

**NORTHERN ACADEMY OF PERFORMING ARTS
EDUCATIONAL TRUST**

FINANCIAL STATEMENTS

31 AUGUST 2019

Charity Number 1076867

FAWLEY JUDGE & EASTON

Chartered Certified Accountants

1 Parliament Street

Hull

HU1 2AS

**NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL
TRUST**

**FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2019**

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NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2019

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 August 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name Northern Academy of Performing Arts Educational Trust

Charity registration number 1076867

Principal office 50 Anlaby Road
Kingston upon Hull
HU1 2PD

Trustees

The trustees at the date of this report are as follows:

Peter Duffield (Chair)
Naomi Bedworth
Andrew Kingston
Henrietta Duckworth
John Netherwood
Tony Dickens
Chris Gruca

Allan Deller also served as a trustee during the year ended 31 August but resigned in September 2019.

Independent examiner Fawley Judge & Easton
1 Parliament Street
Hull
HU1 2AS

Bankers Barclays Bank Plc
32 Paragon Square
Hull
HU1 3QT

Solicitors Gosschalks
Queens Gardens
Hull
HU1 3DZ

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of Governing Document and constitution of the charity

The trust is constituted by Deed of Trust dated 12 May 1998 as amended by special resolutions dated 25 July 1999 and 29 June 2006. It is registered as a charity with the Charity Commission.

Appointment of trustees

Trustees are elected for a period of 2-5 years on a rolling basis. Trustees are nominated to serve on the board by recommendation of currently serving trustees. If the board agrees to the nomination, the candidate is invited to serve on the board.

Trustee induction and training

There is no formal training provided by the charity as most trustees are already familiar with the practical work of the trust. The role is formally discussed with an existing serving trustee, for new trustees to familiarise themselves.

Organisation

The charity has a board of trustees that meets regularly and is responsible for the strategic direction and policy of the trust's work.

The trust employs several workers to whom the trustees delegate the day to day responsibility for the provision of services, including artistic development, production, teaching and administration. Regular staff meetings occur throughout the year.

Related parties

The trust does not have any close relationships with any other group or party operating entirely on its own. All classes and performances are advertised locally within schools and other council premises.

Risk management

The trustees have a risk management strategy that comprises:

- An annual review of the risks the trust may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified only a few minor new risks, but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. Particular attention has focused on non-financial risks arising from fire, health and safety and management of performing rights. A key element in the management of financial risk is the detailed controls and systems that prevail within the trust.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to foster, encourage and provide opportunities for people of all ages to participate, increase their confidence and enjoy being involved in, creative performing arts activities.

Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit as published by the Charities Commission.

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2019

ACHIEVEMENTS AND PERFORMANCE

The trustees are satisfied with the progress made during the year and consider that the trust has sufficient resources to further expand its reach and opportunities for students of all ages.

FINANCIAL REVIEW

The annual accounts show a deficit of £65,229 (2018 surplus £580,012) with a total cumulative surplus of £643,053 (2018 surplus of £708,282).

Investment Powers

The charity has the power to make any investment that the trustees see fit.

Reserves Policy

The trustees consider that the level of reserves required in order for the charity to operate at its current level of activity has now been attained. The actual reserves at 31 August 2019 were in surplus by £643,053.

The trustees continue to review the administrative controls and systems to ensure that all sources of income are enhanced sufficiently to enable the future development of the Academy.

PLANS FOR FUTURE PERIODS

The trustees' plans for future periods are for the trust to continue with the expansion of the existing opportunities afforded to people of all ages to be involved in creative performing arts activities.

CHIEF EXECUTIVE OFFICER

At the end of August 2019, our long-standing CEO Barbara Dawson stepped down from the CEO role. The trustees would like to place on record their grateful thanks for Barbara's passion, drive and determination over the years, which have made NAPA what it is today.

We also welcomed the arrival of our new CEO, Carl Wheatley, in September 2019. Barbara is definitely a hard act to follow, but in Carl we believe we've found exactly the right person to take NAPA forward, with plans to increase our collaborative working, take our productions out of NAPA more and to offer more places at NAPA for children who couldn't otherwise attend due to financial constraints through a bursary scheme.

INDEPENDENT EXAMINER

Fawley Judge & Easton have been appointed as independent examiner for the trust.

Signed on behalf of the trustees

Peter D Duffield LLB FCA
Chair of Trustees

Date: 9 March 2020

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

YEAR ENDED 31 AUGUST 2019

I report to the Trustees on my examination of the financial statements of Northern Academy of Performing Arts Educational Trust (the Trust) for the year ended 31 August 2019.

Responsibilities and basis of report

As the trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. Accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
2. The financial statements do not accord with those records; or
3. The financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Stephen Woolias
Fawley Judge & Easton
Independent examiner

Date: 9 March 2020

1 Parliament Street
Hull
HU1 2AS

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted Funds £	Total Funds 2019 £	Total Funds 2018 £
INCOMING RESOURCES				
Incoming resources from generating funds:				
Voluntary income	2	6,229	6,229	622,739
Activities for generating funds	3	84,796	84,796	73,435
Investment income	4	395	395	240
Incoming resources from charitable activities	5	409,848	409,848	423,621
Other incoming resources	6	1,022	1,022	1,207
TOTAL INCOMING RESOURCES		<u>502,290</u>	<u>502,290</u>	<u>1,121,242</u>
RESOURCES EXPENDED				
Costs of generating funds:				
Costs of generating voluntary income	7	22,047	22,047	22,276
Charitable activities	8	541,552	541,552	514,704
Governance costs	9	3,920	3,920	4,250
TOTAL RESOURCES EXPENDED		<u>567,519</u>	<u>567,519</u>	<u>541,230</u>
NET INCOMING /(OUTGOING) RESOURCES FOR THE YEAR		(65,229)	(65,229)	580,012
RECONCILIATION OF FUNDS				
Total funds brought forward		708,282	708,282	128,270
TOTAL FUNDS CARRIED FORWARD		<u>643,053</u>	<u>643,053</u>	<u>708,282</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

BALANCE SHEET

31 AUGUST 2019

	Note	2019 £	£	2018 £
FIXED ASSETS				
Tangible assets	11		190,358	205,441
CURRENT ASSETS				
Debtors	12	3,000		11,260
Cash at bank		<u>640,901</u>		<u>695,933</u>
		643,901		707,193
CREDITORS: Amounts falling due within one year	13	<u>29,550</u>		<u>30,887</u>
NET CURRENT ASSETS			614,351	676,306
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>804,709</u>	<u>881,747</u>
CREDITORS: Amounts falling due after more than one year	14		<u>161,656</u>	<u>173,465</u>
NET ASSETS			<u>643,053</u>	<u>708,282</u>
FUNDS				
Unrestricted income funds	15		<u>643,053</u>	<u>708,282</u>
TOTAL FUNDS			<u>643,053</u>	<u>708,282</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the trustees and authorised for issue on 9 March 2020 and are signed on their behalf by:

Peter D Duffield LLB FCA

Trustee

The notes on pages 7 to 12 form part of these financial statements.

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Donations and grants

Income from donations and grants is included in incoming resources when these are receivable, except as follows:

When donors specify that donations and grants given to the charity must be used in future accounting periods, income is deferred until these periods. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for the use have been met.

When donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Incoming resources from charitable activities are accounted for when earned.

Activities for generating funds

Income from productions and show admission fees, together with cafe income, is included in incoming resources in the period in which they are receivable.

Going concern

The financial statements are prepared on a going concern basis, which assumes that the trust will continue in operational existence for the foreseeable future. The validity of this assumption is dependent upon the charity obtaining sufficient funding.

The trustees have considered that in preparing the financial statements they have taken into account all the information that they could have reasonably be expected to be available. On this basis, the trustees consider it appropriate to prepare the financial statements on a going concern basis.

Investment income

Investment income is included when receivable.

Taxation

The charity is exempt from taxation under section 505(1) ICTA 1988 as an approved charity.

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES *(continued)*

Fund accounting

Funds held by the charity are of the following types:

Unrestricted general funds are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are funds that can only be used for a particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular purpose.

Resources expended

Resources expended are recognised in the period in which they are incurred. They include attributable VAT which cannot be recovered.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of productions, shows and the cafe.

Charitable expenditure comprises those costs incurred in the delivery of its activities for its beneficiaries, and includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs represents the costs associated with meeting the statutory requirements of the charity.

All costs are allocated between expenditure categories in the statement of financial activities on a basis designed to reflect the use of the resource.

Fixed assets

All fixed assets are initially recorded at cost, which is then depreciated over the estimated useful life of the asset concerned.

2. VOLUNTARY INCOME

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Donations			
Sundry Donations	<u>6,229</u>	<u>6,229</u>	<u>622,739</u>

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Cafe Income	25,983	25,983	25,889
Activities for generating funds - Theatre Productions	34,493	34,493	31,128
Activities for generating funds - External Events	24,320	24,320	16,418
	<u>84,796</u>	<u>84,796</u>	<u>73,435</u>

4. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Sundry lettings	395	395	220
Investment income	-	-	20
	<u>395</u>	<u>395</u>	<u>240</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Enrolment Income	11,043	11,043	12,933
Student classes - Dance	161,715	161,715	175,095
Student classes - Musical Theatre	92,449	92,449	93,425
Student classes - Drama	60,804	60,804	59,646
Outreach	81,460	81,460	81,186
Wardrobe income	2,377	2,377	1,337
	<u>409,848</u>	<u>409,848</u>	<u>423,622</u>

6. OTHER INCOMING RESOURCES

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Sundry income	<u>1,022</u>	<u>1,022</u>	<u>1,207</u>

7. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£
Fundraising trading: Costs of goods sold and other costs	<u>22,047</u>	<u>22,047</u>	<u>22,276</u>

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

8. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

The trust operates an on site cafe, and the surplus generated has been utilised for general funds.

	Activities undertaken directly £	Total Funds 2019 £	Total Funds 2018 £
General	245,422	245,422	257,011
Dance	110,126	110,126	116,727
Musical Theatre	47,912	47,912	45,906
Drama	36,256	36,256	33,471
Outreach	55,858	55,858	31,844
Theatre Productions	16,406	16,406	7,316
External Events	29,572	29,572	22,429
	<u>541,552</u>	<u>541,552</u>	<u>514,704</u>

9. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Accountancy fees	3,920	3,920	4,250
	<u>3,920</u>	<u>3,920</u>	<u>4,250</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2019 £	2018 £
Wages and salaries	189,141	205,747
Social security costs	14,066	14,061
Pension costs	2,610	-
	<u>205,817</u>	<u>219,808</u>

NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

10. STAFF COSTS AND EMOLUMENTS *(continued)*

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2019	2018
	No	No
Dance and performance	3	3
Administration	5	5
	8	8

No employee received remuneration of more than £60,000 during the year (2018 - Nil).

11. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Fixtures & Fittings £	Total £
COST				
At 1 September 2018	231,746	61,372	104,478	397,596
Addition	-	-	-	-
At 31 August 2019	231,746	61,372	104,478	397,596
DEPRECIATION				
At 1 September 2018	65,578	61,372	65,205	192,155
Charge for the year	4,635	-	10,448	15,083
At 31 August 2019	70,213	61,372	75,653	207,238
NET BOOK VALUE				
At 31 August 2019	161,533	-	28,825	190,358
At 31 August 2018	166,168	-	39,273	205,441

12. DEBTORS

	2019	2018
	£	£
Trade debtors	3,000	11,260

13. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	18,560	18,560
Accruals	10,990	12,327
	29,550	30,887

**NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL
TRUST**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

14. CREDITORS: Amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	<u>161,657</u>	<u>173,465</u>

15. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2018	Transfer/ Incoming resources	Balance at 31 Aug 2019
	£	£	£
General Funds	<u>708,282</u>	<u>(65,229)</u>	<u>643,053</u>