

ENGLISH OPERA GROUP.

A. Outstanding from 1947.

		<u>Assets.</u>
1. Loans.	£3,300	
2. Bills outstanding		Covent Garden. 600
Reiman.. 600		British Council 1,000
Management 200		
Telephone 35	<u>835</u>	
	<u>£4,135</u>	<u>£1,600</u>

B. Current Expenses. January to March, 1948.

		<u>Assets.</u>
1. Salaries. 12 wks. @ £40.	£480.	
2. Storage of scenery.	40.	Sir Michael Balcon. -
3. Rent (Office)	70.	£3,000.
4. Management.	20.	-
5. Income tax.	30.	
6. Telephone.	<u>35. 675</u>	
C. <u>New Production Expenses.</u>	250	
D. <u>School Deficit.</u>	150	
	<u>1,075</u>	

SUMMARY.

<u>Total Liabilities.</u>		<u>Total Assets.</u>	
1. Loans.	3,300	Covent Garden.	600.
2. Bills fr. 1947.	835	British Council.	1,000
3. Current Expenses.	675	Balcon.	3,000
4. New Production.	250		
5. School Deficit.	150		
	<u>£5,210</u>		<u>4,600</u>
		Deficit.	<u>610</u>
			<u>5,210</u>
Overdraft.	£6,700		
Deficit.	610		
	<u>£7,310</u>	as against Guarantees	<u>£8,100.</u>

ENGLISH OPERA GROUP - BALANCE-SHEET, MAY 5th - AUGUST 1st, 1948.

RECEIPTS

EXPENDITURE

OVERDRAFT

Week ending May 29th (Cambridge)  
Fee

£1,250

OUTSTANDING BILLS  
1. Reiman, Stok & Kersken 576  
2. Rent : February, March, April 52  
3. Management expenses, A.W.-Jan/May 40  
4. Auditors' fee 100

768

May 5th £3,334

May 5th 4,102

CURRENT EXPENDITURE

Week ending May 8th (London)

Artists' salaries 250  
Stage staff salaries 36  
Management salaries 38  
Rent rehearsal rooms 10  
Travel to Cambridge 40  
Production expenses 50  
Management expenses 20

444

May 8th 4,546

Week ending May 15th (Cambridge)

Artists' salaries 306  
Stage staff salaries 40  
Management salaries 38  
Rent 10  
Production expenses 100  
Orchestral rehearsal expenses 172  
Management travel and expenses 20  
Insurance 50

736

May 15th 5,282

Week ending May 22nd (Cambridge)

Artists' salaries 306  
Stage staff salaries 60  
Management salaries 38  
Orchestral rehearsals 300  
Management travel and expenses 20  
Production expenses 100

824

May 22nd 6,106

Week ending May 29th (Cambridge)

Total running costs 1,400  
Production expenses 2,000

3,400

May 29th 8,256

Week ending June 5th ("out")

Stage staff salaries 40  
Management salaries 38  
Rehearsal "Herring" 180  
Production costs 575  
Travel to Aldeburgh 40  
Management expenses 15

888

June 5th 9,144

<u>Week ending June 12th (Aldeburgh)</u>			<u>Week ending June 12th (Aldeburgh)</u>				
Fee		£700	Total cost		700	June 12th	9,144
			<u>Week ending June 19th ("out")</u>				
			Stage staff salaries	40			
			Management salaries	38			
			Management expenses	<u>10</u>	88	June 19th	9,232
			<u>Week ending June 26th (Holland)</u>				
			Insurance	120			
			Travel costs to Holland	<u>600</u>	720	June 26th	9,952
<u>Week ending July 3rd (</u>			<u>Week ending July 3rd (Holland)</u>				
Arts Council Grant		2,000	Salaries		300	July 3rd	8,252
			<u>Week ending July 10th ("out")</u>				
			Stage staff salaries	40			
			Management salaries	38			
			Management expenses	20			
			Travel to Cheltenham	<u>80</u>	178	July 10th	8,430
<u>Week ending July 17th</u>			<u>Week ending July 17th (Cheltenham)</u>				
Cheltenham fee	1,250		Total costs	<u>1,520</u>	1,520	July 17th	7,800
Fee from Holland	<u>900</u>	2,150	<u>Week ending July 24th (Belgium)</u>				
			Travel to Belgium	<u>500</u>	500	July 24th	8,300
<u>Week ending July 31st</u>			<u>Week ending July 31st (Cambridge)</u>				
Cambridge fee	1,250		Total costs	<u>1,500</u>			
Belgian fee	<u>500</u>	1,750	Office rent	<u>52</u>	1,552	July 31st	8,100

ANALYSIS OF FINANCIAL POSITION.

Costs

Receipts

June 20th - July 12th.

<u>Glyndebourne</u> :	(a) Running costs	£4,440	Takings at 3/4 capacity	...	£5,400
	(b) One-ninth of Production and management cost	<u>1,000</u>			
		<u>£5,440</u>			<u>£5,400</u>

DEFICIT

£40

July 14th - 20th.

<u>London recording</u> :	Running costs	250	(a) Broadcast	50
			(b) Recording - advance royalties	<u>100</u>
		<u>£250</u>		<u>£150</u>

DEFICIT

£100

July 22nd - 29th.

<u>Holland.</u>	Running costs and fares	£3,095		(min.)	(max.)
			(a) Takings	1,392	1,850
			(b) Donations to fares	750 <u>500</u>	750 <u>500</u>
		<u>£3,095</u>		<u>£1,892</u>	<u>£2,350</u>
				2,742	2,600
			<u>MAXIMUM DEFICIT</u>	£1,203	953
			<u>MINIMUM DEFICIT</u>	£745	495

August 12th - 18th.

<u>Lucerne.</u>	Running costs and fares	£3,220	(a) Takings	1,000
	1/24th production and management costs	<u>380</u>	(b) British Council grant	2,500
		<u>£3,600</u>		<u>£3,500</u>

DEFICIT

£100

October 1st - November 1st.

ENGLAND.

<u>Running costs and fares</u>		<u>Estimated takings</u>	<u>Profit</u>
Bournemouth ...	£1,450	£1,650	£200
Newcastle ...	1,450	1,650	200
Oxford ...	1,450	1,800 (90%)	350
Covent Garden ...	2,680	4,000 (60%)	<u>1,300</u>
			2,050
		Revenue from broadcasts	<u>500</u>
			2,550
<u>Less deficit shown on previous page at Glyndebourne, London Recording, Holland (maximum loss), and Lucerne</u>			<u>1,443</u> (1,193)
Balance ...			<u>£1,107</u> (1,357)

SUMMARY OF FINANCIAL POSITION.

<u>Costs</u>		<u>Receipts</u>	
Production and management ...	£9,000	Balance from takings ...	1,357 £1,107
Less 1/9th (Glyndebourne) ...	1,000	Arts Council ...	3,000
		Donations ...	<u>2,692</u>
	<u>£8,000</u>		<u>£6,799</u>

7,049

L O A N S .

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Benjamin Britten	£ 500
W. J. Dexter	500
Albert Ehrman	1000
K. Lancaster	100
Basil Wright	100
Mrs. Wright sen.	50
James Lawrie	1000
John Piper	50
Mrs. Cecil Roberts	500
	<hr/>
	£ 3800
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LIST OF GUARANTORS.

	£ 1000
A. E. I.	500
George Ansley (H. Ansbacher)	10
Sir Kenneth Clark	50
Clemence Dane	10
Basil Douglas	1000
E. E. C.	1000
G. E. C.	50
D. Hyam	100
Hotpoint Company	250
E. C. Holroyd	10
Hon. Mervyn Horder	10
R. Hawkes	1000
I. C. I.	1000
Lazard Bros.	10
L. Lynex	1000
James Lawrie	10
Rt. Hon. Oliver Lyttelton	10
R. Powell	500
Marquess of Queensbury	1000
N. M. Rothschild	250
D. Rickett	10
Erwin Stein	10
Hon. James Smith	10

Total :-

£ 8790

AIDE-MEMOIRE TO MR. LYTTELTON AND MR. LAWRIE FOR  
THEIR MEETING WITH THE GOVERNORS OF SADLER'S WELLS.

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1. The suggestion has been made that the Sadler's Wells and English Opera Group companies move towards some form of association. Can these two companies, with different aims and functions, and differing methods of work cooperate to the advantage of either?
2. The English Opera Group aims to encourage composition of contemporary English chamber operas and to perform them and suitable classical operas. It is a small organisation employing a company of 40 artists. It restricts its performances to the months between May and November, when it can secure the full time service of its singers and orchestra. Its repertoire of chamber operas, written for eight to thirteen soloists, no chorus, and an orchestra of twelve solo performers throws a heavy artistic responsibility on each and every member of the company. Further responsibility falls on the English Opera Group in that it gives first performances of new English works. The English Opera Group insists on thorough and regular rehearsal in order to achieve and maintain a high standard of performance.
3. The traditional policy of Sadler's Wells is to offer a large variety of popular full-scale standard operas in English translation. It is a large organisation employing more than 200 artists. It performs all the year round mainly in London. It allows its singers to accept concert engagements.
4. Both companies are non-profit-making companies and work on the basis of grants from the Arts Council.
5. Bearing these facts in mind
  - a. Has Sadler's Wells anything to offer to The English Opera Group beyond the occasional use of its Theatre at favourable terms?
  - b. Has the English Opera Group anything to offer Sadler's Wells beyond its English and Continental reputation for performances of new English operas and its association with Benjamin Britten?
  - c. What form of association affecting (i) finance (ii) organisation could be evolved which would allow both companies to preserve their identity and present policies?

ENGLISH OPERA GROUP.

MEMORANDUM TO THE ARTS COUNCIL.

1. FUNCTION.

Much public money is being spent annually on opera ; much more will continue to be spent on developing an operatic repertoire at Covent Garden and Sadler's Wells. The English Opera Group is struggling with a problem that is complementary to the problems of these two theatres. It is the only company which gives full opportunity for experiment in the creation and production of new British works on a relatively low scale of expense. It has a growing and enthusiastic audience in England and abroad.

2. ACHIEVEMENTS.

In two years the English Opera Group has produced and performed two new contemporary British chamber operas and a new musical arrangement of another British work - "THE BEGGAR'S OPERA". In addition, it has commissioned and performed two new chamber music works. With regard to its performances, the English Opera Group has achieved and maintained a good standard of performance with a remarkable group of English singers and musicians. There is no limitation in skill, imagination, and enthusiasm to the future development of British opera : the only limitation is a financial one.

3. AIMS.

The Artistic Directors are most anxious to extend the group's repertoire to include works by composers other than Benjamin Britten as soon as the group is in a position to guarantee production of suitable operas. The group has lost considerable sums of money on staging Britten's operas, chiefly through its own insistence on long, thorough, and expensive rehearsals. It would probably lose a great deal more on other less well-known opera composers, but, if the work of the group is to have real significance as an experiment in contemporary opera, it must stage other works. Moreover, if the English Opera Group is to play in the 1951 Festival the part which its directors and artistic directors think it should, it would seem highly desirable to add new productions of contemporary British operas to the repertoire before then.

4. PROGRAMME.

The artistic directors would therefore like to stage three new productions in 1949 : -

- (a) "THE WANDERING SCHOLAR", by Gustav Holst, lasting about forty minutes, written for a cast of four singers and chamber orchestra of ten. The B.B.C. have invited the English Opera Group to give two broadcast performances of this work in January, 1949.
- (b) A one-act opera to accompany the Holst opera. Tyrone Guthrie is interested in writing the libretto, and Brian Esdaile might be asked to write the music.
- (c) A children's opera called "THE LITTLE SWEEP", which Benjamin Britten and Eric Crozier have in hand.

These should be followed by a full-length new opera to be produced in 1950.

(2)

*£7,000 in 1949 and £5,000 in 1950 including the cost of rehearsals.*

5. COST OF NEW PRODUCTIONS.

It is hoped that the cost of the four suggested new works will not exceed £12,000. It is difficult to be precise, because there are too many uncertain factors in the Guthrie-Basdale opera and in the 1950 opera. Detailed estimates, however, have been prepared for "THE WANDERING SCHOLAR" and "THE LITTLE SWEEP", and these are shown in an attached appendix.

6. 1947 FINANCE.

When the group started operations in 1947, its capital was in the form of guarantees, but it also received both loans and donations. It was hoped that the cost of the productions could be met out of the loans and donations; that a grant would be made by the Arts Council which would be sufficient to cover the excess of running costs over income; and that temporary cash requirements could be met by borrowing from the bank on overdraft against the security (in effect) of the guarantees. At the end of 1947, however, it transpired that the loans and donations of £7,000 had not been sufficient to meet the costs of the productions; that the Arts Council grant had not been large enough to cover the net running costs; and that a considerable bank overdraft had to be carried forward to the next year. The bank was unwilling to carry forward this debt, but after hearing a variety of arguments agreed to do so.

7. 1948 FINANCE.

Estimates show that by the end of 1948 the indebtedness of the group will amount to about £10,300 - loans totalling £3,300, bank overdraft approximately £6,000, and a temporary loan of £1,000. It appears that the increase in the Arts Council grant from £3,000 in 1947 to £5,000 in 1948 will bring the year's income approximately to the level of the running expenditure, but the cost of the new production has only been met by an increase in the bank overdraft and by the generosity of Messrs. Boosey & Hawkes and Mr. Britten in giving the group the benefit of a deal with a film company.

8. FINANCIAL REQUIREMENTS.

*(including the cost of re-forming the existing repertoire)*

The bank is prepared to carry the overdraft until 31st December, but requires that it should then be repaid. The Head Office of the bank stresses that it was never intended that overdrafts incurred by the losses of one year should be carried forward to another. The attempts of the directors to raise money to pay off the bank overdraft and to pay for the cost of new productions have been entirely unsuccessful, and it appears that the only way in which the requirements of the bank can be satisfied is by calling up the guarantees, an operation which would almost certainly result in the complete cessation of the group's activities. If there is to be any question, therefore, of continuing with the preparation of a suitable repertoire for performance during the 1951 Festival, the group has no option but to apply to the Arts Council for further assistance.

9. APPLICATION TO THE ARTS COUNCIL.

The English Opera Group therefore requests the Arts Council for:

- (a) a long-term loan of £7,000, to fund the overdraft and the temporary loan;
- (b) an increase in the grants for 1949 and 1950 from £5,000 to £12,000 and £10,000 respectively, to cover the expenses of the four new productions now contemplated.

DRAFT OF DIRECTORS REPORT FOR YEAR ENDED 31st. December, 1948

1. The number of Company members remained the same (23) with guarantees to the Company totalling £8,790.
2. The repertoire for the season consisted of "Albert Herring" by Benjamin Britten, performed in the previous year, and a new version of "The Beggar's Opera" by John Gay, realised from the original airs by Benjamin Britten, and produced by Tyrone Guthrie.
3. The English Opera Group performed these operas during a ten week season spread over the period May to October at Cambridge (2 weeks); the first Aldeburgh Festival of Music and the Arts; the Cheltenham Festival of British Contemporary Music; the Holland Festival (Amsterdam, Utrecht, Rotterdam, Scheveningen); the Festival Littorale at Le Zoute, Belgium; Sadler's Wells (2 weeks); the People's Palace. The Group also gave concerts and four studio broadcasts of "The Beggar's Opera". The Group was responsible for the artistic direction of the Aldeburgh Festival, which proved an artistic success and is to be repeated annually.
4. The English Opera Group Association was set up as a separate body, of which membership was by annual subscription. In return for certain privileges to its members, it is hoped that the Association will prove a source of regular income to the Group in the future.
5. The experimental Opera School set up under the directorship of Miss Joan Cross proved so successful that it was established as a separate body, known as the Opera Studio, with an independent constitution and direct support from the Arts Council.
6. The Arts Council grant was increased from £3,000 in 1947 to £5,000 in 1948. This increase in Arts Council support was offset by the failure of the public appeal, which had been made in the hope that it might make up for the private donations amounting to £3,660 10s. given to the Group in 1947, since these could not again be expected.
7. The Company's income from Box Office receipts and fees amounted to £13,148 17s. 1d. in 1948 as compared with £12,990 in 1947. Receipts from all sources amounted to £22,548 5s. 7d. in 1948, as compared with ~~£31,052~~ <sup>25,982</sup> in 1947.
8. The Company's expenditure was incurred under three headings:-

(i) <u>Production expenditure</u> , i.e. costs of producing a new opera and rehearsing an opera already in the repertoire	£ 5,387 7s. 5d.
(ii) <u>Running expenditure</u> , i.e. the costs incurred in running the operas during performing weeks	£13,330 12s. 1d.
(iii) <u>Management and sundry expenses</u>	£ 4,501 4s. 3d.
9. ~~giving~~ giving a total expenditure in 1948 of ..... £23,219 3s. 9d. as compared with total expenditure in 1947 of ..... £31,052
9. The excess of expenditure over income for the period January 1st to 31st. December, 1948 was £670 18s. 2d. The excess ~~to date~~ of expenditure over income was £5,798 16s. 6d. at December 31st. 1948 as compared with ~~£5,798 16s. 6d.~~ at December 31st. 1947. The final excess of expenditure over income was <sup>£5070</sup> within the total amount of £8,790 guaranteed by Company members.
10. The Company ~~now owns~~ <sup>was valued at</sup> fixed assets of £4,593, including scenery, costumes and properties of the three operas, and the invisible assets of a company of singers and players with a complete knowledge of these operas and the goodwill to perform them at any time.  
~~Depreciation of all the scenery, costumes and properties owned by the Company has been rated as 20% of the total value.~~