. In April 2020, HMRC suggested that contrary to earlier confirmations, ENB may not be eligible to be partially culturally exempt, but no decision has been made by HMRC at this stage. This could impact several interdependent VAT submissions ENB has made to HMRC in relation to both operating and capital activity. In October 2020, HMRC advised that a capital transaction that took place in January 2019 which ENB treated as exempt following

advance disclosure to HMRC in September 2018, is now taxable for VAT. ENB continues to be in correspondence with HMRC on these matters. While ENB believe that it is partially culturally exempt and does not agree with the treatment on the capital transaction and therefore there is no liability, until these matters are resolved with HMRC ENB has designated an amount it may need to repay if it is assessed that these monies would need to be paid to HMRC immediately upon final assessment. Further information on the capital transaction is disclosed in Note 21 of the Notes to the Accounts.

These two new designated funds are in addition to two prior year designated funds that remain at 31 March 2021:

- City Island 2020 project fixed asset fund of £23,684,000 (2020: £21,438,000) contains the funds available for payment of outstanding capital project costs and for the depreciation of the assets delivered as part of the London City Island capital project.
- Fixed Asset fund of £165,000 (2020: £206,000) contains the remainder of the unamortised value of certain tangible assets (not including the City Island facilities) which will be reduced each year to match the depreciation charged to expenditure in the SOFA.

Ticket sales for live performances and foreign tour fees for the year totalled £nil (2020: £8,278,000). Two specially rehearsed and produced live performances had to be cancelled due to enforced lockdown announced just prior to the start of each run. Foreign tours scheduled for the year were cancelled due to Covid-19.

Donation income of £1,276,000 (2020: £2,799,000) included £25,680 restricted to the development of London City Island (2020: £1,613,000). Grant income of £16,281,000 (2020: £9,928,000) included £3,311,000 restricted to the development of London City Island (2020: £4,661,000).

Trading activity income decreased to £534,000 (2020: £1,475,000) mainly due to ENB's inability to hire out its facilities or host commercial events at London City Island from March 2020, due to Covid-19.

Production and performance costs include cancelled performance-related costs and expenditure related to producing artistic content e.g. creating content for our online platforms, and the commissioning and creation of five short dance films. As there was low charitable and trading activity expenditure during the year compared to prior years, each activity was allocated a higher than usual proportion of support costs, which are generally more fixed in nature. Total support costs are allocated to Productions and Performance costs, Outreach and Engagement costs, costs of Raising Funds, and costs of Commercial Trading Operations as a proportion of total expenditure. Even with a reduction to as much fixed cost as possible, support costs totalled £4,372,000 for a full year at London City Island (2020: £4,395,000 – which included 4 months at ENB's previous premises in Kensington and 8 months at London City Island) of which one-third relates to non-cash depreciation charges as we amortise the capital costs of fitting out the new building over its estimated useful life.

Although there were severe restrictions in access to spaces and participants, ENB continued to support work in its engagement and outreach programmes despite the pandemic. Expenditure totalled £457,000 (2020: £730,000).

Theatre tax relief received of £1,618,000 relates to the 2019/20 financial year; the claim for the 2020/21 financial year will be submitted in the 2021/22 financial year.

Group cash on hand at 31 March 2021 is £6,813,000 (2020: £2,613,000). ENB had a £5m revolving credit facility which expired in June 2021. The facility was not drawn upon during the year.

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

Work in Progress in the Balance Sheet is made up of costs already incurred in relation to future productions that are postponed rather than cancelled due to Covid-19 and totalled £1,024,000 (2020: £683,000). These costs will be expensed to the SOFA in the year of each production's first live performance. Of the £1,024,000 balance at 31 March 2021, £984,000 relates to a completed production of Akram Khan's *Creature*. As the amount is significant, a transfer from Unrestricted General Funds has been made to a Designated Fund, Pre-paid Production Expenditure for New Akram Khan, in order to not overstate ENB's General Funds at 31 March 2021.

Debtors include £2.2m (2020: £2.2m) of recoverable VAT on costs incurred on the London City Island project based on applying the 'standard method' for VAT recoverability. ENB submitted an application to HMRC for a fairer and more reasonable 'special method' to be applied to London City Island capital costs during 2019 and is currently under review by HMRC. The debtor balance is what ENB believes is refundable by HMRC.

In 2019/20, the outstanding liability falling due after one year of £5,090,000 is the cost of the lease premium payable on the City Island facilities for a 199-year leasehold. £2,036,000 remains outstanding at 31 March 2021 and must be paid by January 2022. This is included in creditors falling due within one year.

Financial Risk Management:

The following statements summarise the Board's policy in managing identified forms of financial risk.

Credit risk: risk on amounts owed to the Charity by its customers is relatively low as payment from venue settlements are with established commercial theatre owners and advances are regularly received ahead of our performances at the venue. Donations are mostly recorded at the point of receipt. Trading income, such as for hires and events using ENB's facilities, require a sizeable upfront deposit or are paid in advance, and is not a material risk to create a credit risk.

Price risk: In more normal years, payroll costs represent 51% of total expenditure for the Charity and higher levels of inflation represent a risk as over 30% of the total income for ENB comes from Arts Council England, which has been at a stand-still level for many years. The Charity has some freedom over its ticket pricing, and box office income represents over 40% of revenue. The pricing strategy aims to hold the lowest ticket price at an accessible level.

Cash flow risk: Surplus funds are placed with two major clearing banks. Short-term working capital requirements were able to be met with the £5m revolving credit facility available with Barclays Bank, which expired in June 2021 but is available for renewal.

Liquidity risk: Risk on interest payments is low as the annual interest cost of drawing down on the facility in full would have been less than 0.01% of total income.

Reserves Policy:

The Company operates on the basis that, over a typical Arts Council England National Portfolio Organisation (NPO) funding cycle of three or four years, revenue will exceed expenditure. This model allows for regular investment in new work or repertoire at varying levels of expenditure whose costs can then be recovered over the longer term.

The long-term sustainability of the Company is largely dependent upon continued funding from Arts Council England. The Trustees ensure that the relevant officers of Arts Council England are kept informed of the Company's achievements, plans and aspirations at all times through regular meetings, written reports, and completing Arts Council England data gathering exercises.

The Trustees normally consider that the most appropriate level of free reserves at year end is between £2,500,000 and up to a maximum of £3,164,000 being 50 percent of the annual grant award from Arts Council England. For 31 March 2021 the Trustees consider that the level of free reserves on hand, which is more than the upper end of the reserves policy, is needed to see ENB through the coming one to two years due to ongoing uncertainties in relation to the impact of Covid on ENB's finances.

The Charity's consolidated general reserves (unrestricted reserves less designated funds) at 31 March 2021 total £3,420,000 (2020: £3,001,000). At 31 March 2021, designated funds totalled £27,333,000 (2020: £21,644,000) and restricted funds totalled £1,144,000 (2020: £834,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees are responsible for the management of the risks faced by the Charity. The Finance & General Purposes Committee reviews strategic and operational risks during the year, and the Governance, Remuneration and Nominations Committee reviews risks relevant to governance or remuneration matters as they arise. The full Board of Trustees also undertake an annual review to assure themselves of the adequacy of controls and mitigations in place.

The organisational Risk Register is reviewed periodically and updated by the Executive Director and the Chief Operating Officer with input from other members of the Executive Team. Procedures are then implemented which are designed to minimise the likelihood or potential impact on the charity should those risks materialise.

The principal risks to English National Ballet are:

Covid-19

Financial risk and uncertainty:

The Covid-19 pandemic is the most significant risk that has impacted ENB in its recent history. Since lockdown was mandated by the UK Government in March 2020, performance venues were mainly closed with the first real and sustained opportunity to reopen on 17 May 2021. ENB, along with all its sector colleagues in the performing arts, has faced significant financial challenges throughout the year. The impact of closure and public health measures has been felt in the wider economy along with all our staff, freelance colleagues, audience members, our many suppliers and venue network, and resulted in unprecedented disruption to our organisation, business, cashflow and reserves. ENB lost 55% of its unrestricted income compared to the 2019/20 financial year, while still incurring its fixed costs, which include staff costs and fixed overheads. With assistance from ACE's Emergency Response Fund, the Government's Culture Recovery Fund and the CJRS furloughing scheme, ENB was supported in its ability to remain a going concern through the financial year.

Looking ahead, there are a number of financial risks. These include:

- Continued uncertainty from the impact and length of Covid-19 on audience confidence, public health guidance and mitigations.
- Reduced ability to commission and invest in new assets or to provide a high-quality diverse repertoire if the impact of the pandemic continually diminishes ENB's reserves.
- The commercial viability of our UK and international partner venues which enables ENB to tour and perform.
- The viability of international touring.
- The ability to restart ENB's commercial income streams to a level that is needed to help enable financial resilience.

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

- A number of VAT submissions made to HMRC from early 2018 that remain unresolved after considerable correspondence, which if final decisions go against ENB's favour, will have a negative impact on ENB's financial and cashflow position.

ENB's 2021/22 and 2022/23 financial plans forecast that income levels will remain lower than in previous years, while the organisation will need to continue to reduce costs as much as possible while rebuilding all of its income streams. New work that had been scheduled pre-Covid, will be revived in 2021/22 as this is the most economical way to save assets that were part-created pre-Covid and will add to ENB's repertoire of works for performing and touring. It has been agreed with ACE that ENB will not undertake UK regional touring in 2021, and ENB will work with its partner organisations and international tour venues in preparation for returning in 2022 and beyond. ENB's VAT advisors continue to progress resolution of the VAT submissions to seek fair outcomes.

The Trustees will review ENB's reserves policy and level of reserves required on an ongoing basis.

Going concern:

Financial modelling, budgeting and cashflow forecasting work for the period to 31 March 2023 indicates that ENB expects to be able to meet its costs and liabilities and remain a going concern for 12 months forward from the date of signing these financial statements. Barclays Bank have also confirmed that ENB will be accepted for a loan facility, should it so need it. Consequently, ENB's Trustees are content to continue to adopt the going concern basis of accounting. At the same time, all avenues to secure additional financial support will be pursued to ensure ENB's long-term financial sustainability.

Fundraising risk:

Fundraising income is a key source of contributed income which ENB relies upon to carry out various projects and productions, and the impact of Covid-19 on the general economy creates a significant risk to fundraising. Since lockdown in March 2020, even with few opportunities to perform or host events, ENB has worked hard to continue to attract grants, donations and sponsorship income, assisted by continued engagement with audiences and participants. ENB acknowledges an increasingly challenging and competitive fundraising environment, and management will focus on accessing as much funding as possible to secure ENB's future.

Staff and freelancers:

Throughout the year, ENB strived to retain as many of its talented staff and freelancers as possible, especially the elite talent pool of dancers which has taken many years to build and which would take many years to reassemble if not retained. To minimise job losses, all staff agreed to a pay reduction of at least 20% for an initial period of 6 months, with those less well paid having their pay protected, and those on higher pay accepting a higher reduction. The Government's Coronavirus Job Retention Scheme provided the support ENB needed to retain the majority of its workforce.

Throughout this closure period, the health and wellbeing of ENB's workforce was of paramount priority. After a period of redundancies, pay reduction and furlough, as staff return to London City Island from late summer 2021, ENB will focus on staff cohesiveness, resilience and a caring culture.

Other principal risks:

Organisational capacity:

ENB is not a large organisation and as a result has limited workforce hours and is continuously needing to strengthen its skills base in order to enable the organisation to consistently and efficiently deliver a bold and ambitious artistic programme in a cost-effective way. During 2021, ENB will have an opportunity to mitigate some of this organisational capacity risk by progressing work on culture, values and internal

communications, deliver an organisational development and training plan, review the appraisal process, ensure a strategic recruitment process post-Covid, and to try to deliver plans within capacity limits. There are no material risks facing English National Ballet Enterprises Limited, ENB's trading subsidiary. While trading income is significantly diminished because of the impact of Covid-19 and will need to be rebuilt in challenging market conditions, associated costs of delivering that income are mainly variable in nature and can be quickly downscaled.

The Trustees will continue to regularly review the programme of activity, cashflow forecasts and private income sources. Internal financial controls are periodically reviewed to ensure they are fit for purpose.

FUTURE PLANS

The work to stabilise the Company financially, retain talent and funders, maximise opportunities for digital skills development and new audience development channels in 2020/21 mean that, although ENB faces a challenging 2021/22 due to continuing uncertainties, we have opportunities and assets to capitalise on. We believe that 2021/22 will be a tough but constructive recovery year on the way to a hoped-for return to normality in 2022/23.

Our 2021/22 season began with live performances of our 2020/21 digital season on stage at Sadler's Wells in May 2021, and a socially distanced celebration of inspiring dance and music at the Royal Festival Hall in June. Because of the work done to continue creating during lockdown, we will be able to present two world premieres in 2021/22. The first, in September 2021, was Akram Khan's *Creature*; the impact and reach of which we hope will be enhanced by the distribution of the additional feature film version captured during lockdown. Tamara Rojo's *Raymonda*, premiering in January 2022, will bring the classic story into the setting of the Crimean war and draw inspiration from the ground-breaking spirit of Florence Nightingale and her pioneering nursing colleagues. This will continue our commitment to look at classics with fresh eyes and make them relevant by finding new contexts and amplifying new voices.

Performances of The Forsythe Evening in March 2022 will build on our relationship with William Forsythe to present a triple bill at Sadler's Wells comprising: Approximate Sonata; the UK premiere of *Blake Works I*, featuring the music of James Blake's album, *The Colour in Anything*; and for the first time in the UK, *Playlist (EP)* an extended version of *Playlist (Track 1, 2)*.

We will build on our digital offer developed in 2020/21 by refining hybrid models of delivery in 2021/22, which we know from our pilots has the potential to improve engagement, retention and reach. Not only will this inform our artistic strategy for the next five years, but will strengthen our youth dance performance and Dance Health programmes. In 21/22, we will build on our new partnership with Barchester Care Homes (developed during lockdown), to pilot an in-depth programme of Train the Trainers for care home staff. Dance for Dementia will be a key priority for ENB in supporting the aims of our neighbouring boroughs of Tower Hamlets and Newham, and the Mayor of London's vision for a Dementia Friendly London. Our aim is to establish Mulryan Centre for Dance as a cultural anchor on London City Island for Dementia Friendly programming.

As a Company, we returned to the Mulryan Centre for Dance in August 2021 and reopened to the public soon after, receiving visitors, hirers and event attendees.

Substantial commitments to talent development and diversification will also underpin our recovery and maximise our impact over the medium term. The Ballet Futures Project will build on the foundational 2020/21 year to take on its first cohort of students in 2021/22, and Dance Leaders of the Future will be expanded to take on more dancers for a two year programme and will be enhanced by additional professional training.

TRUSTEES' REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of English National Ballet 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) including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

By order of the Board



Christopher Marks

Trustee

14 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLISH NATIONAL BALLET

Opinion

We have audited the financial statements of English National Ballet (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

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

We have nothing to report in this regard.

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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 22, 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor'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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

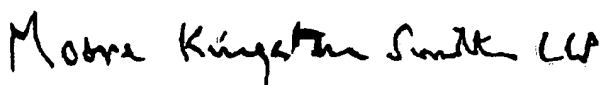
Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Cross (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

16 December 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account) for the year ending 31 March 2021

		General Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
	Notes	2021 £000	2021 £000	2021 £000	2021 £000	2020 £000
Income from:						
Donations and Grants:						
Grants	2	12,965	-	3,316	16,281	9,928
Donations		184	-	1,092	1,276	2,799
In kind sponsorships		-	-	-	-	42
Charitable activities:						
Ticket sales and tour fees		-	-	-	-	8,278
Outreach and engagement		(8)	-	-	(8)	119
Other trading activities:						
Trading activities		534	-	-	534	1,475
Production hire		17	-	-	17	88
Programmes & merchandising		-	-	-	-	100
Membership subscriptions		80	-	-	80	97
Investment Income						
Other income		-	-	-	-	13
		3	-	-	3	83
		13,775	-	4,408	18,183	23,022
Expenditure on:						
Raising funds	3	(308)	(37)	(1)	(346)	(1,093)
Commercial Trading Operations	3	(606)	(72)	(1)	(679)	(441)
Charitable activities						
Productions and performances	4	(10,225)	(1,273)	(403)	(11,901)	(19,566)
Outreach and engagement	4	(351)	(49)	(57)	(457)	(730)
		(11,490)	(1,431)	(462)	(13,383)	(21,830)
Net (expenditure)/income						
		2,885	(1,431)	3,946	4,800	1,192
Other recognised gains -						
Theatre tax relief		1,618	-	-	1,618	1,184
Transfers between funds	17	(3,484)	7,120	(3,636)	-	-
Net movement in funds		419	5,689	310	6,418	2,376
Reconciliation of funds:						
Net funds brought forward		3,001	21,644	834	25,479	23,103
Net funds carried forward		3,420	27,333	1,144	31,897	25,479

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

The statement of financial activities includes all gains and losses recognised in the year. Income and resulting net movement in funds each year arise from continuing operations. There is no difference between the result for the year stated above and its historical cost equivalent.

The notes on pages 32 to 48 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

As at 31 March 2021

	Notes	2021 £'000	2020 £'000
Fixed Assets:			
Tangible assets	9	24,716	26,110
Current assets:			
Work in progress		1,024	683
Debtors	11	5,336	4,210
Cash at bank and in hand		6,813	2,614
Total current assets		13,173	7,507
Liabilities:			
Creditors falling due within one year	12	(5,992)	(3,048)
Net Current assets		7,181	4,459
Total assets less current liabilities		31,897	30,569
Creditors falling due after one year	12	-	(5,090)
Total net assets		31,897	25,479
The funds of the charity:			
General funds	15	3,420	3,001
Designated funds	15	27,333	21,644
Total unrestricted funds		30,753	24,645
Restricted funds	16	1,144	834
Total charity funds		31,897	25,479

The notes on pages 32 to 48 form part of these financial statements.

These accounts were approved by the Board of Trustees on 14th December 2021 and signed on its behalf by:



Christopher Marks

Date:

14th December 2021

CHARITY BALANCE SHEET

As at 31 March 2021

	Notes	2021 £'000	2020 £'000
Fixed Assets:			
Tangible assets	9	24,716	26,110
Current assets:			
Work in progress		1,024	683
Debtors	11	6,413	4,210
Cash at bank and in hand		6,493	2,614
Total current assets		<u>13,930</u>	<u>7,507</u>
Liabilities:			
Creditors falling due within one year	12	(5,913)	(3,048)
Net Current assets		8,017	4,459
Total assets less current liabilities		32,733	30,569
Creditors falling due after one year	12	-	(5,090)
Total net assets		<u>32,733</u>	<u>25,479</u>
The funds of the charity:			
General funds	15	4,256	3,001
Designated funds	15	27,333	21,644
Total unrestricted funds		<u>31,589</u>	<u>24,645</u>
Restricted funds	16	1,144	834
Total charity funds		<u>32,733</u>	<u>25,479</u>

As permitted by S408 Companies Act 2006, the Charity has not presented its own Statement of Financial Statements and related notes. The total income and net income for the charitable company alone were £18,562,000 (2020 - £21,855,000) and £5,797,000 (2020 - £1,192,000) respectively.

The notes on pages 32 to 48 form part of these financial statements.

These accounts were approved by the Board of Trustees on 14th December 2021 and signed on its behalf by:



Christopher Marks

Date:

14th December 2021

CONSOLIDATED STATEMENT OF CASHFLOWS

As at 31 March 2021

	Notes	2021 £'000	2020 £'000
Cashflows from operating activities:			
Net cash flow provided by operating activities	18	4,260	7,132
Cash flows from investing activities:			
Bank interest		-	14
Purchase of property, plant and equipment		(61)	(12,827)
Disposal of property, plant and equipment		-	-
Net cash used in investing activities		(61)	(12,813)
Change in cash in the reporting period		4,199	(5,681)
Cash at the beginning of the reporting period		2,614	8,295
Cash at the end of the reporting period		6,813	2,614

The notes on pages 32 to 48 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

English National Ballet is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The entity is registered in England and Wales with a registered address of Mulryan Centre for Dance, 41 Hopewell Square, London, E14 0SY.

Basis of preparation of accounts

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. The financial statements have been prepared in British Pounds Sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £'000.

Basis of preparation

The financial statements have been prepared in accordance with Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with The Financial Reporting Standards applicable in the UK and republic of Ireland and the Charities Act 2011 and UK Generally Accepted Accounting Practice including Update Bulletin 2.

English National Ballet meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements are drawn up on the going concern basis which assumes that English National Ballet will continue in operational existence for the foreseeable future and for a period not less than twelve months from the date of approval of these financial statements. The Charity substantially relies on funding through grants from Arts Council England for its current and future commitments and operates on the basis that cumulatively, over the period of the funding cycle (currently April 2018 to March 2022 but extended to March 2023) revenue will at least match expenditure. Applications for the new Arts Council England funding round start in April 2022.

In June 2017, Arts Council England confirmed stand-still National Portfolio Organisation funding for English National Ballet for the four-year funding cycle beginning April 2018 and ending March 2022. ENB's application for 22/23 (an extension year due to Covid) was submitted in September 2021 and confirmation of funding will be announced by Arts Council England by the end of December 2021.

The Trustees have undertaken financial modelling, budgeting and cashflow forecasting to March 2023 which considers the potential impact of Covid mitigations returning, especially in relation to box office income over the Christmas 2021 period, and potentially the longer term impact of Covid on other revenue streams such as fundraising and trading. Projections also consider the impact of worst-case outcomes in relation to VAT submissions in progress with HMRC. Based on these projections and continuing with a flexible approach to reduce financial risk should it be required, supported by the Government's latest round of the Culture Recovery Fund and with the back-up of a credit facility, ENB's Board of Trustees expects to meet its commitments for at least 12 months beyond the date of signing these accounts. Consequently, ENB's Trustees are content to continue to adopt the going concern basis of accounting for the Group. At the same time, all avenues to secure additional financial support will be pursued to ensure ENB's long-term financial sustainability.

Basis of consolidation

A separate Statement of Financial Activities for the Charity is not presented because the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The consolidated financial statements include the financial statements of the charitable company and its subsidiary undertakings on a line by line basis. The trading results of the subsidiary undertakings are disclosed in Note 10.

Income

Grant and donation income, whether for capital or revenue activity, is recognised on an accruals basis in the period in which the Charity is entitled to receipt, any performance conditions have been met, and the amount can be measured with reasonable certainty.

Income from theatre ticket sales and foreign touring fees is included in income in the period in which the relevant performance takes place as is income from Engagement workshops and classes. Income received before the year end relating to activity in subsequent periods is recorded in deferred income.

Sponsorship and corporate membership income is recognised on an accruals basis in the period in which the relevant benefits are consumed. Commercial hire and event income earned from the City Island facilities, and other sundry income is recognised on an accruals basis in the periods in which the Charity, or its trading subsidiary, is entitled to funds (whether for cash or goods and services in kind), when any performance conditions have been met and the amount of income can be measured with reasonable certainty. Donated goods and services are recognised as income at a reasonable estimate of their value to the Charity in the period to which they relate and are matched by equivalent expenditure. The estimate of value is assessed by reference to the donor organisation's standard charity rate card. No amounts are included in the financial statements for services donated by volunteers.

Investment income is interest receivable on funds held on deposit and is recognised when receivable and the amount can be measured reliably.

Expenditure and basis of allocation of costs

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to a particular heading they have been allocated to activities on a basis consistent with the use of the resources.

Costs of raising funds represent the cost of direct fundraising and the costs associated with generating corporate sponsorship and associated events income, which are mainly incurred through the trading subsidiary. These are recognised when incurred and are separately disclosed on the Statement of Financial Activities.

Costs of delivering commercial trading operations, which are incurred through the trading subsidiary, are recognised when incurred and are separately disclosed on the Statement of Financial Activities.

Costs of charitable activities include the salaries, related staff costs and direct expenditure of rehearsing, staging, performing and marketing ballet, and related irrecoverable VAT, and other costs associated with carrying out outreach and engagement activities undertaken to further the purposes of the charity, and their associated support costs.

Production costs are charged to the Statement of Financial Activities in the year of the first performance. Costs relating to productions which do not have their first performance by the end of the financial year are held on the balance sheet as part of work in progress.

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

Support costs are those incurred in connection with the administration of the Charity and are in support of expenditure on the objects of the Charity. They include executive management, finance, human resources and organisational development, premises and associated depreciation, facilities costs, IT and communications, archive costs, and related irrecoverable VAT. To the extent that VAT is not recovered, it is included in the cost category to which it relates. Governance costs which are included within support costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements. Support costs are analysed in Note 5.

Liabilities

Creditors and provisions are recognised upon receipt of goods and services supplied or have a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Where there are significant obligations which do not meet the requirements for recognition as a provision set out in Section 21 'Provisions and Contingencies' of FRS 102 these are disclosed as a note to the accounts.

Contracted commitments are recorded as liabilities on the balance sheet, when the criteria for recognition has been met. These, as well as operating lease commitments are disclosed in Notes 20.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Individual tangible assets costing less than £3,000 are expensed in the year of purchase.

Depreciation is calculated on a straight-line basis over the expected useful life of the assets as follows:

- | | |
|--------------------------|----------------|
| • Long leasehold | 50 years |
| • Leasehold improvements | 10 to 50 years |
| • Plant & Equipment | 4 to 15 years |
| • Fixtures & Fittings | 4 to 10 years |

The value of fixed assets is regularly reviewed for any potential impairment.

Website development costs are expensed in the year incurred.

Work in progress

Costs incurred in respect of productions which open in a future accounting period are carried forward at the balance sheet date and included as work in progress at cost.

Debtors

Debtor receivables are recognised at amortised cost less any provision for bad debt. A provision for bad debt is established when there is objective evidence that the debtor will not be collected according to the original terms.

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.

Financial instruments

The Group 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.

Pensions

The Company operates four defined contribution schemes and contributes to a defined contribution scheme run by an independent body. Contributions are expensed in the Statement of Financial Activities in the year to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period when the employees' services are received. Termination payments are recognised as an expense when the charity is demonstrably committed to terminate the employee or to provide a termination benefit.

Fund accounting

Unrestricted General Funds are funds available which can be used in accordance with furthering the charitable objectives of the charity at the discretion of the Trustees.

Unrestricted Designated Funds are amounts that have been set aside at the discretion of the Trustees. At 31 March 2021 they comprised a VAT Repayment Fund, *Creature* Work in Progress Fund and a City Island 2020 Project Fixed Asset Fund. The Fixed Asset Fund is set at a level at least equivalent to the value of the net book value of the Charity's fixed assets (excluding assets purchased using restricted funds).

Restricted funds are donations received which are subject to specific restricted conditions imposed by the donors. Restricted funds are distributed in accordance with the terms of the applicable restriction.

Further analysis of the funds can be found in Note 15 and 16.

Operating leases

Leases where the lessor retains a significant portion of the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Exchange gains and losses

The financial statements are presented in pounds sterling, the functional and presentational currency. Foreign currency transactions are translated using the exchange rates prevailing at the date of settlement. Realised and unrealised exchange gains and losses are recognised in the Statement of Financial Activities.

Taxation

English National Ballet is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2011 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The subsidiary companies make qualifying distributions of all taxable profit to the parent charity. No corporation tax liability on the subsidiaries arises in the accounts.

Theatre tax relief

Theatre tax relief for each year is claimed in the following year and recognised in the period of submission to HMRC when the amounts are quantifiable.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trustees consider that there have been no critical estimates and judgements in the year.

2. GRANT INCOME

	General Fund £000s	Restricted Funds £000s	Total 2021 £000s	Total 2020 £000s
Arts Council England – revenue funding	6,328	-	6,328	6,214
Arts Council England – capital grant	-	208	208	1,877
Other statutory funding	-	-	-	820
Trusts and foundations	779	108	887	902
UK Government Coronavirus Job Retention Scheme	2,477	-	2,477	115
	<u>9,584</u>	<u>316</u>	<u>9,900</u>	<u>9,928</u>
<u>Exceptional funding due to pandemic:</u>				
Arts Council England – Emergency Response fund	1,305	-	1,305	-
Department of Digital, Culture, Media & Sports – Cultural Recovery Fund	2,076	-	2,076	-
Department of Digital, Culture, Media & Sports Cultural Kickstart Capital fund	-	3,000	3,000	-
	<u>3,381</u>	<u>3,000</u>	<u>6,381</u>	<u>-</u>
Total 2021	<u>12,965</u>	<u>3,316</u>	<u>16,281</u>	<u>9,928</u>
Total 2020	<u>6,378</u>	<u>3,550</u>	<u>9,928</u>	

3. EXPENDITURE ON:

RAISING FUNDS

		General Funds	Designated Fund	Restricted Funds	Total Funds	Total Funds
	Notes	2021	2021	2021	2021	2020
		£'000	£'000	£'000	£'000	£'000
Support costs	5	75	37	1	113	220
Events		14	-	-	14	154
Other fundraising costs		219	-	-	219	719
Total 2021		308	37	1	346	1,093
Total 2020		996	96	1	1,093	

COMMERCIAL TRADING OPERATIONS

		General Funds	Designated Fund	Restricted Funds	Total Funds	Total Funds
	Notes	2021	2021	2021	2021	2020
		£'000	£'000	£'000	£'000	£'000
Support costs	5	148	72	1	221	89
Other Commercial Trading Cost		458	-	-	458	352
Total 2021		606	72	1	679	441
Total 2020		401	39	1	441	

4. EXPENDITURE ON CHARITABLE ACTIVITIES

		General Funds	Designated Fund	Restricted Funds	Total Funds	Total Funds
	Notes	2021	2021	2021	2021	2020
		£'000	£'000	£'000	£'000	£'000
Productions and performances						
Support costs	5	2,595	1,273	20	3,888	3,939
Production and rehearsal costs		1,201	-	272	1,473	2,820
Performance costs		46	-	-	46	4,477
Artists		3,640	-	111	3,751	4,009
Technical, stage, wardrobe		950	-	-	950	870
Producing		158	-	-	158	205
Music		264	-	-	264	340
Medical and welfare		387	-	-	387	436
Marketing and publicity		984	-	-	984	2,468
Sundry		-	-	-	-	2
Total 2021		10,225	1,273	403	11,901	19,566
Total 2020		17,013	2,071	482	19,566	

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

		General Funds	Designated Fund	Restricted Funds	Total Funds	Total Funds
	Notes	2021 £'000	2021 £'000	2021 £'000	2021 £'000	2020 £'000
Outreach and Engagement						
Support costs	5	100	49	1	150	147
Programme costs		71	-	-	71	306
Programme management & administration		180	-	56	236	277
Total 2021		351	49	57	457	730
Total 2020		393	64	273	730	

5. SUPPORT COSTS

	Productions & performance 2021 £'000	Outreach & Engagement 2021 £'000	Raising funds 2021 £'000	Commercial Trading Operations 2021 £'000	Total 2021 £'000	Total 2020 £'000
Management and administration	1,478	57	83	43	1,661	1,633
Premises and facilities	1,116	43	65	32	1,256	814
City Island Project Costs	-	-	-	-	-	490
Depreciation charge	1,294	50	73	38	1,455	1,458
Total 2021	3,888	150	221	113	4,372	4,395
Total 2020	3,939	147	221	88	4,395	

6. EXPENDITURE

	Total 2021 £'000	Total 2020 £'000
The net income/(expenditure) is stated after charging:		
Operating leases land and buildings, office equipment	141	144
Depreciation charge on tangible fixed assets	1,454	1,457
Foreign exchange loss/(gain)	-	1
Governance costs:		
Auditors' remuneration: group and charity audit	36	31
Non audit services	7	12
Legal costs	107	85

7. REMUNERATION OF TRUSTEES

The Board are all non-executive Trustees and no trustees received remuneration in the year (2020: £nil).

No Trustees received expenses for travel or subsistence (2020: £nil).

8. STAFF NUMBERS

The average monthly head count was 198 staff (2020: 224 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2021	2020
	FTE	FTE
Engagement and outreach	6	8
Artistic management	9	10
Dancers	69	75
Producing, medical, company management	8	8
Orchestra and music management	18	14
Technical, stages, wardrobe	29	29
Marketing and communications	8	9
Fundraising	9	13
Management and administration	17	19
Total	173	185

	Total	Total
	2021	2020
	£000s	£000s
The aggregate payroll costs of these employees were:		
Wages and salaries	7,201	8,042
Social security costs	685	814
Pensions	320	365
Total employee costs	8,206	9,221
Freelance staff	132	685
Total	8,338	9,906

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

	2021	2020
£60,000 to £69,999	8	4
£70,000 to £79,999	2	7
£80,000 to £89,999	1	2
£90,000 to £99,999	-	2
£110,000 to £119,999	2	1
£120,000 to £129,999	-	1
£170,000 to £180,000	1	-
£250,000 to £259,000	-	1
	14	18

Of employees earning in excess of £60,000 during the year, 13 were members of a defined contribution scheme (2020: 14). The Company contributed £61,229 (2020: £97,529) to the defined contribution pension scheme in respect of these employees.

The Group considers its key management personnel to be the Executive Team listed on page 7 together with the charity trustees (who are not remunerated). The total remuneration (including pension contributions, employers' national insurance and private medical insurance) totalled £986,998 (2020: £1,115,242).

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

Members of the Executive Team are entitled to join the Company's private medical scheme should they wish to. In the year, eight members (2020: 4) of the Executive Team took advantage of the scheme at a cost of £7,703 (2020: £8,801).

During the year, thirty-four (2020: 1) redundancy payments were made totalling £468,806 (2020: £4,609).

No post-employment benefits were provided to any staff during the year.

9. TANGIBLE FIXED ASSETS

Group & Charity	Long Leasehold £000s	Leasehold Improvements £000s	Plant & Equipment £000s	Furniture & Fittings £000s	Total £000s
Cost					
1 April 2020	5,253	14,753	6,470	2,044	28,520
Additions	-	60	-	-	60
Disposals	-	-	-	-	-
31 March 2021	5,253	14,813	6,470	2,044	28,580
Depreciation					
1 April 2020	105	685	1,330	290	2,410
Charge for the year	105	311	748	290	1,454
Disposals	-	-	-	-	-
31 March 2021	210	996	2,078	580	3,864
Net book value					
31 March 2021	5,043	13,817	4,392	1,464	24,716
31 March 2020	5,148	14,068	5,140	1,754	26,110

In January 2019, Barclays Bank PLC was granted a charge over the lease of City Island as part of their security package for loan facilities made available to the entity, as part of a fixed and floating charge over all present and future group entities and property. Arts Council England have a 25 year second ranking charge over the Charity's lease for City Island.

10. INVESTMENTS

The Charity has two subsidiaries of which it is the sole shareholder and a further subsidiary in which it is a joint and equal shareholder.

a) Company: English National Ballet Enterprises Limited

	2021	2020
	£	£
Shares in subsidiary undertaking	2	2

The Charity owns the whole share capital comprising two fully paid-up ordinary shares of £1 each of English National Ballet Enterprises Limited, a company registered in England and Wales (registration number 2361077). The principal activity of the company is to raise funds through corporate sponsorship, events and the hiring out of space.

	2021	2020
	£000s	£000s
Turnover	483	1,363
Expenditure	(1,319)	(517)
Net profit	(836)	846
Reserves brought forward	-	-
Amount distributed to English National Ballet under deed of covenant	-	(846)
Reserves carried forward	(836)	-

	2021	2020
	£000s	£000s
The assets held in the subsidiary trading company were:		
Current assets	378	518
Current liabilities	(1,214)	(518)
Net assets	(836)	-
Aggregate share capital and reserves	(836)	-

b) Company: ENB Productions Limited

	2020	2019
	£	£
Shares in subsidiary undertaking	2	2

The Charity owns the whole share capital comprising two fully paid up ordinary shares of £1 each of ENB Productions Limited, a company registered in England and Wales (registration number 9319133). The principal activity of the company is as a theatrical production company. This company is currently dormant and therefore is not consolidated within the English National Ballet group accounts.

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

11. DEBTORS

	2021	2021	2020	2020
	Group	Charity	Group	Charity
	£000s	£000s	£000s	£000s
Trade debtors	65	45	139	104
Amounts owed by subsidiary undertaking	-	1,135	-	335
VAT	3,161	3,128	2,554	2,537
Other debtors	1,585	1,585	1,312	1,313
Prepayments and accrued income	525	520	205	194
	<u>5,336</u>	<u>6,413</u>	<u>4,210</u>	<u>4,483</u>

12. CREDITORS

	2021	2021	2020	2020
	Group	Charity	Group	Charity
	£000s	£000s	£000s	£000s
Trade creditors	728	728	520	454
Social security and PAYE	158	158	206	206
Other creditors	890	890	106	106
Accruals	3,050	3,050	1,530	1,530
Deferred income	1,166	1,087	686	570
	<u>5,992</u>	<u>5,913</u>	<u>3,048</u>	<u>2,866</u>

Creditors falling due after one year	-	-	5,090	5,090
	<u>5,336</u>	<u>5,257</u>	<u>8,138</u>	<u>7,956</u>

13. DEFERRED INCOME

Deferred income comprises income from future performances and membership.

	2021	2021	2020	2020
	Group	Charity	Group	Charity
	£000s	£000s	£000s	£000s
Balance brought forward at 1 April	686	570	359	253
Prior year deferred income released in year	(686)	(570)	(359)	(253)
Income deferred in year	1,166	1,087	686	570
Balance carried forward	<u>1,116</u>	<u>1,087</u>	<u>686</u>	<u>570</u>

14. PENSIONS

The Company operates four defined contribution schemes and contributes to a defined contribution scheme run by an independent body. The assets of all the schemes are held separately from those of the Company in independently administered funds. The pension cost charge represents contributions payable by the Company to the funds and amounted to £352,850 (2020: £365,611).

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

15. UNRESTRICTED RESERVES

2021	Balance at 1 April 2020	Income & other gains	Expenditure	Transfers	Balance at 31 March 2021
Group:	£000s	£000s	£000s	£000s	£000s
General Funds	3,001	15,393	(11,490)	(3,484)	3,906
Designated funds:					
City Island 2020 Project Fixed Asset fund	21,438	-	(1,390)	3,636	23,684
Fixed asset fund	206	-	(41)	-	165
Pre-paid Production Expenditure for New Akram Khan	-	-	-	984	984
VAT Repayment Fund	-	-	-	2,500	2,500
Designated funds	21,644	-	(1,431)	7,120	27,333
Total Unrestricted Reserves	24,645	15,393	(12,921)	3,636	30,753

2020	Balance at 1 April 2019	Income & other gains	Expenditure	Transfers	Balance at 31 March 2020
Group:	£000s	£000s	£000s	£000s	£000s
General Funds	2,780	18,477	(18,803)	547	3,001
Designated funds:					
Future repertoire fund	650	-	(350)	(300)	-
City Island Capital Project fund	13,681	-	(489)	(13,192)	-
City Island 2020 Project Fixed Asset fund	-	250	(1,390)	22,578	21,438
City Island Operations fund	292	-	-	(292)	-
Fixed asset fund	202	-	(41)	45	206
Designated funds	14,825	250	(2,270)	8,839	21,644
Total Unrestricted Reserves	17,605	18,727	(21,073)	9,386	24,645

Unrestricted General Fund

Unrestricted funds are available at the discretion of the Board to further the general objectives of the Charity.

City Island 2020 Project Fixed Asset Fund

This fund is set at the total level of funds obtained by 31 March 2021 for ENB's new London City Island facilities. The Charity entered into a 199-year Lease for the premises however the final payment of the Lease Premium is not payable until January 2022 and so is included in the Charity's liabilities in the Balance Sheet. The Charity has agreements in place to provide funding for this liability and so when these are completed, this fund will be set at the level of the net book value of the Charity's fixed assets delivered as part of the London City Island project.

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

Fixed Asset Fund

This fund is set at a level equivalent to the net book value of the Charity's fixed assets, excluding assets purchased via the Arts Council England Recovery Plan Fund and other restricted funds.

Pre-paid Production Expenditure for New Akram Khan

This fund is set at a level equivalent to the pre-paid Production Expenditure for a new Akram Khan production held in the Balance Sheet as Work in Progress. These funds are designated so that general reserves, which are freely available, are not overstated.

VAT Repayment Fund

This fund is an amount which may be payable to HMRC if ENB is deemed ineligible to be partially culturally exempt or if a particular capital transaction which was treated by ENB as exempt, becomes taxable for VAT.

16. MOVEMENTS IN RESTRICTED FUNDS

2021 Group and Charity:	Balance at 1 April 2020 £000s	Income £000s	Expenditure £000s	Transfers £000s	Balance at 31 March 2021 £000s
Outreach and engagement	40	120	(56)	-	104
Production development	314	519	(272)	-	561
Talent development	-	111	(111)	-	-
Good Growth Fund	200	22	-	-	222
Capital project – London City Island	-	3,636	-	(3,636)	-
Arts Council Recovery Plan	280	-	(23)	-	257
	<u>834</u>	<u>4,408</u>	<u>(462)</u>	<u>(3,636)</u>	<u>1,144</u>

2020 Group and Charity:	Balance at 1 April 2019 £000s	Income £000s	Expenditure £000s	Transfers £000s	Balance at 31 March 2020 £000s
Outreach and engagement	44	284	(288)	-	40
Production development	322	265	(273)	-	314
Talent development	-	39	(39)	-	-
Dancer health and welfare	11	15	(26)	-	-
Systems development	2	-	(2)	-	-
Guest teachers and dancers	8	-	(8)	-	-
Special digital projects	79	-	(79)	-	-
Music Circle	-	15	(15)	-	-
Good Growth Fund	-	200	-	-	200
Capital project – London City Island	4,725	4,661	-	(9,386)	-
Arts Council Recovery Plan	307	-	(27)	-	280
	<u>5,498</u>	<u>5,479</u>	<u>(757)</u>	<u>(9,386)</u>	<u>834</u>

Outreach and Engagement Fund

The Charity supports its objectives through various engagement and outreach projects. This fund represents grants or donations received for specific projects the Charity undertook including Dance for Parkinson's, Dance for Health, ENBYouthCo, Dance Journeys, and a Ballet First appeal to subsidise the cost of young people attending ballet, especially for the first time. The balance of the grants received will be used in the coming two financial years. A fund for each activity is accounted for separately and income and expenditure is reported to donors.

Production Development Fund

Each year donations are received to support investment in new productions. The current balance represents support for the creation and development of Akram Khan's *Creature* (2021/22), and Tamara Rojo's *Raymonda* (currently scheduled for 2021/22).

Talent Development Fund

This fund comprises donations received to support new and developing talent at ENB, including scholarship funds for the winners of the Prix de Lausanne. Income from this fund was fully expended during the year ended 31 March 2021.

Good Growth Fund

This fund comprises a proportion of statutory funding received from the Greater London Authority that will contribute towards costs of various engagement projects that will be undertaken from London City Island and our local neighbourhoods.

Capital Project Fund – London City Island

This fund was transferred to the Designated City Island 2021 Project Fixed Asset Fund as the restriction on these funds was released when the funds were spent on the new facilities at London City Island.

Arts Council England Recovery Plan Fund

In 2008 the Charity received a restricted grant from Arts Council England (ACE), part of which was used to purchase various fixed assets. This is a restricted fund which is equal to the remaining depreciation on fixed assets purchased via the ACE grant. Each year this fund is reduced by the equivalent of the depreciation charge on these assets.

17. GROSS TRANSFERS BETWEEN FUNDS

Depreciation and premises expenditure are part of the Charity's support costs and are initially charged to the unrestricted undesignated fund. They are subsequently transferred to the appropriate unrestricted designated or restricted fund.

2021	Unrestricted General Funds £000s	Unrestricted Designated Funds £000s	Restricted Funds £000s	Total 2021 £000s
Transfer of Restricted LCI Fixed Asset Fund	-	3,636	(3,636)	-
Transfer of <i>Creature</i> WIP	(984)	984	-	-
Transfer of VAT Repayment Fund	(2,500)	2,500	-	-
	(3,484)	7,120	(3,636)	-

2020	Unrestricted General Funds £000s	Unrestricted Designated Funds £000s	Restricted Funds £000s	Total 2020 £000s
Transfer from City Island Operations fund	292	(292)	-	-
Transfer of designated Fixed Asset fund	(45)	45	-	-
Transfer of Restricted LCI Fixed Asset Fund	-	9,386	(9,386)	-
Transfer of Future Repertoire Fund	300	(300)	-	-
	<u>547</u>	<u>8,839</u>	<u>(9,386)</u>	<u>-</u>

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES:

	2021 £000s	2020 £000s
Net income for the reporting period (as per the Statement of Financial Activities)	6,418	2,376
Adjustments for:		
Depreciation charge	1,455	1,458
Interest receivable	-	(14)
Decrease/(increase) in work in progress	(341)	496
Decrease/(increase) in debtors	(1,126)	(1,162)
Increase/(decrease) in creditors	(2,146)	3,978
Net cash inflow / (outflow) from operating activities	<u>4,260</u>	<u>7,132</u>

NET DEBT	1 April 2020 £000s	Cashflow £000s	31 March 2021 £000s
Cash at bank and in hand	<u>2,614</u>	<u>4,199</u>	<u>6,813</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021 Group	Unrestricted General Funds '£000s	Unrestricted Designated Funds '£000s	Restricted Funds '£000s	Total 2021 Funds '£000s
Fixed assets	-	24,459	257	24,716
Work in progress	40	984	-	1,024
Debtors	5,336	-	-	5,336
Cash at bank	3,426	2,500	887	6,813
Creditors	(5,382)	(610)	-	(5,992)
	<u>3,420</u>	<u>27,333</u>	<u>1,144</u>	<u>31,897</u>

ENGLISH NATIONAL BALLET (Limited by guarantee)

Registered Company Number: 735040

Charity Registration Number: 214005

2020 Group	Unrestricted General Funds '£000s	Unrestricted Designated Funds '£000s	Restricted Funds '£000s	Total 2020 Funds '£000s
Fixed assets	-	25,830	280	26,110
Work in progress	683	-	-	683
Debtors	4,210	-	-	4,210
Cash at bank	1,810	250	554	2,614
Creditors	(3,702)	(4,436)	-	(8,138)
	<u>3,001</u>	<u>21,644</u>	<u>834</u>	<u>25,479</u>

20. COMMITMENTS UNDER OPERATING LEASES AND OPERATING LICENSES RECEIVABLE**Commitments under Operating Leases**

At 31 March, the Group and Charity had outstanding commitments for maximum lease payments under non-cancellable operating leases which fall due as follows:

	Not later than one year	Later than one year but not later than five years	Later than five years	Total 2021	Total 2020
	£000s	£000s	£000s	£000s	£000s
Office equipment	3	7	-	10	13
Land and buildings	138	550	825	1,513	1,651
	<u>141</u>	<u>557</u>	<u>825</u>	<u>1,523</u>	<u>1,664</u>

Operating Licenses Receivable

At 31 March, the Group had license agreements for the following minimum license payments:

	Not later than one year	Later than one year but not later than five years	Later than five years	Total 2021	Total 2020
	£000s	£000s	£000s	£000s	£000s
Minimum license payments	45	114	0	159	405
	<u>45</u>	<u>114</u>	<u>0</u>	<u>159</u>	<u>405</u>

21. CONTINGENT ASSETS AND LIABILITIES

In October 2020, HMRC advised ENB of its view that a capital transaction that took place in January 2019 which ENB treated as VAT exempt following advance disclosure to HMRC in September 2018, should have been subject to 20% VAT and assessed for £2,400,000 of VAT. HMRC confirmed its decision in November 2021. Having taken professional advice, ENB does not agree with this treatment based on the facts and application of the relevant statutes and is appealing the decision. At the date of approval of these financial statements, trustees believe the likelihood of a liability is possible, but not probable and it is therefore reported as a contingent liability.

In June 2018, ENB submitted a four-year retrospective claim for overpaid VAT on the basis that ENB was culturally exempt when it acted as principal in granting admissions to performances and VAT had been incorrectly over declared on ticket sales. Of the retrospective claim, £655,000 was refunded by HMRC in June 2020 on a 'without prejudice' basis. An additional £355,000 of VAT was claimed on the basis that a use-based 'standard method override' calculation provides a more accurate reflection of how overhead VAT was used by ENB in making its taxable supplies. These claims remain under review by HMRC and are therefore reported as a contingent asset.

22. RELATED PARTY TRANSACTIONS

All related party transactions are entered into in the ordinary course of business and on an arm's length basis, consistent with ENB's policy on potential conflicts of interest. During the year ENB entered into the following material transactions with related parties:

English National Ballet and English National Ballet School are separate entities, and no one entity controls or exerts influence over the other, however the two organisations have a close relationship and during the year, one governor of English National Ballet School was also a trustee of English National Ballet. During the year, ENB paid £nil to English National Ballet School (2020: £19,125 for a share of proceeds from My First: *Sleeping Beauty* performances during 2019/20). ENB received £1,383 during the year from the School for ballet shoes (2020: £14,717 for tickets and costume rental). The balance outstanding at 31 March 2021 was £nil (2020: £11,769).

English National Ballet's trustees and board sub-committee members are often drawn from key stakeholders, and staff may at times have links to supplier organisations, and therefore English National Ballet may have some transactions which are classified as related. All transactions are entered into the ordinary course of business and on an arm's length basis, consistent with the Charity's policy on potential conflicts of interest. All related party transactions were with organisations, not with the individuals who have the association.

Donations were also received from eight trustees during the year totalling £171,010 (2020: ten trustees, £211,095 total).

Transactions with group undertakings:

During the year, English National Ballet Enterprises (ENBE) had transactions totalling £1,108,585 (2020: £650,047) with English National Ballet (ENB). At 31 March 2021, £1,123,891 was owed by ENBE (2020: £139,242 owed by ENBE).