

N A B S

(A charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

**Year ended
31 December 2021**

**Charity No. 1070556
Company Registration No. 03588945**

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COMPANY INFORMATION

TRUSTEES AND ADVISERS

S Daglish (Chair)
P Hughes
J Salinson
K Fowler
A Cook
J Healy
D Carter

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

COMPANY SECRETARY
B Lawson

REGISTERED OFFICE
10 Hills Place
London
W1F 7SD

INDEPENDENT AUDITOR
RSM UK Audit LLP
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Hertfordshire
HP4 2JF

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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 2021.

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	(Resigned 31 st August 2021)
S Daghish	Chairman
N Patel*	
M Bush	
A Cook	
H Nicklin	
N Jasinski	
J Peppiatt	
J Healy	
D Carter	

Senior Staff

D Tickell*	Chief Executive (to 29 th April 2022)
Sue Todd*	Chief Executive (from 21 st April 2022)

* 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 (2020: none). 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.

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.

2021 continued to be another challenging year for NABS and the advertising and media industry. As a charity we worked hard to support everyone who turned to us for support at a time when the industry was in recovery mode following the pandemic and the continued impact on advertising revenues.

The cumulative impact of the pandemic across 2020 and 2021 saw NABS suffer a total financial loss of £1.75million and a growth in demand for NABS services of 23%.

The number one reason for calling NABS in 2021 was for emotional support and advice, with 55% of these callers citing poor mental health as the key driver for getting in touch driven by work pressures and low confidence. Whilst NABS support in 2020 focused on furlough advice, redundancy and requests for financial support, 2021 saw a shift in mindset as individuals across the industry began to reflect and reevaluate what they wanted out of life and their careers with the pandemic being cited as a pivotal factor in reevaluating both personal and professional needs.

In 2021 the industry began a steep recovery to claw back losses as the economy began to open up, albeit in fits and starts. This recovery added to pressures on existing staff and hiring talent became a key focus with salary rises attracting individuals, but internal structures were fragile and new, leading to more calls on wellbeing and emotional support for NABS during a period of great flux.

The Trustees and the Management Team continued to work together to ensure that NABS could respond to everyone who needed us in 2021, seeing our response and the support we provide as our number one priority and putting efficiency and innovation at the top of NABS' list at a time of compromised funding.

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Technological improvements in service provision and Diversity, Equity and Inclusion (DE&I) learnings and service updates have been at the heart of NABS strategy to support the industry's wellbeing for 2021.

NABS Aims

The Trustees set three, 5-year overarching aims for NABS for 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.

NABS strategic approach to deliver the aims has continued to be cemented in 3 guiding pillars-

- Putting Wellbeing First – providing first rate services to the industry and ensuring that we continue to prove the case for wellbeing and its benefit on the business bottom line.
- Working Together For Change with our industry community, and recognising that we're stronger together and as a collective we can effect real and lasting change and draw on the expertise of our strategic partnerships.
- Providing the industry with Expertise driven by Insights. With access to unique data and insights NABS has many proof points that sit at the heart of its service development and influencing ability.

NABS' Activities

NABS' principal activities during 2021 to meet the needs of our audience and deliver public benefit were:

- Providing an Advice Line that provides individuals with guidance and empathetic, confidential support. Taking calls primarily from those enquiring about emotional support (of which the most significant area of support is mental health)
- Launching a SupportBot online advice service to signpost and support those needing advice across a range of issue from stress management to redundancy.
- Providing a careers coaching service supporting people with job loss and/or low confidence at risk of job loss or at a career crossroads.
- Providing a range of therapeutic services 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 advice presence on NABS Knowledge Hub with downloadable advice and videos on subjects such as redundancy and anxiety management
- Providing career coaching via digital channels with career development, career crossroads and confidence being the main themes in 2020 and 2021.
- Providing career masterclasses across a range of areas including DE&I, Confidence and Gravitas, Resilience and Working Parents.
- Bringing the advertising and media community together through a series of events, delivered through a mix of online and in real life methods, supporting new and middle management mentees with a range of personal and professional issues and offering a much-needed support network.
- Running a series of NABS Talks focusing on key issues facing people in our industry, including DE&I, working parents support, anxiety, mental health and stress and resilience.
- Campaigning to end sexual harassment within the advertising and media industry and launching the commercial timeTo training programme that began in a testing phase in 2020.
- Launching NABS Training programme via NABS Trading offering the industry a selection of training programmes on topics such as Hybrid Management and influence to add an additional, important income stream into NABS with all profits going back to NABS charity.

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- Further developing the 'reimagination strategy' activity focused in 2021 on tech enhancements and improvements to online service provisions alongside working on driving further efficiencies in the delivery of NABS advice through further automation, due for launch in 2022.
- Promoting NABS work to our donors and supporter ensuring awareness of NABS essential and supportive services as well as our everyday activity to support healthier ways of working and succeeding in the industry.
- Surveying industry individuals from marginalised groups to understand their wellbeing needs to drive NABS continued service improvements and influence to champion change for good across the industry.

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 2021 we consider our principal risks to be:

- NABS' ability to raise funds from newer, more sustainable growth income areas over the longer term. NABS' reliance on traditional media donations is problematic over the longer term due to both the complexity of the process to translate the donations as well as the decline in more traditional media, overtaken by digital and namely digital donations bought and sold programmatically, that NABS is currently struggling to convert for the charity's benefit.
- NABS' ability to service demand through efficient and cost-effective ways encouraging the take up of NABS' digital products and virtual delivery methods.
- NABS' ability to stimulate industry demand and significant related new income from NABS Training products whilst keeping overheads manageable to translate into profitable margins
- NABS' ability to differentiate itself in the longer term and encourage take up and continued engagement of its wellbeing service provision in a highly competitive wellbeing market.

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 responsiveness.

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 implement a measurable NABS D,E &I strategy (internal and external) by 2023, so that we can model the way and be the change we wish to see in the industry.
8. To become an active ally organisation, by promoting the advancement of a diverse and inclusive industry culture for a greater sense of belonging for all.

To transform NABS operating model for long term financial sustainability.

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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 2021 we achieved

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

- Over 4,250 individuals accessed NABS' core support services benefiting from expert guidance, advice and support to improve their wellbeing and mental health.
- 3,471 individuals were supported across NABS dedicated Advice line and online advice services.
- 34% of all calls to NABS were for emotional support. Mental health, work pressures, low mood/ low confidence have consistently remained the top 3 reasons for calling NABS for emotional support.
- Calls on Mental Health accounted for 55% of the emotional support calls in 2021.
- 225 individuals were brought together through NABS mentoring initiatives giving advice and a supportive network to new and mid-level employees looking for additional support and direction.
- The launch of the NABS SupportBot enabled individuals to seek 24hr support for their mental health and wellbeing
- 44 financial grants were awarded in 2021. The biggest proportion of NABS grants this year has been directed toward general living and general household costs, often with the purpose of buying the applicant more time to develop a plan for financial sustainability
- Alongside the support grants we've offered 9 upskilling grants to support individuals with their ongoing training needs including digital marketing, design and photoshop, leadership, design and strategy courses.
- 417 individuals were supported by NABS career coaching services, with reasons for contact including overwhelm, low confidence, workload, support managing teams, managing hybrid working, confidence and wellbeing
- 1,342 individuals have attended NABS' online group coaching masterclasses this year for support building their resilience or juggling as a working parent from home.
- NABS Knowledge Hub provides a dedicated home for digital advice and has supported individuals across many experiences such as redundancy, stress and pressure.
- 94 individuals accessed NABS therapy across a range of services from Brief Therapy to Cognitive Behavioural Therapy
- NABS interacted with over 14,500 individuals through its services, talks, events and community fundraisers.
- 96% would refer others to NABS for access to therapy.
- 99% would recommend NABS masterclasses and coaching to a friend or colleague.
- 100% 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 of 70 hours of focus group research with individuals from marginalised groups to identify critical mental health and wellbeing needs to update and tailor NABS supportive service provision
- NABS partnered with diversity partners MEFA, Brixton Finishing School and Outvertising on this research to ensure maximum learnings and continued insights and expertise.
- NABS carried out updated research into eradicating sexual harassment in the industry and updated the timeTo code of conduct and developed a paid for training programme that over 1,300 individuals took part in.

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- NABS Brilliant Creative Minds partnership and code of conduct launch took place in 2021 to further promote the benefit of good wellbeing on the industry's levels of creative output
- NABS published its quarterly service usage reports with recommendations for employees and employers alike to further prove our influence and change for good agenda
- 80 pieces of proactive PR were carried out in 2021 to ensure NABS profile across key topics such as mental health and wellbeing remained high and front of mind for our supporters, donors and service users.
- NABS Speed Mentoring with MEFA and Outvertising continued to provide a supportive and an inclusive network of role models to improve the lives of industry individuals.
- NABS Talks series – creating platforms for marginalised groups across topics such as mental health, allyship, finding purpose and self-care.
- Over 2,300 individuals were reached through all staff meetings, and 1:1 meetings with industry CEO's and HR leads, to spread the NABS word and ensure our service provision was accessible and understood by all who needed us in 2021.

To transform NABS operating model for long term financial sustainability.

- In 2021 NABS continued its strategy of Reimagination to build on the efficiencies and technological improvements in 2019 and 2020
- NABS Introduced a ten-year financial model to map out income & expenditure scenarios to ensure a sustainable level of reserves for the future.
- NABS' paid for training arm was tested to develop a new income stream to diversify and grow NABS income through trading. In 2021 NABS met its planned income target from this new activity.
- NABS' fundraising strategy was developed to drive a longer-term vision for income generation.
- NABS developed a series of tech deliver methods across service provision, events, and fundraising.
- NABS Digital Redundancy Tool and SupportBot were fully embedded and integrated by the end of 2021, driving efficient delivery of advice and support beyond the Advice Line.
- NABS Phone Automation project testing was finalised for a 2022 roll out of the new tech to improve the support advisor's ability to manage multiple live calls in more efficient ways.

PLANS FOR FUTURE PERIODS

In September 2021 the NABS team and board of trustees set about an evaluation exercise and a planning process to plan out NABS priorities for 2022 and beyond.

With a significant loss of income over the last two years, due to the impact of the pandemic, it is essential that NABS activity in 2022 and beyond is impactful and sustainable and that fundraising and support is stronger than ever.

The following areas are considered of critical importance over the coming years –

- NABS ability to translate digital media donations through programmatic methods to ensure a media growth area can be fully capitalised on.
- The ability of NABS to further diversify its fundraising activity to balance out its overreliance on media donations
- As NABS completes another year of testing, the success of NABS trading trials to bring about viable new income streams in the long term
- The ability for the industry to continue to support NABS at the same or increased levels as company's merge and consolidate, alongside the global /US owned digital dominance
- NABS' ability to provide essential allyship and tailored service provision to marginalised industry groups to enhance their wellbeing and belonging.
- NABS ability to continue to engage and provide community support in a more disparate, hybrid working world post covid
- NABS ability to differentiate and prove its case for support and engagement in a highly competitive wellbeing market

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TRUSTEES' REPORT

Despite a very tough couple of years for the industry and NABS, the industry has seen a rate of recovery and growth it never thought possible. NABS has also weathered the storm well and has innovated and flexed to deliver in new and more accessible ways across both its service provision and content development.

With stricter ROI criteria in place and efficiency and innovation continuing to drive NABS strategy alongside a new income strategy, NABS is fully committed to helping even more people in 2022 and has budgeted accordingly and will fundraise with this priority in mind, to continue to be there, providing wellbeing for all.

By the end of 2022 NABS expects to be back up to the income levels of £2,670k to deliver on the detailed ambitions above.

FINANCIAL REVIEW

The principal funding sources of the organisation are voluntary income and donations (£2m (2020: £1.8m)) and charitable trading activities (£0.5m (2020: £0.018m)). The consolidated results for the end of the year produced income of £2.5m (2020: £1.8m), against expenditure of £3.2m (2020: £3.2m). 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 NABS Training and earned a profit before taxation of £170,507 (2020: £55,411 loss) and distributed £167,756 to NABS (2020: nil). The operating deficit of the consolidated accounts (including unrealised gain from investment assets of £350,516) was £351,524 (2020: £1,023,113 deficit). The year end net assets were £5.3m (2020: £5.7m).

To aid cashflow (due to the loss of income in the 2020) 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 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 3 July 2020 to be repaid in one year. This was repaid in July 2021 with cash drawn down from investments.

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 monthly 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.

The NABS portfolio has decreased from £4,795,734 to £3,633,115 during the year which included a drawdown of £1.1m to repay the CBILS loan in July 2021, plus an additional amount of £428,115 to aid cashflow. The markets continued to rally in 2021 with an increase of £365,499 (11.19%) in value shown at the year-end. No targets have been set for the year ahead but a regular update on cashflow is key to pinpoint if further drawdown is needed to aid cashflow.

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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 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 2021, the Group's free reserves (excluding restricted and designated funds, and tangible and intangible fixed assets) amounted to £4.7m (2020: £5.1m). With estimated annual net expenditure of £3.3 million per the 2022 Q1 reforecast budget, this means 17.1 months forward unrestricted expenditure would be covered at the year-end.

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 to 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. Two of the three restricted reserves are donations made 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 20 July 2022 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 2021 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 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 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, and requested any correspondence during the year and to date of which there was none.

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.

Sarah Mason

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 29 July 2022

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 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from:					
Donations and legacies	1	1,897,630	80,000	1,977,630	1,778,368
Other trading activities	1	498,954	-	498,954	17,599
Investments	1	16,987	-	16,987	34,227
Other	1	-	-	-	26,611
Total income		2,413,571	80,000	2,493,571	1,856,805
Expenditure on:					
Raising funds	2	1,756,154	-	1,756,154	1,673,457
Charitable activities:					
Grant making	3	185,464	52,136	237,600	305,445
Careers Counselling/Advice Line	3	1,201,857	-	1,201,857	1,259,331
Total expenditure		3,143,475	52,136	3,195,611	3,238,233
Net gain on investments	9	350,516	-	350,516	358,315
Net (expenditure)/income	7	(379,388)	27,864	(351,524)	(1,023,113)
Net movement in funds		(379,388)	27,864	(351,524)	(1,023,113)
Fund balances brought forward at 1 January		5,592,614	68,847	5,661,461	6,684,574
Fund balances carried forward at 31 December	14a	5,213,226	96,711	5,309,937	5,661,461

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

BALANCE SHEETS – CONSOLIDATED AND CHARITY

At 31 December 2021

Company Registration No: 03588945

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Tangible assets	8	277,287	319,528	277,287	319,528
Investments	9	3,647,569	4,810,188	3,647,571	4,810,190
		<u>3,924,856</u>	<u>5,129,716</u>	<u>3,924,858</u>	<u>5,129,718</u>
CURRENT ASSETS					
Debtors	10	1,036,213	962,917	1,153,531	966,214
Cash at bank and in hand		808,149	1,321,168	635,210	1,276,483
		<u>1,844,362</u>	<u>2,284,085</u>	<u>1,788,741</u>	<u>2,242,697</u>
CREDITORS: Amounts falling due within one year	11	(459,281)	(1,752,340)	(424,048)	(1,729,110)
NET CURRENT ASSETS		<u>1,385,081</u>	<u>531,745</u>	<u>1,364,693</u>	<u>513,587</u>
TOTAL NET ASSETS		<u>5,309,937</u>	<u>5,661,461</u>	<u>5,289,551</u>	<u>5,643,305</u>
Represented by:					
FUNDS					
Restricted Funds	12	96,711	68,847	96,711	68,847
Unrestricted funds:					
Designated funds	13	205,337	215,343	205,337	215,343
General funds	14	5,007,889	5,377,271	4,987,503	5,359,115
TOTAL FUNDS		<u>5,309,937</u>	<u>5,661,461</u>	<u>5,289,551</u>	<u>5,643,305</u>

The Charity's deficit for the year was £353,746 (2020: £955,751 deficit).

The financial statements on pages 15 to 34 were approved by the board of trustees and authorised for issue on 20 July 2022 and signed on its behalf by



Karla Smith
Trustee

The notes on pages 18 to 34 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 2021

	<i>Notes:</i>	2021 £	2020 £
OPERATING ACTIVITIES			
Cash (used in) operations	15a	(930,663)	(1,350,039)
Corporation taxes paid		(11,951)	(186)
Net cash (used in) operating activities		<u>(942,614)</u>	<u>(1,350,225)</u>
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		-	(15,170)
Purchase of investments		(15,507)	(27,312)
Sale of investments		1,528,115	251,804
Interest received		7,715	10,684
Dividends received		9,272	23,543
Net cash generated by investing activities		<u>1,529,595</u>	<u>243,549</u>
FINANCING ACTIVITIES			
Proceeds of new bank loans		-	1,100,000
Repayment of borrowings		(1,100,000)	-
Net cash (used in)/generated by financing activities		<u>(1,100,000)</u>	<u>1,100,000</u>
Net (decrease) in cash and cash equivalents		(513,019)	(6,676)
Cash and cash equivalents at the beginning of the year		1,321,168	1,327,844
Cash and cash equivalents at the end of the year	15b	<u>808,149</u>	<u>1,321,168</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 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 10.

The Charity continues to have a good level of reserves and some of these are planned to continue being deployed in 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 2024. These reserves are readily realisable via the investment portfolio. During 2021 £1,528,115 was drawn down from the portfolio, £1,100,000 was needed to repay the CBILS loan in July and the remainder of £428,115 was to aid cashflow.

Despite an industry that was substantially been hit by the pandemic, the annual commitments from the Marketing, Communications and Advertising Sector, who are both the chief source of donations and form our main beneficiary group, remains positive. The annual budgeting and quarterly reforecasting process are input into a longer term, 10yr, financial planning model to identify risk points. The fundraising team review and research the market re media and corporate donations and hope to return to 2019 levels of income by 2024 if not sooner. Cashflow forecasting (generated from the budget/reforecasts) ensures funds are available to support NABS as a going concern. Long term financial planning scenarios also look at likelihood and impact of risks and determine a timeline for key decision making ie stop/start of Reimagination projects, cost cutting measures and investment drawdown to aid cashflow. With these processes in place 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	20-33⅓% 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 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 company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BASIC FINANCIAL ASSETS

Basic financial assets, which include trade and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost being the transaction price less any amounts settled and impairment losses.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

ACCOUNTING POLICIES

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

DERECOGNITION OF FINANCIAL ASSETS

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

CLASSIFICATION OF FINANCIAL LIABILITIES

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

BASIC FINANCIAL LIABILITIES

Basic financial liabilities, which include trade and other payables, amounts owed to group undertakings and accruals, are initially recognised at transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

DERECOGNITION OF FINANCIAL LIABILITIES

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

EQUITY INSTRUMENTS

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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 2021

1 INCOME FROM DONATIONS AND LEGACIES	2021	2020
	£	£
Donations	1,867,630	1,724,877
Legacies	30,000	3,500
Restricted donations	80,000	49,991
	<u>1,977,630</u>	<u>1,778,368</u>
INCOME FROM INVESTMENTS	2021	2020
	£	£
Income from listed investments - dividends	9,272	23,543
- interest	5,708	3,769
Bank interest receivable	2,007	6,915
	<u>16,987</u>	<u>34,227</u>
OTHER INCOME	2021	2020
	£	£
CJRS - government grants	-	26,611
	<u>-</u>	<u>26,611</u>
2 EXPENDITURE ON RAISING FUNDS	2021	2020
	£	£
Fundraising costs	1,131,454	1,013,461
Brand relevance/marketing costs	624,700	633,385
CJRS – staff costs	-	26,611
	<u>1,756,154</u>	<u>1,673,457</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

3 EXPENDITURE – ALLOCATION OF SUPPORT COSTS

	2021 Direct Costs £	2021 Indirect Support costs £	2021 Total £	2020 Direct Costs £	2020 Indirect Support costs £	2020 Total £
Grant making	237,600	-	237,600	305,445	-	305,445
Careers/counselling/ Advice Line	448,679	594,295	1,042,974	493,402	621,622	1,115,024
Governance	57,376	101,507	158,883	68,225	76,082	144,307
	<u>743,655</u>	<u>695,802</u>	<u>1,439,457</u>	<u>867,072</u>	<u>697,704</u>	<u>1,564,776</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

	2021 £	2020 £
Provisions, catering and utility costs	57,952	87,843
Property and equipment maintenance	105,054	91,398
Other operating costs and depreciation	532,796	506,512
	<u>695,802</u>	<u>685,753</u>

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

The average number of staff employed by the charity was:

	2021 No	2020 No
Fundraising	10	12
Welfare and counselling	11	12
Administration and management	14	13
	<u>35</u>	<u>37</u>

	2021 £	2020 £
Their total remuneration was:		
Wages and salaries	1,515,071	1,480,409
Social security costs	160,448	154,764
Pension costs	65,115	64,098
Temporary staff	4,500	61,034
	<u>1,745,134</u>	<u>1,760,305</u>

The amounts above include no ex gratia payments (2020: 1 payment of £3,400).

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

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 £591,101 (2020: £563,025) including employer's NI of £58,369 (2020: £63,261).

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

	2021	2020
	No	No
£60,000 - £70,000	2	3
£70,001 - £80,000	3	-
£80,001 - £90,000	-	2
£90,001 - £100,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

During the year pension contributions on behalf of these staff amounted to £23,669 (2020: £22,810).

6 PAYMENTS TO TRUSTEES

No remuneration was paid to the trustees in the period (2020: £nil). Reimbursed expenses (i.e. travel and stationery) amounted to nil (2020: £134). The number of trustees reimbursed expenses was nil (2020:1).

7 NET INCOME/(EXPENDITURE)

The net income/(expenditure) for the group is stated after charging:	2021	2020
	£	£
Depreciation	42,241	42,250
Operating lease costs - land and buildings	223,317	227,533
- other	6,415	10,829
Auditor's remuneration - Statutory Audit - current year	29,500	27,430
- Corporation tax	3,060	6,648

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

8 TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Office refurbishment £	Furniture and equipment £	Computer equipment £	Total £
Cost				
1 January 2021	362,455	29,063	13,649	405,167
Additions	-	-	-	-
31 December 2021	<u>362,455</u>	<u>29,063</u>	<u>13,649</u>	<u>405,167</u>
Depreciation				
1 January 2021	62,302	9,688	13,649	85,639
Charged in the period	36,428	5,813	-	42,241
31 December 2021	<u>98,730</u>	<u>15,501</u>	<u>13,649</u>	<u>127,880</u>
Net book value				
31 December 2021	<u>263,725</u>	<u>13,562</u>	<u>-</u>	<u>277,287</u>
31 December 2020	<u>300,153</u>	<u>19,375</u>	<u>-</u>	<u>319,528</u>

9 INVESTMENTS – GROUP AND CHARITY

	2021 £	2020 £
Listed in the UK	3,633,115	4,795,734
Unlisted (charity only)	2	2
Programme related investments	14,454	14,454
	<u>3,647,571</u>	<u>4,810,190</u>
<i>Investments listed in the UK</i>		
Market value as at 1 January	4,795,734	4,661,911
Disposal of investment during the year	(1,528,115)	(251,804)
Income re-invested	14,980	27,312
Net gain on investments	350,516	358,315
Market value at 31 December	<u>3,633,115</u>	<u>4,795,734</u>

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

The market value of these investments as at 31 December 2021 comprises:

	2021 £	2020 £
Listed UK Investments	<u>3,633,115</u>	<u>4,795,734</u>

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

10 DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Amounts due from group undertakings	-	-	140,615	-
Event debtors	470,115	410,321	452,258	413,618
Other debtors	5,440	-	-	-
Prepayments and accrued income	560,658	552,596	560,658	552,596
	<u>1,036,213</u>	<u>962,917</u>	<u>1,153,531</u>	<u>966,214</u>

11 CREDITORS: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loan - CBILS	-	1,100,000	-	1,100,000
Amounts due to group undertakings	-	-	-	173,351
Trade creditors	27,015	51,923	20,045	51,795
Other taxation & social security	65,344	54,078	65,344	57,779
Other creditors	5,512	5,772	5,512	5,772
Corporation tax	521	11,951	-	-
Accruals and deferred income	360,889	528,616	333,147	340,413
	<u>459,281</u>	<u>1,752,340</u>	<u>424,048</u>	<u>1,729,110</u>

Included in other taxation & social security is an amount of £13,551 (2020: £11,953) in respect of outstanding pension contributions.

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Deferred income:	2021	2020
	£	£
Deferred income brought forward	244,601	163,968
Amounts deferred in the year	48,988	244,601
Amounts released in the year	(244,601)	(163,968)
Deferred income carried forward	<u>48,988</u>	<u>244,601</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) repaid in January 2022; Stranger than Summer tables, Ride Adland teams, NABS Golf teams, Fast Forward delegates billed in 2021 deferred to 2022. Also timeTo training income has been deferred as training is not due to take place until 2022.

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 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.

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Future Leaders Fund	£
As at 1 January 2021	58,991
Received	66,000
Expended	(38,025)
As at 31 December 2021	86,966
David Pilton Award	
As at 1 January 2021	9,856
Expended	(111)
As at 31 December 2021	9,745
timeTo donation	
As at 1 January 2021	-
Received	14,000
Expended	(14,000)
As at 31 December 2021	-
Total Restricted Funds	96,711

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 2021	203,023	12,320	215,343
Expended	-	(10,006)	(10,006)
As at 31 December 2021	203,023	2,314	205,337

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 and will be deployed from 2022.

14a ANALYSIS OF MOVEMENT BETWEEN FUNDS - GROUP

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	Unrestricted General Funds 2021 £	Unrestricted Designated Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
At 1 January 2021	5,377,271	215,343	68,847	5,661,461
Income	2,413,571	-	80,000	2,493,571
Expenditure	(3,133,469)	(10,006)	(52,136)	(3,195,611)
Realised/unrealised gains	350,516	-	-	350,516
At 31 December 2021	5,007,889	205,337	96,711	5,309,937

	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

14b ANALYSIS OF MOVEMENT BETWEEN FUNDS - CHARITY

	Unrestricted General Funds 2021 £	Unrestricted Designated Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
At 1 January 2021	5,359,115	215,343	68,847	5,643,305
Income	2,167,435	-	80,000	2,247,435
Expenditure	(2,889,563)	(10,006)	(52,136)	(2,951,705)
Realised/unrealised gains	350,516	-	-	350,516
At 31 December 2021	4,987,503	205,337	96,711	5,289,551

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	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	<u>5,359,115</u>	<u>215,343</u>	<u>68,847</u>	<u>5,643,305</u>

14c ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted General Funds 2021 £	Unrestricted Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
GROUP				
Fixed assets	277,287	-	-	277,287
Investments	3,647,569	-	-	3,647,569
Net current assets	1,083,033	205,337	96,711	1,385,081
	<u>5,007,889</u>	<u>205,337</u>	<u>96,711</u>	<u>5,309,937</u>
CHARITY				
Fixed assets	277,287	-	-	277,287
Investments	3,647,571	-	-	3,647,571
Net current assets	1,062,645	205,337	96,711	1,364,693
	<u>4,987,503</u>	<u>205,337</u>	<u>96,711</u>	<u>5,289,551</u>

	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
	<u>5,377,271</u>	<u>215,343</u>	<u>68,847</u>	<u>5,661,461</u>

N A B S (A charitable company limited by guarantee)
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	Unrestricted General Funds 2020 £	Unrestricted Designated Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
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
	<u>5,359,115</u>	<u>215,343</u>	<u>68,847</u>	<u>5,643,305</u>
15a GROUP				
CASH FLOWS				
				2021 £
				2020 £
Reconciliation of net expenditure to cash used in operations				
Net (expenditure)				(351,524)
Adjustments for:				(1,023,113)
Depreciation on tangible fixed assets				42,241
Dividends and interest receivable				(16,987)
Gain on investments				(350,516)
Taxation				521
				11,951
Operating cash flow before movements in working capital				(676,265)
Decrease/(increase) in trade and other debtors				(73,296)
(Decrease) in trade and other creditors				(181,102)
Cash used by operations				<u>(930,663)</u>
				<u>(1,350,039)</u>
15b Analysis of net funds and net debt reconciliation				
		At 1 January 2021 £	Cash flow £	At 31 December 2021 £
Cash at bank and in hand		221,168	586,981	808,149
CBILS loan		1,100,000	(1,100,000)	-
Total		<u>1,321,168</u>	<u>(513,019)</u>	<u>808,149</u>

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16a COMMITMENTS UNDER OPERATING LEASES

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

	2021	2020
	£	£
Land and buildings		
within one year	223,317	218,938
two to five years	446,633	446,998
Other		
two to five years	-	6,981
	<u>669,950</u>	<u>672,917</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 £65,115 (2020: £63,680) and are included within salary costs. We would expect to pay £75,409 in 2022.

17 RELATED PARTY TRANSACTIONS

The charity has a wholly owned subsidiary, NABS Trading Limited. NABS Trading Limited transferred £167,756 to NABS as a distribution (2020: nil). As at the year-end, NABS Trading Limited owed £167,756 (2020: nil) to the Charity. Amounts owed to the charity were £140,615 (2020: £173,351), 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, Dominic Carter & Jennifer Healy were Trustees of NABS and also connected to companies that have made donations to NABS in the year totalling £491,794 (2020: £285,789). The balances due from these companies at the year end was £206,100 (2020: nil).

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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	2021 £	2020 £
Turnover	413,892	11,599
Other operating expenses	(243,385)	(66,900)
Operating profit/(loss)	170,507	(55,301)
Profit/(loss) on ordinary activities before taxation	170,507	(55,301)
Taxation	(521)	(11,951)
Retained profit/(loss) for the year	169,986	(67,252)
Profit and loss reserve at 1 January	18,154	22,503
Gift Aid distribution (paid)/repaid	(167,756)	62,903
Profit and loss reserve at 31 December	20,384	18,154
The aggregate of the assets, liabilities and funds was:		
Current assets	223,375	221,737
Creditors: Amounts falling due within one year	(202,989)	(203,581)
Net assets	20,386	18,156

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19	TAXATION ON PROFIT FOR THE YEAR	2021 £	2020 £
	Current tax – UK corporation tax	521	-

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 2021 of 19% (2020 : 19%) as shown below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	170,497	(55,411)
Profit/(loss) on ordinary activities before tax multiplied by the standard rate of corporation tax for small companies 19% (2020 : 19%)	32,394	(10,528)
Tax losses not recognised as a deferred tax asset	-	10,528
Taxation on repaid distribution	-	11,951
Less gift aid non taxable	(31,873)	-
Current tax charge	521	11,951

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 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
The carrying amounts of financial instruments were as follows:				
Financial assets:				
Financial Assets held at fair value	3,633,115	4,795,734	3,633,115	4,795,734