

N A B S

(A charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

Year ended
31 December 2020

Charity No. 1070556
Company Registration No. 03588945

N A B S (A charitable company limited by guarantee)

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COMPANY INFORMATION

TRUSTEES AND ADVISERS

S Daglish (Chair)
C Rudd
P Hughes
J Salinson
K Fowler
A Cook
J Healy

H Nicklin
K Smith (Treasurer)
N Patel
M Bush
N Jasinski
J Peppiatt
D Carter

COMPANY SECRETARY
B Lawson

REGISTERED OFFICE
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TRUSTEES' REPORT

REFERENCE AND ADMINISTRATIVE INFORMATION

The Trustees (who are also company directors for the purposes of company law) are pleased to present their Report and Accounts for NABS for the year ended 31 December 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019).

NABS is registered with the Charity Commission under registration number 1070556 and with Companies House under registration number 03588945. NABS operates across the United Kingdom. Details of NABS' trustees and senior staff who served during the year and since the year end are set out below.

Trustees and members of Executive Committee

K Glazer	President (non-Trustee)
K Fowler*	
K Smith*	Treasurer
J Salinson*	Trustee, Support Services
P Hughes	
C Rudd	
S Daglish	Chairman
N Patel*	
M Bush	
A Cook	
H Nicklin	
N Jasinski	
C Sobhani	(Resigned 14 th February 2020)
J Peppiatt	
J Healy	
D Carter	(Appointed 18 th September 2020)

Senior Staff

D Tickell*	Chief Executive
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* All Trustees and senior staff noted with asterisks are also members of the Finance and Governance Committees.

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TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

NABS was founded in 1913. NABS is a charitable company limited by guarantee incorporated on 26 June 1998 in England and Wales. The charity was established under a memorandum of association which established the objects and powers of the charitable company. NABS has a wholly owned trading subsidiary, NABS Trading Limited incorporated in England and Wales whose principal activity is the running of fundraising events. Part of the surpluses generated by NABS Trading Limited are distributed to NABS under the Articles of Association. NABS is governed by its Executive Committee which consists of elected Trustees and key senior management of NABS appointed as prescribed by the Articles of Association. Executive Committee meetings are held typically 6 times a year. They are used to review performance over the current year and agree key objectives for the next and longer term depending on the strategic planning cycle. Presentations and discussions in each meeting keep the Trustees informed about the work of NABS and all latest developments.

Responsibility for reviewing key areas of activity and policy are delegated to sub-committees that report back to the Executive Committee. The sub-committees monitor and scrutinise the work of NABS. The day-to-day running of NABS and NABS Trading Limited and the exercise of executive responsibility is delegated to the Chief Executive (CEO).

The current sub-committees are:

- Finance Committee (including investments, pensions, audit and remuneration) – maintains an overview of the financial strategy, performance and operations of NABS to ensure effective oversight of NABS' resources. The Committee reviews and appraises the management of NABS' investments with quarterly presentations from the investment fund managers. The committee periodically reviews NABS Support Grants. This Committee has taken a strong lead in reviewing the short and longer-term financial position of NABS during Covid 19.
- Governance Committee – ensures NABS is complying with all its legal obligations, has comprehensive policies in place, monitors risk and commendations and complaints.

Third party indemnity provision for Directors

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

Trustee Recruitment, Induction and Training

Trustees are sought primarily by way of exploration of the field of potential suitable candidates through discussion by existing Trustees, other members of the Executive Committee and external recruitment advisors to ensure appropriate representation across NABS Beneficiary audiences and increase diversity.

Following the directives laid down by the Governance Committee, new Trustees have a comprehensive induction, receive a role description and briefing on the Charity Commission's *"The Essential Trustee: what you need to know, what you need to do"*. In January 2021 the Trustees had a training session from Womble Bond Dickinson. Governance has been further reviewed against the latest Charity Governance Code and an action plan drawn up that focuses on regular review and constant improvement. Trustees are appointed by the Executive Committee of the Charity.

Management

The shape of the permanent team is structured within four core teams:

- Culture Change and Wellbeing Services
- Fundraising
- Strategy and Developments
- Corporate Services

Each team is led by a Director who reports directly into the CEO.

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NABS' Articles of Association set out the ability of the Trustees to delegate their authority to the CEO and other groups and committees as required. The terms of references for committees and delegated authorities were all reviewed and thoroughly updated during 2020.

The CEO reports to the Executive Committee. Specifically, the objectives of the CEO are set and monitored by the Finance Committee. The Finance Committee recommends the pay and remuneration for the CEO and other key management personnel to the Executive Committee using industry (advertising and media) and charity benchmarks and reviews and monitors the pay of the senior leadership team and other personnel through detailed budget reviews.

The CEO and management are in turn supported by operational sub-committees focusing on Finance which typically meets monthly, and a quarterly Governance Committee as noted above.

Fundraising

NABS is the benevolent society for the Advertising and Media industry and is supported primarily by the organisations who make up the industry in the form of Corporate Donations and a smaller event portfolio both of which have been significantly impacted due to Covid-19 during 2020 and into 2021. Individuals in those organisations may occasionally support us personally and this would involve purchase of a raffle ticket, employee events (eg staff quiz) or occasionally may make a donation through our JustGiving page. We do not approach the general public for donations and currently do not use professional partners or commercial fundraisers. We have not received any complaints regarding our fundraising. We do not ask for donations from vulnerable people and should we receive an unsolicited donation that we would consider unusual from a beneficiary we have processes in place to assure us of their mental capacity in which to make any such donation.

Specifically in terms of Covid-19 NABS has experienced a £1.1m drop in income during 2020. The loss in income is made up of a reduction in donations from advertising businesses whose revenues themselves have been significantly reduced, the cancellation of all NABS in person events since the start of the pandemic and the cancellation of third-party industry events where the proceeds would have been donated to NABS.

STRATEGIC REPORT, OBJECTIVES AND ACTIVITIES

NABS Purpose

NABS is the support organisation for the advertising and media industry.

The vision for the Charity is to see an advertising and media industry that truly believes and demonstrates that vital to success, is the wellbeing of its people who work in it. NABS' purpose is to champion and support the wellbeing of those who work or have worked across the advertising and media sector.

2020 was an extremely challenging year for NABS and the industry at large, and we worked incredibly hard to support everyone who needed us throughout the pandemic. The fact that advertising revenues were so significantly reduced, forced the industry into restructures despite the Government support schemes. This combined with all the Wellbeing related impacts of the Pandemic led many more people than ever to seek NABS support.

The Trustees and the Management team worked together to ensure that NABS could respond to everyone who needed us in 2020, seeing our response and the support we provide as our number one priority. In the last twelve months the impact of our work has been felt by more people than ever, despite a £1.1million loss of income and demand for our services growing by 35%. NABS accessed Government support including the use of Furlough and the CBILS scheme.

Covid-19 and the events surrounding the death of George Floyd and the Black Lives Matter (BLM) movement dominated 2020, profoundly changing our industry and how we work.

When lockdown hit, we moved all of our services online and quickly introduced new services including an on-line redundancy tool and a knowledge bank including for example, guidance on Furlough and advice on how to cope with Bereavement. On-line events were added, especially for those from the communities most affected,

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TRUSTEES' REPORT

including increasing sessions in partnership with Media For All (MEFA) and mapped out our longer-term Diversity, Equity and Inclusive plans over the next three years.

Our quarterly wellbeing polls of the industry revealed high levels of anxiety, low mood and motivation and signified more than ever the vital role that NABS plays in providing essential services across advertising and media.

NABS Aims

The Trustees set three, 5-year overarching aims for NABS in 2020 – 2025 as follows -

1. To maintain a reputation for high quality, human-centred, heartfelt support as we transform and expand our industry reach.
2. To become a leading industry influencer, to drive positive change and make a real difference to industry culture, through insights.
3. To transform NABS operating model for long term, financial sustainability.

To meet these aims NABS will be delivering in three main areas –

1. Wellbeing First - Expanding our reach, improving access to our services, and continuing to deliver wellbeing that is heartfelt and human centred in times of crisis and success, shaped by unique, industry insights. Continuing to prove the case for putting wellbeing first as an essential strategy for everyone to thrive in our industry.
2. Together For Change - Collaborating with the industry to champion and campaign for positive change as a leading and trusted influencer, promoting a greater sense of belonging for all. We will be encouraging tough conversations, brave leadership and the advancement of diversity and inclusion strategies to drive positive wellbeing.
3. Expertise Driven By Insights - Tracking the industry mood and opinion and using these unique insights to improve everything we do from decision making and service development to our service delivery, and point of view.

NABS' Activities

NABS principal activities during 2020 to meet the needs of our audience and deliver public benefit were:

- Providing an Advice Line that supports individuals. Taking calls primarily from those enquiring about financial support, redundancy, furlough and needing emotional support (of which the most significant area of support is mental health)
- Providing a careers service supporting people with job loss and low confidence at risk of job loss or at a career crossroads.
- Provide a range of therapies for a broader range of issues such as low self-esteem, anxiety, depression, grief, obsessive-compulsive disorder, trauma, post-traumatic stress disorder and personality disorders, amongst others.
- Providing a digital redundancy guide to support the rise in redundancies across the industry, enabling online access to a range of redundancy information from process to redundancy pay.
- Providing career coaching via digital channels with career development, career crossroads and confidence being the main themes in 2020.
- Providing career masterclasses across a range of areas including Confidence and Gravitas, Resilience and Working Parents.
- Bringing the community of advertising and media together through a series of events, supporting new and middle management mentees with a range of personal and professional issues and offering a much-needed support network.
- Launching the NABS Knowledge Hub providing a range of digital resources to support people in our industry with a range of resources from anxiety and redundancy support to tools and techniques such as mindfulness meditation.

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- Running a series of NABS Talks (moved to virtual) focusing on key issues facing people in our industry, including working parents support, anxiety and male mental health, belonging and mental health for marginalised groups and stress and resilience.
- Campaigning to end sexual harassment within the advertising and media industry.
- Further developing the 'reimagination strategy' activity focused in 2020 on tech enhancements and improvements to online service provisions alongside development of a paid for training offer to enhance NABS income.
- Promoting NABS work to our donors ensuring awareness of NABS essential and supportive services.
- Surveying the industry wellbeing during the pandemic to inform NABS planning and service provision.

Risk management

The Governance Committee of the Charity updates and reviews the risk register at regular committee meetings and reviews and formulates risk mitigation plans which it then recommends to the Executive Committee. All areas of the Charity are covered by a comprehensive risk assessment. In 2020 we consider our principal risks to be:

- NABS' ability to service rising demands without continued, increasing overheads. In 2020 NABS continued to mitigate this risk by the development of the Reimagination strategy aimed at creating a more sustainable future for NABS through efficiencies and technology improvements.
- Longer term critical decline in fundraising due to reliance on traditional media donations, coupled with newer processes related to programmatic buying that could place further pressure on NABS donations. This is mitigated by a strategy to diversify the mix of media donations and continuing to invest in other income streams, alongside developing a new paid for training offer for a 2021 launch.
- Covid-19 has seen nearly all charities experience dramatically reduced income in 2020. NABS income has been significantly impacted and this has been closely monitored by the Trustees. The full risk register shows our detailed mitigating actions, and this includes the deployment of reserves, the use of government support and a range of cost cutting measures to ensure the charity can continue to meet the needs of its beneficiaries in the short and longer term. A target has been set of reaching 2019 income levels by 2023.

Achievements and Performance

The following objectives, set under the above Aims, which the charity uses to measure its performance and success, were set for 2020-2025 and updated in year due to Covid-19.

• Objectives:

To maintain a reputation for high quality, human-centred heartfelt support as we transfer and expand our industry reach.

1. To meet increasing demand, responding to diverse and evolving industry needs (including Covid-19)
2. To ensure NABS quality, direction, investment decisions, and service design are informed by regularly monitoring measuring and analysing for continuous improvement.
3. To streamline data collation and reporting processes for greater insights and responsive ness.

To become a leading industry influencer, to drive positive change and make real difference to industry culture, through insights.

4. To track industry mood and opinion to add a unique layer of evidence to NABS industry knowledge and insights.
5. To provide leading wellbeing comment to the industry, to create positive change for good around diversity, inclusion, management, and leadership.
6. To collaborate with industry role models who emulate NABS values, to strengthen NABS industry impact.
7. To strengthen NABS internal DE&I strategy and external offering, modelling the way, to be the change we wish to see in the industry.

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8. To position NABS externally as an ally organisation, actively promoting the advancement of diverse and inclusive industry culture for a greater sense of belonging for all.

To transform NABS operating model for long term financial sustainability.

9. To develop a technology enabled service delivery approach to reduce costs and increase accessibility
10. To develop a commercial, wellbeing services offer to increase future income potential.
11. To develop a fundraising strategy for increasing income streams, engagement and community
12. To continue to prove the value of wellbeing on the business bottom line, proving NABS impact to drive support and income.
13. To model and plan financially to manage risk and ensure foundations are laid for effective income and operations.

During 2020 we achieved

To maintain a reputation for high quality, human-centred, heartfelt support as we transform and expand our industry reach:

- Calls to NABS are up 35%. We took over 4,900 calls on the NABS Advice Line, improving wellbeing, providing financial support and redundancy guidance. All up on 2019.
- Our Services and on-line Events were accessed over 9,000 times in 2020.
- We awarded crisis financial grants to 68 individuals and their families throughout 2020, providing a lifeline to those out of work or suffering from ill health, helping them pay their utility bills, keep up with rent, and feed their families.
- We provided safe spaces for over 500 individuals to come together to improve their emotional wellbeing via our 1:1 coaching sessions and talking therapies.
- Over 1,400 people attended our coaching masterclasses for support building their resilience, or juggling as a working parent from home.
- We boosted confidence and self-esteem in our confidence and gravitas masterclasses, attended by 20% more in 2020.
- We listened and supported those suffering with their mental health, who made up 51% of our emotional support calls in 2020.
- We launched an on-line knowledge hub in response to Covid-19 including for example information on Furlough and Bereavement.
- We launched an on-line redundancy guide and provided information and guidance to over 900 people facing redundancy and job loss with the guide.
- 99% would recommend NABS masterclasses and coaching to a friend or colleague.
- 100% would refer others to NABS for access to therapy.
- 97% rated the NABS Advice Line service as very good-excellent.

To become a leading industry influencer, to drive positive change and make a real difference to industry culture, through insights.

- NABS carried out three wellbeing surveys monitoring the industry mood and using the findings to inform industry leaders via articles and platforms on how to support employees and also for NABS to develop our services in response to needs.
- NABS wrote and contributed expert comment across 50 press articles in 2020, providing the industry with a range of insights, advice and guidance to support good mental health and wellbeing. Our published articles on NABS' Wellbeing Poll results were instrumental in highlighting the industry mood and NABS' expertise. From mental health support around anxiety and change management, to advice on working from home and managing remotely, we were able to influence the industry to better support their employees across seven leading industry publications.
- We expanded our Ambassador network by 22%, to a total of 297 now supporting us across the country, signposting and supporting people to turn to NABS for support.

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- The NABS Team carried out over 195 HR, CEO and all staff meetings to spread the message far and wide that despite the global pandemic the team were here for everyone in need.
- The NABS 100 Club of senior industry leaders mentored and guided the industry's talent across six virtual speed mentoring events, supporting 118 mentees who needed advice on their career challenges due to Covid-19.
- NABS signed up to the Creative Equals Open letter committing to anti-racist work to build an equitable industry and developed a full DE&I strategy which was approved by the Trustees in January 2021.
- Through our partnership with the Advertising Association and WACL, NABS campaigned to end sexual harassment through using findings from our joint new survey to update the timeTo code of conduct and provided training offering to stop sexual harassment in virtual and hybrid ways of working.
- Through our partnership with Media For All reaching and supporting a more diverse audience

To transform NABS operating model for long term financial sustainability.

- As covered above NABS launched an on-line knowledge hub and an on-line digital redundancy guide freeing up the advice line team to focus on complex cases enabling us to help more beneficiaries without adding overhead.
- Developed the business plan for and commenced the piloting of a NABS new paid for training offer.
- Completed the research stages of the fundraising strategy despite Covid-19 due to be finalised in 2021
- Raised vital funds from the industry from core fundraising activity and added new initiatives such as the regional Music Quiz and Art Auction
- Developed 5 and 10 year financial scenarios in response to Covid-19 to enable the Trustees and Management to plan forward with confidence.
- Enabled all members of staff to work from home throughout the pandemic, supporting their work environment and wellbeing.
- Made the NABS office a Covid safe environment for times when working from the office is necessary.
- Accessed Government support during Covid-19 including CJRS and CBILS.

PLANS FOR FUTURE PERIODS

The aims and objectives set out above (laid out in the sections above), span a 5-year period, reflect the change of circumstances due to Covid-19 and are being implemented alongside a ten year financial planning model to enable NABS to plan accordingly, based on the next few years of critical activity namely –

- The ability for the industry to recover post Covid-19 and continue to support NABS in line with previous years donation levels and fundraising strategy.
- The ability to respond to changing models of media trading including programmatic trading.
- The success of NABS trading trials to bring about a viable new income streams in the long term.
- The ability for NABS to drive more individuals online, to help keep service overheads from growing in line with rising demand.
- NABS' ability to engage with the industry and provide community fundraisers across hybrid platforms as we begin the transition between home and office working.
- NABS' ability to provide essential allyship and tailored service provision to marginalised industry groups to enhance their wellbeing and belonging.

Covid-19 has impacted on NABS plans for the future periods quite significantly. Elements of the NABS' new strategy have been fast tracked and will continue to be so during 2021.

Despite the tough economic backdrop, NABS is committed to helping even more people throughout 2021 and beyond. We have budgeted more support spend than ever before to keep our promise to the industry, which is to be there for everyone who needs us.

The 2021 expectation is that NABS will be £700k down on our 2019 income. This is due to ongoing uncertainty over live events and advertising revenue challenges in some sectors for example Cinema. NABS ambition is a return to 2019 income levels by 2023.

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FINANCIAL REVIEW

The principal funding sources of the organisation are voluntary income and donations (£1.8m (2019: £2.6m)) and charitable trading activities (£0.018m (2019: £0.7m)). The consolidated results for the end of the year produced income of £1.8m (2019: £3.3m), against expenditure of £3.2m (2019: £3.9m). NABS Trading Limited, a wholly owned subsidiary of the Charity, is responsible for the organisation of the annual Stranger than Summer Charity Ball, Fast Forward training programme, timeTo training and the new Wellfest event and earned a loss before taxation of £55,411 (2019: £219,767 profit) and distributed nil to NABS (2019: £218,905). The operating deficit of the consolidated accounts (including unrealised gain from investment assets of £358,315) was £1,023,113 (2019: £445,662 surplus). The year end net assets were £5.7m (2019: £6.7m).

To aid cashflow (due to the loss of income in the year) without having to draw down from NABS' investment portfolio the Trustees agreed to apply for a loan of £1.1m under the governments CBILS loan scheme (via NABS' RBS bank). With the scheme offering an interest free loan with no capital repayments until the the end of the loan period it was agreed that this option would be more financially beneficial to the charity than cashing in investments that would probably gain in value. The loan agreement for £1.1m was signed on 3rd July 2020 to be repaid in one year.

GRANT MAKING POLICY

It is NABS' aim, through the provision of financial assistance combined with practical support, to help improve and champion the wellbeing of those in our industry, put its beneficiaries in a better position for the future, allow its beneficiaries to take charge of their lives and enable its beneficiaries to live independently.

Applications for financial support are made by completing an application form and by providing supporting information. These are reviewed to assess the applicant's career history and financial circumstances against NABS' eligibility criteria. Those applicants who meet the criteria are agreed by the Support Team within their delegated amounts or referred up (to the Director, CEO or Trustee) as required.

The Finance Committee receive an overview of NABS financial grants on a quarterly basis.

INVESTMENT POLICY AND PERFORMANCE

The Finance Committee manages the Charity's investments together with an appointed professional advisor on behalf of the Charity. The application of the investment assets is reviewed regularly with a desire to achieve improved investment performance without exposing the charity's assets to unreasonable investment risks. In accordance with the investment policy, investments are held in a discretionary managed portfolio.

During 2020 the Trustees updated their investment objectives to include a gradual move to an ethical portfolio using the Defaqto Socially Responsible criteria.

The NABS portfolio has increased from £4,661,911 to £4,795,734 during the year which included a drawdown from underperforming funds of £251,804 in advance of repayment of the CBILS loan in July 2021. The impact from Covid-19 in 2020 was significant in the short term (the portfolio value dropping almost 15% by mid-March), but with the portfolio rallying the value had increased by 8.28%, excluding the drawdown or 2.87% including the drawdown by the end of December 2020. No targets had been set for the year, but the investment managers had been asked to look at the exit strategy to repay the CBILS loan of £1.1m in July 2021 and recommend drawdown of funds in a lump sum or intermittently. The £252k drawdown in 2020 was the first recommendation.

RESERVES POLICY

Consideration for the reserves strategy is normally made in three ways:

- Working Capital
- Medium term reserves - unforeseen circumstances
- Long term reserves - aligned with our strategic objectives

Based on the risks to income as set out in this report and accounts, reserves are held in case of any sudden decline in income and to ensure that commitments to providing services for financial support and grants to beneficiaries

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can be made with some confidence whilst ensuring reserves are not held at unnecessarily high levels. In reviewing the 2018-2020 budget projections NABS' Trustees approved a planned drawdown of reserves to accelerate organisation growth and response to growing demand from beneficiaries and a longer-term target level of sufficient free reserves equivalent to no less than 5 months forward expenditure. As at 31 December 2020, the group's free reserves (excluding restricted and designated funds, and tangible and intangible fixed assets) amounted to £5.1m (2019: £6.0m). With estimated annual net expenditure of £3.3 million per the 2021 Base budget, this means 18.3 months forward unrestricted expenditure would be covered at the year-end.

With the arrival of Covid-19 in 2020 the Base budget for 2021 has assumed a 19% increase on income mainly coming from the return of events but with operating costs remaining at 2020 levels. The focus continues to be on a sustainable future through technology and innovation to expand NABS' reach and bringing cultural change focusing on diversity and inclusion. Due to Covid-19 the Trustees reviewed the reserves policy in 2021. Based on the severity of a significant medium-term loss like the one experienced due to Covid-19, the Trustees have agreed a policy of between 6 and 11 months as their longer term goal to enable NABS' Re-imagination programme to continue and protect from further income shock.

The designated reserves are currently for the use of benefiting NABS' beneficiaries living at Peterhouse upon request with no current time limit on their use. Three of the four restricted reserves are donations made annually and spent annually with any balance carried forward to the next year. The David Pilton award is a one-off donation that has been reducing gradually each year, currently being used to support NABS' Ambassador Programme.

PUBLIC BENEFIT

The Trustees have complied with their duty to have due regard to the guidance on Public Benefit published by The Charity Commission in exercising their power or duties. NABS' 'public' is anyone who has spent a large proportion of their career working in the marketing services industry ("the Industry") and suppliers whose businesses specialise in providing services to the Industry and any persons who have or have at any time been dependent upon any person engaged in the Industry. The 'benefit' offered to this community includes the provision of crisis grants, advice, support, career coaching, promotion of physical and mental health and wellbeing, the advancement of education in the marketing, advertising and creative industries and high professional standards and the promotion of equality and diversity in the Industry.

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office.

Approved by the board of trustees on 14 July 2021 and signed on its behalf by



Karla Smith
Trustee

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees (who are also directors for the purposes of company law) in office on the date of this report have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NABS

Opinion

We have audited the financial statements of NABS (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and 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 FRS 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 December 2020 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 group and parent 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 or 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 Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' 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.

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 this gives rise to 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 Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' 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 the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, 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's 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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 and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, and remaining alert to any new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulation (GDPR). We performed audit procedures to inquire of management whether the group is in compliance with these laws and regulations, reviewed legal advice taken during the year and inspected all correspondence with the Information Commissioner's Office (ICO) and the Charity Commission during the year and to date.

The group audit engagement team identified the risk of management override of controls and as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

SARAH MASON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Pinnacle

170 Midsummer Boulevard

Milton Keynes

MK9 1BP

Date **18 August 2021**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

N A B S (A charitable company limited by guarantee)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including the Income and Expenditure Account)
For the year ended 31 December 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income from:					
Donations and legacies	1	1,728,377	49,991	1,778,368	2,540,908
Other trading activities		17,599	-	17,599	691,503
Investments	1	34,227	-	34,227	32,478
Other	1	26,611	-	26,611	-
Total income		1,806,814	49,991	1,856,805	3,264,889
Expenditure on:					
Raising funds	2	1,673,457	-	1,673,457	2,063,651
Charitable activities:					
Grant making	3	220,199	85,246	305,445	353,670
Residential Home – Peterhouse	3	-	-	-	61,768
Careers Counselling/Advice Line	3	1,259,331	-	1,259,331	1,421,700
Total expenditure		3,152,987	85,246	3,238,233	3,900,789
Net gain on investments	9	358,315	-	358,315	445,662
Net (expenditure)	7	(987,858)	(35,255)	(1,023,113)	(190,238)
Net movement in funds		(987,858)	(35,255)	(1,023,113)	(190,238)
Fund balances brought forward at 1 January		6,580,472	104,102	6,684,574	6,874,812
Fund balances carried forward at 31 December	14a	5,592,614	68,847	5,661,461	6,684,574

N A B S (A charitable company limited by guarantee)
BALANCE SHEETS – CONSOLIDATED AND CHARITY

At 31 December 2020

Company Registration No: 03588945

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
FIXED ASSETS					
Tangible assets	8	319,528	346,608	319,528	346,608
Investments	9	4,810,188	4,676,365	4,810,190	4,676,367
		<u>5,129,716</u>	<u>5,022,973</u>	<u>5,129,718</u>	<u>5,022,975</u>
CURRENT ASSETS					
Debtors	10	962,917	1,004,262	966,214	990,166
Cash at bank and in hand		1,321,168	1,327,844	1,276,483	1,179,447
		<u>2,284,085</u>	<u>2,332,106</u>	<u>2,242,697</u>	<u>2,169,613</u>
CREDITORS: Amounts falling due within one year	11	<u>(1,752,340)</u>	<u>(670,505)</u>	<u>(1,729,110)</u>	<u>(530,628)</u>
NET CURRENT ASSETS		<u>531,745</u>	<u>1,661,601</u>	<u>513,587</u>	<u>1,638,985</u>
TOTAL NET ASSETS		<u>5,661,461</u>	<u>6,684,574</u>	<u>5,643,305</u>	<u>6,661,960</u>
Represented by:					
FUNDS					
Restricted Funds	12	68,847	104,102	68,847	104,102
Unrestricted funds:					
Designated funds	13	215,343	242,866	215,343	242,866
General funds	14	5,377,271	6,337,606	5,359,115	6,314,992
TOTAL FUNDS		<u>5,661,461</u>	<u>6,684,574</u>	<u>5,643,305</u>	<u>6,661,960</u>

The Charity's deficit for the year was £955,751 (2019: £191,455 deficit).

The financial statements on pages 15 to 33 were approved by the board of trustees and authorised for issue on 14th July 2021 and signed on its behalf by



Karla Smith
Trustee

The notes on pages 18 to 33 form part of these financial statements.

N A B S (A charitable company limited by guarantee)
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2020

	<i>Notes:</i>	2020 £	2019 £
OPERATING ACTIVITIES			
Cash (used in) operations	15a	(1,350,039)	(715,587)
Corporation taxes paid		(186)	(186)
Net cash (used in) operating activities		<u>(1,350,225)</u>	<u>(715,773)</u>
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(15,170)	(376,348)
Purchase of investments		(27,312)	(1,300,000)
Sale of investments		251,804	-
Interest received		10,684	5,616
Dividends received		23,543	-
Net cash (used in)/generated by investing activities		<u>243,549</u>	<u>(1,670,732)</u>
FINANCING ACTIVITIES			
Proceeds of new bank loans		<u>1,100,000</u>	<u>-</u>
Net (decrease) in cash and cash equivalents		(6,676)	(2,386,505)
Cash and cash equivalents at the beginning of the year		1,327,844	3,714,349
Cash and cash equivalents at the end of the year	15b	<u>1,321,168</u>	<u>1,327,844</u>

N A B S (A charitable company limited by guarantee)

ACCOUNTING POLICIES

NABS is a charitable company limited by guarantee incorporated in England and Wales. The registered office can be found in the Trustees' report on page 1.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

NABS meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

GROUP FINANCIAL STATEMENTS

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £1. The financial statements consolidate the results of the charity and its wholly owned subsidiary NABS Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report on pages 2 to 11. The impact of Covid-19 has led to a drop in income from in 2020 of 44% and a reasonably cautionary approach has also been taken for estimated income in 2021. At the same time demand for services has risen ending 2020 with an increase in demand of 35%.

The Charity continues to have a good level of reserves and some of these are planned to continue being deployed in 2021 and 2022 to ensure demand for services from our beneficiaries is met at this critical time, to ensure the organisation invests in projects that focus on its long term sustainability and while income grows back to 2019 levels by 2023. These reserves are readily realisable via the investment portfolio.

Expenditure was cut in 2020 and the majority of these savings have been maintained during 2021. Where appropriate government support has been accessed. This government support has been in the form of using the furlough scheme where appropriate and applying and being accepted for a CBILS loan to aid cashflow. A five year and ten year modelling exercise has been undertaken looking at various scenarios.

Despite an industry that has substantially been hit by the lockdown the annual commitments from the Marketing, Communications and Advertising Sector, who are both the chief source of donations and form our main beneficiary group, whilst reduced, remains positive. The Trustees believe the group is well placed to manage its business risk successfully.

Due to the above reasons the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of the designated funds is set out in the notes to the financial statements. The funds are used at the discretion of the Executive Committee.

Restricted funds comprise of funds that have been given to NABS on condition that they are expended on purposes specified by the donor.

N A B S (A charitable company limited by guarantee)

ACCOUNTING POLICIES

INCOME

Voluntary income is included in the accounts on the basis of amounts notified to the charity as a probable receipt or more likely than not to be received for the financial year. The income from activities including fundraising events for generating funds is included in the accounts on a receivable basis. Investment income is credited as income on a receivable basis. Media donations are recognised when the sale of the advertising space is certain. All other income is included on an accruals basis, once there is sufficient certainty over entitlement and measurement and it is probable that the income will be received. Where income has been received in advance, or conditions for receipt have not been met, this is treated as deferred income.

LEGACIES

Legacies are credited as income on the basis of amounts notified to the charity at the period end as receivable. This is on an accruals basis, once there is sufficient certainty over entitlement and measurement and it is probable that the income will be received.

OTHER INCOME – GOVERNMENT GRANTS

Government grants including CJRS are recognised on a receivable basis as there are no specific conditions attached in terms of where or when spent.

LISTED INVESTMENTS

Investments are all single priced funds. Realised and unrealised gains and losses on investments are added to or deducted from the general unrestricted funds. Realised gains and losses in the year represent the difference between the disposal proceeds and in year purchase cost or the market value at the beginning of the year. Realised and unrealised gains and losses are dealt with in the Statement of Financial Activities. Investment income is treated on initial recognition and subsequent measurement then credited to income on an accruals basis, using dates of payments for dividends and daily accrual for interest. Investments are initially recognised at cost and are subsequently measured at fair value at each reporting date.

VALUE ADDED TAX

Value added tax is not recoverable by the charity, and as such is included within the relevant costs in the Statement of Financial Activities. The wholly owned subsidiary is registered for VAT, which is recovered/accrued for as required.

OPERATING LEASES

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities on a straight line basis over the lease term.

EXPENDITURE

The areas in which resources are expended are in Charitable Activities (as per the charitable objectives); Fundraising (expenditure incurred in inducing people and organisations to contribute financially to the charity's work; this includes the cost of staging of special fundraising events); and Governance (all expenditure relating to constitutional and statutory costs, including the cost of external audit).

ALLOCATION OF COSTS

Direct costs are recorded under the appropriate heading. Indirect support costs include overhead costs, finance, personnel, payroll and governance costs allocated on a time apportionment and square footage basis. Governance costs include audit fees and legal and professional fees as direct costs plus indirect costs on the same basis as support costs.

Wages and salaries have been allocated between appropriate cost headings according to the duties and responsibilities of the individual staff.

WELFARE GRANTS AND LOANS

Grants and loans are made by the charity in furtherance of its aims. Grants are charged as resources expended on an accruals basis. Loans advanced are included as an asset of the charity and included as Programme Related Investments held at cost less accumulated impairment. Interest receivable on the loans advanced, where applicable, is credited as incoming resources in the Statement of Financial Activities on an accruals basis.

N A B S (A charitable company limited by guarantee)

ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at historical cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Furniture and equipment	10-20% straight line
Computer equipment	20-33½% straight line
Office furniture and equipment	20% straight line

PENSION SCHEME ARRANGEMENTS

The charity operates a defined contribution pension scheme which is funded by contributions partly from the employees and partly from the charity. Such contributions are held in trustee-administered funds completely independent of the charity's finances. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the period. Unpaid amounts at the year end are included in other creditors.

DEBTORS

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

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.

CREDITORS AND PROVISIONS

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

FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

Critical accounting estimates and assumptions

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Critical areas of judgement

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the charity as lessee, or the lessee, where the charity is a lessor.

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

1	INCOME FROM DONATIONS AND LEGACIES	2020	2019
		£	£
	Donations	1,724,877	2,506,125
	Legacies	3,500	23
	Restricted donations	49,991	34,760
		<u>1,778,368</u>	<u>2,540,908</u>
	INCOME FROM INVESTMENTS	2020	2019
		£	£
	Income from listed investments - dividends	23,543	19,894
	- interest	3,769	6,968
	Bank interest receivable	6,915	5,616
		<u>34,227</u>	<u>32,478</u>
	OTHER INCOME	2020	2019
		£	£
	CJRS	26,611	-
		<u>26,611</u>	<u>-</u>
2	EXPENDITURE ON RAISING FUNDS	2020	2019
		£	£
	Fundraising costs	1,013,461	1,500,520
	Brand relevance/marketing costs	633,385	563,131
	CJRS	26,611	-
		<u>1,673,457</u>	<u>2,063,651</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

3 EXPENDITURE – ALLOCATION OF SUPPORT COSTS

	2020 Direct Costs £	2020 Indirect Support costs £	2020 Total £	2019 Direct Costs £	2019 Indirect Support costs £	2019 Total £
Grant making	305,445	-	305,445	353,670	-	353,670
Residential home - Peterhouse	-	-	-	61,768	-	61,768
Careers/counselling/ Advice Line	493,402	621,622	1,115,024	668,551	628,943	1,297,494
Governance	68,225	76,082	144,307	70,357	53,849	124,206
	<u>867,072</u>	<u>697,704</u>	<u>1,564,776</u>	<u>1,154,346</u>	<u>682,792</u>	<u>1,837,138</u>

Charitable grants are made solely to individuals on a case by case basis. No grants given were material in size and all related solely to welfare. The total number of beneficiaries in both years was in excess of 120.

4 INDIRECT SUPPORT COSTS

	2020 £	2019 £
Provisions, catering and utility costs	87,843	112,046
Property and equipment maintenance	91,398	96,056
Other operating costs and depreciation	506,512	474,690
	<u>685,753</u>	<u>682,792</u>

5 ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

	2020 No	2019 No
The average number of staff employed by the charity was:		
Fundraising	12	12
Welfare and counselling	12	11
Administration and management	13	10
	<u>37</u>	<u>33</u>

	2020 £	2019 £
Their total remuneration was:		
Wages and salaries	1,480,409	1,385,740
Social security costs	154,764	131,998
Pension costs	64,098	51,412
Temporary staff	61,034	31,187
	<u>1,760,305</u>	<u>1,600,337</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

The amounts above include an ex gratia payment to one member of staff of £3,400 (2019: £1,733).

The key management personnel of the group and parent charity comprise the Chief Executive Officer, Corporate Services Director and the Department Directors. The total employee benefits of the key management personnel of the charity were £563,025 (2019: £574,138) including employer's NI of £63,261 (2019: £63,853).

The number of employees whose emoluments (salaries, wages and benefits in kind) fell within the following bands is:

	2020	2019
£60,000 - £70,000	3	2
£80,001 - £90,000	2	1
£130,001 - £140,000	1	1

During the year pension contributions on behalf of these staff amounted to £22,810 (2019: £21,621).

6 PAYMENTS TO TRUSTEES

No remuneration was paid to the trustees in the period (2019: £nil). Reimbursed expenses (i.e. travel and stationery) amounted to £134 (2019: £1,183). The number of trustees reimbursed expenses was 1 (2019:1).

7 NET INCOME

The net income for the group is stated after charging:	2020	2019
	£	£
Depreciation	42,250	32,191
Operating lease costs - land and buildings	227,533	242,271
- other	10,829	11,542
Auditor's remuneration - Statutory Audit - current year	30,716	32,683
- Corporation tax	6,648	3,600

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

8 TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Office refurbishment £	Furniture and equipment £	Computer equipment £	Total £
Cost				
1 January 2020	349,711	26,637	13,649	389,997
Additions	12,744	2,426	-	15,170
31 December 2020	362,455	29,063	13,649	405,167
Depreciation				
1 January 2020	26,343	3,916	13,130	43,389
Charged in the period	35,959	5,772	519	42,250
31 December 2020	62,302	9,688	13,649	85,639
Net book value				
31 December 2020	300,153	19,375	-	319,528
31 December 2019	323,368	22,721	519	346,608

9 INVESTMENTS – GROUP AND CHARITY

	2020 £	2019 £
Listed in the UK	4,795,734	4,661,911
Unlisted (charity only)	2	2
Programme related investments	14,454	14,454
	4,810,190	4,676,367
<i>Investments listed in the UK</i>		
Market value as at 1 January	4,661,911	2,889,387
Disposal of investment during the year	(251,804)	1,300,000
Income re-invested	27,312	26,862
Net gain/(loss) on investments	358,315	445,662
Market value at 31 December	4,795,734	4,661,911

All the charity's listed investments are held in a single investment account.

The market value of these investments as at 31 December 2020 comprises:

	2020 £	2019 £
Listed UK Investments	4,795,734	4,661,911

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

	2020	2019
	£	£
The historical cost of these investments is:	3,338,000	3,650,000
Listed UK Investments		

Unlisted investments

NABS holds more than 20% of the equity of the following undertaking:

<i>Subsidiary undertaking</i>	<i>Class of holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
NABS Trading Limited	Ordinary	100%	Fundraising events

Programme related investments

These represent principal and accrued interest on welfare loans made by the charity in furtherance of its objectives. The rates of interest previously chargeable on each loan, where levied, varied but ranged generally between 6½% and 8%. Interest has been waived so is no longer being charged on these loans. Most loans are secured by a charge over the borrower's property. The loans have no specific repayment terms.

	£
Amounts brought forward from prior year	14,454
Amounts repaid in the year	-
Amounts carried forward	14,454

10 DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Amounts due from group undertakings	-	-	-	77,740
Event debtors	410,321	773,959	413,618	702,123
Other debtors	-	2,068	-	2,068
Prepayments and accrued income	552,596	228,235	552,596	208,235
	962,917	1,004,262	966,214	990,166

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

11 CREDITORS: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loan - CBILS	1,100,000	-	1,100,000	-
Amounts due to group undertakings	-	-	173,351	-
Trade creditors	51,923	66,250	51,795	64,218
Other taxation & social security	54,078	70,025	57,779	59,849
Other creditors	5,772	3,125	5,772	3,125
Corporation tax	11,951	186	-	-
Accruals and deferred income	528,616	530,919	340,413	403,436
	<u>1,752,340</u>	<u>670,505</u>	<u>1,729,110</u>	<u>530,628</u>

Included in other taxation & social security is an amount of £11,953 (2019: £11,478) in respect of outstanding pension contributions.

The bank loan above is part of the government CBIL scheme and as such is interest free as long as repaid within the agreed loan period of one year. The scheme enables the whole loan to be repaid at the end of the loan period with no monthly repayments having to be made during the period.

Deferred income:	2020 £	2019 £
Deferred income brought forward	163,968	154,637
Amounts deferred in the year	244,601	163,968
Amounts released in the year	(163,968)	(154,637)
Deferred income carried forward	<u>244,601</u>	<u>163,968</u>

Deferred income relates to WACL (Women in Advertising and Communications, London) funds (raised at their Christmas Gala using NABS' PDQ machines as a payment option) being held by NABS until 2021 as requested by WACL, any subsequent release of these monies as a donation to NABS will depend on WACL raising sufficient funds during the year. Stranger than Summer tables, Ride Adland teams, NABS Golf teams, Fast Forward delegates billed in 2020 deferred to 2021 as all 2020 events were cancelled due to Covid-19. Also timeTo training income deferred as training not due to take place until 2021.

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12 RESTRICTED FUNDS

NABS holds four funds, for encouragement of excellence in the industry, which give awards for training.

The first is the Future Leaders Fund, established in 2005, with funding from WACL (Women in Advertising and Communications, London). The purpose of the fund is to provide vocational training in the marketing and communications industry.

The second fund is for an award established in the memory of David Pilton, who died in 1996. David founded the Soho-based agency David Pilton Advertising (DPA) in 1960. DPA and the agency's former chairman, John Duncombe, have chosen to donate a sum of money to be used to support and inspire people in the first five years of their communications careers.

The third fund is a donation from Google of places on their Squared online training course to be used as an upskilling grant. It is a four month course that equips candidates with the skills to fully thrive in a digital workspace.

The fourth fund is for an initiative called timeTo established in 2018. NABS has partnered with WACL and the Advertising Association (AA) in working towards eradicating sexual harassment in the advertising and marketing industry.

Future Leaders Fund	£
As at 1 January 2020	94,119
Received	40,000
Expended	(75,128)
As at 31 December 2020	58,991
David Pilton Award	
As at 1 January 2020	9,983
Expended	(127)
As at 31 December 2020	9,856
timeTo donation	
As at 1 January 2020	-
Received	8,000
Expended	(8,000)
As at 31 December 2020	-
Google Squared online donation	
As at 1 January 2020	-
Received	1,991
Expended	(1,991)
As at 31 December 2020	-
Total Restricted Funds	68,847

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13 UNRESTRICTED FUNDS – DESIGNATED

The funds of the group and charity include the following designations which have been set aside out of unrestricted funds for specific purposes.

	Age related Fund	Peterhouse Beneficiary Fund	Total Funds
	£	£	£
As at 1 January 2020	200,000	42,866	242,866
Additional designation during the year	3,023	-	3,023
Expended	-	(30,546)	(30,546)
As at 31 December 2020	203,023	12,320	215,343

The Peterhouse Beneficiary fund is from Billie Dyson legacy whose wishes were for it to be used for the benefit of Peterhouse so will be used to benefit beneficiaries of NABS living at Peterhouse. The new Age related fund was to use part of the monies from the sale of Peterhouse to continue to do work around the older industry community. These plans have been delayed due to Covid-19 and will be deployed from 2021.

14a ANALYSIS OF MOVEMENT BETWEEN FUNDS - GROUP

	Unrestricted General Funds 2020 £	Unrestricted Designated Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
At 1 January 2020	6,337,606	242,866	104,102	6,684,574
Income	1,777,180	3,023	49,991	1,830,194
Expenditure	(3,095,830)	(30,546)	(85,246)	(3,211,622)
Realised/unrealised gains	358,315	-	-	358,315
At 31 December 2020	5,377,271	215,343	68,847	5,661,461

	Unrestricted General Funds 2019 £	Unrestricted Designated Funds 2019 £	Restricted Funds 2019 £	Total 2019 £
At 1 January 2019	6,623,981	104,634	146,197	6,874,812
Income	3,030,129	200,000	34,760	3,264,889
Expenditure	(3,762,166)	(61,768)	(76,855)	(3,900,789)
Realised/unrealised gains	445,662	-	-	445,662
At 31 December 2019	6,337,606	242,866	104,102	6,684,574

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14b ANALYSIS OF MOVEMENT BETWEEN FUNDS - CHARITY

	Unrestricted General Funds 2020 £	Unrestricted Designated Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
At 1 January 2020	6,314,992	242,866	104,102	6,661,960
Income	1,765,580	3,023	49,991	1,818,594
Expenditure	(3,079,772)	(30,546)	(85,246)	(3,195,564)
Realised/unrealised gains	358,315	-	-	358,315
At 31 December 2020	5,359,115	215,343	68,847	5,643,305

	Unrestricted General Funds 2019 £	Unrestricted Designated Funds 2019 £	Restricted Funds 2019 £	Total 2019 £
At 1 January 2019	6,602,162	104,634	146,197	6,852,993
Income	2,669,476	200,000	34,760	2,904,236
Expenditure	(3,402,308)	(61,768)	(76,855)	(3,540,931)
Realised/unrealised gains	445,662	-	-	445,662
At 31 December 2019	6,314,992	242,866	104,102	6,661,960

14c ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted General Funds 2020 £	Unrestricted Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
GROUP				
Fixed assets	319,528	-	-	319,528
Investments	4,810,190	-	-	4,810,190
Net current assets	247,553	215,343	68,847	531,743
	5,377,271	215,343	68,847	5,661,461
CHARITY				
Fixed assets	319,528	-	-	319,528
Investments	4,810,190	-	-	4,810,190
Net current assets	229,397	215,343	68,847	513,587
	5,359,115	215,343	68,847	5,643,305

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	Unrestricted General Funds 2019 £	Unrestricted Designated Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
GROUP				
Fixed assets	346,608	-	-	346,608
Investments	4,676,365	-	-	4,676,365
Net current assets	1,314,633	242,866	104,102	1,661,601
	<u>6,337,606</u>	<u>242,866</u>	<u>104,102</u>	<u>6,684,574</u>
CHARITY				
Fixed assets	346,608	-	-	346,608
Investments	4,676,367	-	-	4,676,367
Net current assets	1,292,017	242,866	104,102	1,638,985
	<u>6,314,992</u>	<u>242,866</u>	<u>104,102</u>	<u>6,661,960</u>

15a	GROUP	2020	2019
	CASH FLOWS	£	£
	Reconciliation of net movement in funds to consolidated net cash flow from operating activities		
	Net (expenditure)	(1,023,113)	(190,238)
	Adjustments for:		
	Depreciation on tangible fixed assets	42,250	32,191
	Dividends and interest receivable	(34,227)	(32,478)
	Gain on investments	(358,315)	(445,662)
	Taxation	11,951	186
	Operating cash flow before movements in working capital	(1,361,448)	(636,001)
	Decrease/(increase) in trade and other debtors	41,345	(466,048)
	(Decrease)/increase in trade and other creditors	(29,930)	386,462
	Cash used by operations	<u>(1,350,039)</u>	<u>(715,587)</u>

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	At 1 January 2020 £	Cash flow £	At 31 December 2020 £
15b Analysis of net funds and net debt reconciliation			
Cash at bank and in hand	1,327,844	(1,106,676)	221,168
CBILS loan	-	1,100,000	1,100,000
Total	<u>1,327,844</u>	<u>(6,676)</u>	<u>1,321,168</u>

16a COMMITMENTS UNDER OPERATING LEASES

At 31 December the company had annual commitments under non-cancellable operating leases as follows:

	2020 £	2019 £
Land and buildings		
within one year	218,938	-
two to five years	446,998	218,917
Other		
two to five years	6,981	-
	<u>672,917</u>	<u>218,917</u>

16b OTHER FUTURE COMMITMENTS

Pension contributions

The charity makes contributions to an individual's pension scheme, subject to a maximum of 5% of the employee's annual salary. The assets of the scheme are held separately from the assets of the charity. Contributions to the scheme are charged to the Statement of Financial Activities on an accruals basis. Pension costs amounted to £63,680 (2019: £51,412) and are included within salary costs. We would expect to pay £63,341 in 2021.

17 RELATED PARTY TRANSACTIONS

The charity has a wholly owned subsidiary, NABS Trading Limited. There were insufficient distributable reserves to pay the full £218,905 gift aid accrued in 2019 to the parent undertaking, NABS. An element of this amounting to £62,903 is repayable and has, therefore, been included in the intercompany balance at year end as being repayable to NABS Trading Limited. No further gift aid was accrued in the year ended 31 December 2020. As at the year-end, NABS Trading Limited owed £nil (2019: £218,905) to the Charity. Amounts owed by the charity were £173,351 (2019: £141,165), this being payments received being transferred between NABS Trading Limited and the Charity bank accounts. NABS receives donations from various companies to support its activities. M Bush, C Rudd, S Daglish, H Nicklin, N Jasinski, J Peppiatt, Karla Smith & Jennifer Healy were Trustees of NABS and also connected to companies that have made donations to NABS in the year totalling £285,789 (2019: £585,067). The balances due from these companies at the year end was nil (2019: £231,020).

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18 SUBSIDIARY UNDERTAKING

A summary of the results of NABS Trading Limited is shown below:

NABS Trading Limited (company no: 03834446), 10 Hills Place, London. W1F 7SD	2020 £	2019 £
Turnover	11,599	579,558
Other operating expenses	(66,900)	(359,791)
Operating (loss)/profit	(55,301)	219,767
(Loss)/profit on ordinary activities before taxation	(55,301)	219,767
Taxation	(11,951)	(186)
Retained (loss)/profit for the year	(67,252)	219,581
Profit and loss reserve at 1 January	22,503	21,827
Gift Aid distribution repaid/(paid)	62,903	(218,905)
Profit and loss reserve at 31 December	18,154	22,503
The aggregate of the assets, liabilities and funds was:		
Current assets	221,737	240,120
Creditors: Amounts falling due within one year	(203,581)	(217,615)
Net assets	18,156	22,505

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19	TAXATION ON PROFIT FOR THE YEAR	2020 £	2019 £
	Current tax – UK corporation tax	-	186

The tax assessed for the period is equivalent to the standard effective rate of corporation tax in the UK for the year ended 31 December 2020 of 19% (2019 : 19%) as shown below:

	2020 £	2019 £
(Loss)/Profit on ordinary activities before tax	(55,411)	219,767
(Loss)/Profit on ordinary activities before tax multiplied by the standard rate of corporation tax for small companies 19% (2019 : 19%)	(10,528)	41,756
Tax losses not recognised as a deferred tax asset	10,528	-
Taxation on repaid distribution	11,951	
Less gift aid non taxable	-	(41,570)
Current tax charge	11,951	186

No provision has been made for deferred tax as there were no capital allowances claimed in the year or any timing differences.
There are no specific factors that affect future tax charges. The tax charge arises in NABS Trading Limited.

20 FINANCIAL INSTRUMENTS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
The carrying amounts of financial instruments were as follows:				
Financial assets:				
Financial Assets held at fair value	4,795,734	4,661,911	4,795,734	4,661,911