

N A B S

(A charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

Year ended
31 December 2022

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

CONTENTS

	Page
Company Information	1
Trustees' Report	2 – 10
Statement of Trustees' Responsibilities	11
Independent Auditor's Report	12 - 14
Consolidated Statement of Financial Activities	15
Balance Sheets – Consolidated and Charity	16
Consolidated Cash Flow Statement	17
Accounting Policies	18 – 21
Notes to the Financial Statements	22 – 33

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

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 Pertwee (formerly Jasinski)
J Peppiatt
K Smith (Treasurer)

COMPANY SECRETARY

B Lawson

REGISTERED OFFICE

10 Hills Place
London
W1F 7SD

INDEPENDENT AUDITOR

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

BANKERS

The Royal Bank of Scotland
36 Andrew Square
Edinburgh
EH2 2YB

SOLICITORS

Womble Bond Dickinson
4 More London Riverside
London
SE1 2AU

INVESTMENT MANAGERS

Pocock Rutherford & Co
111-113 High Street
Berkhamsted
Hertfordshire
HP4 2JF

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

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 2022.

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 Fowler*	
K Smith*	Treasurer
J Salinson*	Trustee, Support Services
P Hughes	
S Daglish	Chairman
N Patel*	
M Bush	
A Cook	
H Nicklin	
N Pertwee (formerly Jasinski)	
J Peppiatt	
J Healy	
D Carter	

Senior Staff

D Tickell*	Chief Executive (to 29 th April 2022)
S 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.

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

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 4 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.
- 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*". Alongside the Trustee Inductions, Trustees also receive periodic training, of which the last session took place on 21st September 2022, carried out by 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 is in action. 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 Development
- Corporate Services

In September 2022 the core departments were restructured to reflect business needs as follows –

- Culture Change and Wellbeing Services
- Commercial and Strategy

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

TRUSTEES' REPORT

- Transformation
- Corporate Services

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

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, marketing and media industry and is funded primarily by industry organisations who provide the charity with voluntary, annual donations. Alongside corporate fundraising NABS runs a calendar of fundraising events and also receives donations from individuals and 3rd party and community fundraising events and raffles.

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 (2021: 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 is the support organisation for the advertising, marketing and media industry.

NABS' vision is to see a UK advertising and media industry which truly believes and demonstrates that vital to success is the wellbeing of its people. NABS' purpose is to improve and champion the wellbeing of everyone in advertising and media, to help them succeed and thrive.

2022 has been another challenging year for NABS and the advertising industry at large as the recovery from Covid-19 and the financial losses NABS experienced continue to impact its financial recovery plans.

The Covid-19 pandemic, the war in Ukraine and resulting food and energy crises, surging inflation, debt tightening, as well as the climate emergency all further impacted NABS' income as well as demand on its services in 2022.

NABS finished the year with a £1,080k deficit position, together with a £585k net loss on investments resulting in a total decrease in NABS reserves of £1,666k, against a backdrop of increased year on year service demand of 35%.

NABS has increased expenditure in 2022 on marketing and fundraising activities in order to stimulate income growth in 2023 and future years, in order to try and address the increased deficit the organisation has faced in 2022.

Emotional support was the number one reason for calling NABS in 2022, with 66% of all emotional support callers citing poor mental health, up 31% on 2021.

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

TRUSTEES' REPORT

37% of NABS total calls, were related to financial support with the launch of NABS' Cost of Living Grant in direct response to rising living costs and growing financial anxiety, job losses and increased redundancies across the sector.

The Trustees and the Management Team continued to work closely together in 2022 to ensure that NABS could respond to everyone who needed us, ensuring greater accessibility of our service provision to provide wellbeing and mental health support to individuals in a particularly challenging year, to help everyone thrive in their industry careers, at whatever life stage.

NABS Aims

The Trustees refined and revised NABS' overarching aims in 2022, building on the aims laid out in 2021 as follows -

1. To improve the take up of NABS services providing a relevant and accessible offer
2. To transform NABS operating model for long term financial sustainability
3. To influence positive change for greater levels of wellbeing for all

NABS strategic approach to deliver these aims has continued to be cemented in 3 main guiding principles-

- 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 are 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 2022 to meet the needs of our audience and deliver public benefit were:

- Providing a confidential Advice Line service, offering industry individuals expert support and guidance across a range of issues from emotional and financial support, to mental health, anxiety, physical ill health, bereavement and maternity to name a few.
- Providing a SupportBot online advice service to signpost and support those needing advice across a range of issues from stress management to redundancy.
- Providing an online careers coaching service supporting people across a range of circumstances such as job loss, low confidence and career crossroads.
- Providing a range of therapeutic services to offer deeper support across a broad range of issues such as low confidence, anxiety, depression, trauma, post-traumatic stress disorder and personality disorders, amongst others.
- Hosting digital advice and downloadable guides on the NABS Knowledge Hub to help individuals deal with a full range of emotional wellbeing issues across both personal and professional areas.
- Providing career masterclasses across a range of areas including DE&I, Confidence and Gravitas, Resilience and Working Parents.
- Running a series of NABS Talks bringing the industry community together to inspire and motivate them across a range of key issues including DE&I and mental health.
- Campaigning to end sexual harassment within the industry, in partnership with industry bodies to support and influence a safer environment for all.
- Running NABS' commercial training offer, via the NABS Trading company, including timeTo training and a suite of products under the NABS Training offer. All profits go back to NABS Charity creating an additional income stream and engagement tool.
- Promoting NABS work to our donors, supporter and new sector contacts through 1:1 meetings and staff presentations to ensure awareness of NABS is high, to encourage more people to reach out for our tailored support.

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

TRUSTEES' REPORT

- Collating feedback from users and industry contacts, alongside wider industry and organisational research sources to ensure our activity and products are continually contextualised and developed through relevant, industry insight.

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 2022 we consider our principal risks to be:

- NABS' ability to grow income from a larger pool of donors and new fundraising activity to support a more diversified income strategy.
- NABS' ability to maximise and grow its media donation pledges and related conversions at higher rates.
- NABS' ability to service demand through new and more efficient and cost-effective ways as the mental health crisis continues across the industry seeing demand for NABS services continue to grow in 2023.
- NABS' ability to prove its value and increase its reputation to encourage continued financial support, engagement and service take up in a highly competitive wellbeing market place.

Achievements and Performance

The following objectives, were updated and revised on the previous years objectives to measure performance and success in 2022, as follows –

2022 Objectives –

1. To strengthen the NABS brand positioning for increased levels of understanding, engagement, income and influence
2. To evolve the service offering for greater inclusivity
3. To model all NABS activity against updated ROI criteria for increased income and engagement
4. Strengthen NABS internal operations for optimal, new ways of working
5. To further build and nurture NABS' internal culture and expertise so we can truly lead the industry, from the inside out.

During 2022 we achieved

Service provision across the sector -

- Over 6,000 individuals accessed NABS' core services, benefiting from expert guidance, advice and support to improve their wellbeing and mental health and deal with the challenges around redundancy and job losses in our industry, representing a 49% increase in demand year on year.
- 4,485 individuals were supported across NABS dedicated Advice line and online advice services benefiting from tailored support and 24/7 information alongside downloadable information to support them at work.
- Calls to NABS' Advice Line increased by 35% in 2022, with the top two reasons for contact being individuals needing emotional support (37%) and financial support (36%).
- Mental health issues continue to rise in our industry in 2022. Two thirds (66%) of all of emotional support calls received in 2022 were for support and guidance on mental health – a 31% increase year on year. Accordingly, NABS therapy referrals rose by 32%.
- In direct response to the rising cost of living crisis, together with worries about the geopolitical climate, the job market and increasing stress and conflict at work, NABS launched the Cost of Living Grant on 1 November 2022 to give eligible applicants a one-off payment of £1,000 to help with essential living costs. The top reason for requiring a NABS Cost of Living Grant in 2022 was for paying for utility bills, with other themes being needing help towards rent or mortgage and putting food on the table.

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

TRUSTEES' REPORT

- 64 financial grants were awarded in 2022. Our new Cost of Living Grant represented the third highest single issue for calling the Advice Line this year.
- Alongside the support grants we've offered 9 Upskilling Grants to support individuals with their ongoing training needs to help them progress in and out of work.
- Redundancy resurged as a notable topic for NABS service users in 2022 after a drop-off in this area during 2021. Against the backdrop of a cost-of-living crisis and looming recession, last year saw a staggering 1,432% increase in access to NABS' online redundancy guides, offering advice on redundancy rights to thousands of people.
- 200 individuals were supported by NABS' career coaching services, with reasons for contact including, low confidence, workload pressures, mental health and needing support managing and leading teams in pressurised and busy roles.
- Over 1,000 individuals have attended NABS' online group coaching masterclasses this year for support building their resilience to pressure, building confidence and rapport and influencing in their roles at work and beyond.
- NABS interacted with over 16,500 individuals in total through its services, talks, events and community fundraisers - a total touchpoint rate up 13% on 2021.
- Due to the tough economic climate and the focus of the NABS team in 2022, we weren't able to invest in creative brand campaign activity, with external agency support to widen NABS' awareness to a greater extent.
- Feedback on NABS services in 2022 remained high, of those who completed feedback forms:
 - 97% rated the Advice Line service as excellent.
 - 99% would recommend others to our 1:1 coaching and workshops.
 - 100% of Cost of Living Grant beneficiaries rated their experience as excellent.
 - 100% would refer others to NABS for access to therapy.

Mental wellness engagement, awareness, influence and fundraising -

- The NABS team were busy meeting people across the industry, up and down the country, reaching over 1,900 people in 2022, sharing NABS' vision and explaining how we can help the industry community advance their mental wellness through staff presentations and 1:1 management meetings.
- NABS' marketing focused in 2022 on product led campaigns to drive service priorities around grant provisions and mental health advice.
- A Diversity and Inclusion web page was launched to centre NABS' inclusive offering and the internal DE&I working group terms of reference were revised for more internal clarity and direction.
- NABS continued to publish its quarterly service usage reports with recommendations for employees and employers alike to further prove our influence and change for good agenda beyond the direct NABS service users.
- More than 2,000 people across the industry came together to raise funds for the charity through its in-person events, ranging from its flagship gala event Stranger than Summer to sporting events and quizzes.
- 584 individuals attended NABS' regional events in 2022 which included 5 community focused fundraisers including the Scottish Golf Day and the Manchester Fashion show, that boosted NABS income and engaged industry employees across the country.
- Alongside the NABS owned fundraising events, industry companies also came together to fundraise for NABS, including The Lead Agency's Sea Change for Mental Health London to Brighton bike ride, which saw a huge 346% increase in participants.
- NABS Talks series offered a platform for marginalised individuals across the industry discussing topics such as mental health, racism, inclusion, allyship, and self-care.
- NABS appeared in over 118 PR pieces in 2022 ensuring NABS profile across mental health and wellbeing remained high and front of mind for our supporters, donors and service users.

Greater accessibility, inclusion and culture change -

- 50% of all advice is now accessed online, via NABS digital provision which includes the SupportBot and redundancy guides in 2022.
- Visits to NABS SupportBot surged this year by 74%, providing round-the-clock advice and guidance to over 500 people across our community.

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

TRUSTEES' REPORT

- NABS Knowledge Hub continued to provide a dedicated home for digital advice and has supported individuals across many experiences such as redundancy, anxiety, stress and work pressure.
- Off the back of a detailed research project carried out in 2021, in 2022 NABS launched its Diversity in Focus activity in partnership with Brixton Finishing School, MEFA and Outvertising, sharing stories from marginalised communities across adland. NABS held a panel at Advertising Week Europe to further publicise and raise awareness of the needs of marginalised individuals and developed an Inclusive Leader training programme, to help address the five key challenges unearthed in the research. NABS' masterclasses were also updated in 2022 to be more inclusive with the help of specialist diversity training advisors BELOVD.
- Through NABS' expert facilitation of timeTo Training, over 2,800 people were trained in 2022 – an increased reach of 112% - thanks to a newly developed range of training delivery methods at scale, helping reach and educate more people around the impact of sexual harassment.
- DE&I data capture was introduced in 2022 starting with grant applicants and being rolled out more widely across NABS services throughout 2022.

ROI, Internal operations and ways of working

- In 2022 NABS focused harder on ROI modelling across all of its key activity accessing income and engagement against internal staff costs to ensure all new activity decisions were more informed. Alongside ROI modelling NABS introduced a business case template set against this ROI criteria to further formalise decision making processes.
- NABS 5 and 10 year financial modelling, introduced in recent years, continued to be developed on new data in 2022 to ensure regular updates for trustees and leadership around reserve levels and budget decisions in the longer term.
- NABS operations meetings were revised and improved bringing internal teams closer together across a strategic review format and digital laydown.
- NABS internal ways of working are viewed as having advanced in 2022 but with recognition that continual and deeper work is needed to identify optimum ways of working post Covid and this will continue to be a priority in 2023 and beyond.
- The NABS Advice Line phone system seeing its approach to call handling was updated and improved. This phone automation project was successfully rolled out in 2022 and is already seeing service level improvements and more professionalism across the waiting and data system.
- The SupportBot launched in 2021 was updated in 2022 to include the integration of the redundancy tool, housing all NABS 24/7 support in one place.

New leadership structure and ways of working -

- In April 2022, NABS appointed a new CEO, Sue Todd to lead NABS, with a brief to revolutionise NABS focusing on growing and diversifying income alongside raising NABS' profile.
- 2022 also saw a leadership restructure, notably creating a new Commercial Director role aligning strategy, income, data and engagement to ensure a more coordinated sales and marketing effort for the charity.
- NABS' CRM strategy was developed and data cleansing and collation work got underway in Q4 2022 to underpin the roll out of a phased CRM plan in 2023 that will see deeper levels of engagement and tailored communications to drive engagement and income.
- NABS' fundraising strategy in 2022 focused on key areas of media donations, with a deeper focus on media agency relationships and processes to ensure higher conversion rates on donor pledges could be achieved.
- NABS quarterly away days launched in 2022 to enhance cross department team work and knowledge sharing across departments.

PLANS FOR FUTURE PERIODS

In Q4 2022 the NABS leadership team and board of trustees set out a 3 year plan to eradicate the annual deficit by the end of 2025, following significant income losses due to the slow Covid-19 recovery. It is essential that

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

TRUSTEES' REPORT

NABS increases its income in 2023 and beyond to reach a financially sustainable balance between fundraising income, expenditure and service provision.

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

- Returning the organisation to break-even, surplus position by end of 2025 by diversifying and growing revenue and reducing overheads.
- NABS' ability to demonstrate its value effectively (in a highly competitive wellbeing market) through a clear and defined single minded proposition.
- NABS' ability to secure media donation pledges earlier in the year and convert pledges at higher rates to maximise income potential and cash flow.
- NABS' ability to prove the value of building community for greater industry collaboration and wellbeing benefit for all, alongside driving much needed new, community income streams.
- To strengthen NABS reputation as the first place to go to in the industry for expert mental health support.
- To shift further again in 2023 from the historic 1:1 service delivery model to more '1 to many' provisions for greater market penetration.
- To increase commercial training opportunities through a wider product offer and a more dedicated sales approach to grow income.

NABS is committed to using its pivotal role within the UK advertising, marketing and media industry to continue to help even more people to thrive, ensuring that mental health and putting people first is high on organisations' agendas at a tough time for the industry and the country at large.

By the end of 2023 NABS expects to be back up to the income levels of £3 million, to deliver on the detailed ambitions above.

FINANCIAL REVIEW

The principal funding sources of the organisation are voluntary income and donations (£1.85m (2021: £2m)) and charitable trading activities (£0.6m (2021: £0.5m)). The consolidated results for the end of the year produced income of £2.5m (2021: £2.5m), against expenditure of £3.6m (2021: £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 £197,700 (2021: £170,507) and distributed £195,118 to NABS (2021: £167,756). The operating deficit of the consolidated accounts (including unrealised loss from investment assets of £585,428) was £1,665,570 (2021: £351,524 deficit). The year end net assets were £3.6m (2021: £5.3m).

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 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.

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

TRUSTEES' REPORT

The NABS listed portfolio has decreased from £3,633,115 to £2,547,517 during the year which included a drawdown of £514,150 to aid cashflow. The markets have continued to be volatile in 2022 due to many economic factors with a decrease of £571,448 (18.32%) in value shown at the year-end. No targets were set for 2022 nor have been for the year ahead but a regular update on cashflow is key to pinpoint if further drawdown is needed to aid cashflow.

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. As at 31 December 2022, the Group's free reserves (excluding restricted and designated funds, and tangible fixed assets) amounted to £3.1m (2021: £4.7m). With estimated annual net expenditure of £3.2 million per the 2023 Q1 reforecast budget, this means 11.9 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 benefitting 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 19 July 2023 and signed on its behalf by



Karla Smith
Trustee

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

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 (incorporating the Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 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 subsidiary (the 'group') for the year ended 31 December 2022 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 2022 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 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

NICHOLAS SLADDEN (Senior Statutory Auditor)

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

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

Date 27 July 2023

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 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income from:					
Donations and legacies	1	1,784,019	62,500	1,846,519	1,977,630
Other trading activities	1	634,607	-	634,607	498,954
Investments	1	18,909	-	18,909	16,987
Total income		2,437,535	62,500	2,500,035	2,493,571
Expenditure on:					
Raising funds	2	2,195,525	-	2,195,525	1,756,154
Charitable activities:					
Grant making	3	185,582	74,239	259,821	237,600
Careers Counselling/Advice Line	3	1,124,831	-	1,124,831	1,201,857
Total expenditure		3,505,938	74,239	3,580,177	3,195,611
Net (loss)/gain on investments	9	(585,428)	-	(585,428)	350,516
Net expenditure	7	(1,653,831)	(11,739)	(1,665,570)	(351,524)
Net movement in funds		(1,653,831)	(11,739)	(1,665,570)	(351,524)
Fund balances brought forward at 1 January		5,213,226	96,711	5,309,937	5,661,461
Fund balances carried forward at 31 December	14a	3,559,395	84,972	3,644,367	5,309,937

N A B S (A charitable company limited by guarantee)
BALANCE SHEETS – CONSOLIDATED AND CHARITY
At 31 December 2022

Company Registration No: 03588945

		Group		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
FIXED ASSETS					
Tangible assets	8	235,046	277,287	235,046	277,287
Investments	9	2,561,971	3,647,569	2,561,973	3,647,571
		<u>2,797,017</u>	<u>3,924,856</u>	<u>2,797,019</u>	<u>3,924,858</u>
CURRENT ASSETS					
Debtors	10	738,222	1,036,213	633,780	1,153,531
Cash at bank and in hand		577,306	808,149	532,658	635,210
		<u>1,315,528</u>	<u>1,844,362</u>	<u>1,166,438</u>	<u>1,788,741</u>
CREDITORS: Amounts falling due within one year	11	(468,178)	(459,281)	(341,583)	(424,048)
NET CURRENT ASSETS		<u>847,350</u>	<u>1,385,081</u>	<u>824,855</u>	<u>1,364,693</u>
TOTAL NET ASSETS		<u>3,644,367</u>	<u>5,309,937</u>	<u>3,621,874</u>	<u>5,289,551</u>
Represented by:					
FUNDS					
Restricted Funds	12	84,972	96,711	84,972	96,711
Unrestricted funds:					
Designated funds	13	197,264	205,337	197,264	205,337
General funds	14	3,362,131	5,007,889	3,339,638	4,987,503
TOTAL FUNDS		<u>3,644,367</u>	<u>5,309,937</u>	<u>3,621,874</u>	<u>5,289,551</u>

The Charity's deficit for the year was £1,667,677 (2021: £353,746 deficit).

The financial statements on pages 15 to 33 were approved by the board of trustees and authorised for issue on 19 July 2023 and signed on its behalf by



Karla Smith
Trustee

N A B S (A charitable company limited by guarantee)
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2022

	<i>Notes.</i>	2022 £	2021 £
OPERATING ACTIVITIES			
Cash (used in) operations	15a	(749,447)	(930,663)
Corporation taxes paid		(475)	(11,951)
Net cash (used in) operating activities		<u>(749,922)</u>	<u>(942,614)</u>
INVESTING ACTIVITIES			
Purchase of investments		(13,980)	(15,507)
Sale of investments		514,150	1,528,115
Interest received		9,638	7,715
Dividends received		9,271	9,272
Net cash generated by investing activities		<u>519,079</u>	<u>1,529,595</u>
FINANCING ACTIVITIES			
Repayment of borrowings		-	(1,100,000)
Net cash (used in)/generated by financing activities		<u>-</u>	<u>(1,100,000)</u>
Net (decrease) in cash and cash equivalents		(230,843)	(513,019)
Cash and cash equivalents at the beginning of the year		808,149	1,321,168
Cash and cash equivalents at the end of the year	15b	<u>577,306</u>	<u>808,149</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.

The Charity continues to have a good level of reserves and some of these are planned to continue being deployed in 2023 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 with a view to breakeven by 2025. These reserves are readily realisable via the investment portfolio. During 2022 £514,150 was drawn down from the portfolio to aid cashflow.

Despite an industry that was substantially 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, remain positive. The annual budgeting and quarterly reforecasting process are input into a longer term, 5 year financial planning model to identify risk points. The fundraising team review and research the market re media and corporate donations and hope to breakeven by 2025 and be in profit thereafter. 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 Transformation 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.

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.

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.

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

ACCOUNTING POLICIES

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.

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.

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

ACCOUNTING POLICIES

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.

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

1	INCOME FROM DONATIONS AND LEGACIES	2022 £	2021 £				
	Donations	1,773,131	1,867,630				
	Legacies	10,888	30,000				
	Restricted donations	62,500	80,000				
		<u>1,846,519</u>	<u>1,977,630</u>				
	INCOME FROM OTHER TRADING ACTIVITIES	2022 £	2021 £				
	Fundraising events	461,970	322,679				
	Sponsorship	58,523	82,850				
	Training	114,114	93,425				
		<u>634,607</u>	<u>498,954</u>				
	INCOME FROM INVESTMENTS	2022 £	2021 £				
	Income from listed investments - dividends	9,271	9,272				
	- interest	4,709	5,708				
	Bank interest receivable	4,929	2,007				
		<u>18,909</u>	<u>16,987</u>				
2	EXPENDITURE ON RAISING FUNDS	2022 £	2021 £				
	Fundraising costs	1,418,848	1,131,454				
	Brand relevance/marketing costs	776,677	624,700				
		<u>2,195,525</u>	<u>1,756,154</u>				
3	EXPENDITURE – ALLOCATION OF SUPPORT COSTS						
		2022 Direct Costs £	2022 Indirect Support costs £	2022 Total £	2021 Direct Costs £	2021 Indirect Support costs £	2021 Total £
	Grant making	259,821	-	259,821	237,600	-	237,600
	Careers/counselling/ Advice Line	381,973	594,282	976,255	448,679	594,295	1,042,974
	Governance	53,957	94,619	148,576	57,376	101,507	158,883
		<u>695,751</u>	<u>688,901</u>	<u>1,384,652</u>	<u>743,655</u>	<u>695,802</u>	<u>1,439,457</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

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 100.

4	INDIRECT SUPPORT COSTS	2022 £	2021 £
	Provisions, catering and utility costs	50,370	57,952
	Property and equipment maintenance	84,711	105,054
	Other operating costs and depreciation	553,820	532,796
		<u>688,901</u>	<u>695,802</u>
5	ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL	2022 No	2021 No
	The average number of staff employed by the charity was:		
	Fundraising	12	10
	Welfare and counselling	14	11
	Administration and management	11	14
		<u>37</u>	<u>35</u>
		2022 £	2021 £
	Their total remuneration was:		
	Wages and salaries	1,744,230	1,515,071
	Social security costs	187,478	160,448
	Pension costs	73,328	65,115
	Temporary staff	-	4,500
		<u>2,005,036</u>	<u>1,745,134</u>

The amounts above include ex gratia payments as a result of redundancies for 2 members of staff of £41,931 in 2022 only – none in 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 £659,943 (2021: £591,101) including employer's NI of £75,759 (2021: £58,369).

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

	2022 No	2021 No
£60,000 - £70,000	1	2
£70,001 - £80,000	3	3
£90,001 - £100,000	-	1
£110,001 - £120,000	2	-
£140,001 - £150,000	-	1

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

During the year pension contributions on behalf of these staff amounted to £19,665 (2021: £23,669).

6 PAYMENTS TO TRUSTEES

No remuneration was paid to the trustees in the period (2021: £nil). Reimbursed expenses (i.e. travel and stationery) amounted to nil (2021: nil). The number of trustees reimbursed expenses was nil (2021: nil).

7 NET EXPENDITURE

The net expenditure for the group is stated after charging:	2022	2021
	£	£
Depreciation	42,239	42,241
Operating lease costs - land and buildings	223,317	223,317
- other	5,654	6,415
Auditor's remuneration - Statutory Audit - current year	33,925	29,500
- Corporation tax	3,450	3,060
	<u> </u>	<u> </u>

**8 TANGIBLE FIXED ASSETS -
GROUP AND CHARITY**

	Office refurbishment £	Furniture and equipment £	Computer equipment £	Total £
Cost				
1 January 2022	362,455	29,063	13,649	405,167
31 December 2022	<u>362,455</u>	<u>29,063</u>	<u>13,649</u>	<u>405,167</u>
Depreciation				
1 January 2022	98,730	15,501	13,649	127,880
Charged in the period	36,428	5,813	-	42,241
31 December 2022	<u>135,158</u>	<u>21,314</u>	<u>13,649</u>	<u>170,121</u>
Net book value				
31 December 2022	<u>227,297</u>	<u>7,749</u>	<u>-</u>	<u>235,046</u>
31 December 2021	<u>263,725</u>	<u>13,562</u>	<u>-</u>	<u>277,287</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

9 INVESTMENTS – GROUP AND CHARITY	2022 £	2021 £
Listed in the UK	2,547,517	3,633,115
Unlisted (charity only)	2	2
Programme related investments	14,454	14,454
	<u>2,561,973</u>	<u>3,647,571</u>
Investments listed in the UK		
Market value as at 1 January	3,633,115	4,795,734
<i>Disposal of investment during the year</i>	(514,150)	(1,528,115)
Income re-invested	13,980	14,980
Net loss on investments	(585,428)	350,516
	<u>2,547,517</u>	<u>3,633,115</u>

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

The market value of these investments as at 31 December 2022 comprises:

	2022 £	2021 £
Listed UK Investments	<u>2,547,517</u>	<u>3,633,115</u>

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	<u>14,454</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10 DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Amounts due from group undertakings	-	-	-	140,615
Event debtors	278,088	470,115	173,646	452,258
Other debtors	-	5,440	-	-
Prepayments and accrued income	460,134	560,658	460,134	560,658
	<u>738,222</u>	<u>1,036,213</u>	<u>633,780</u>	<u>1,153,531</u>

11 CREDITORS: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Amounts due to group undertakings	-	-	2,979	-
Trade creditors	23,036	27,015	22,021	20,045
Other taxation & social security	89,120	65,344	65,693	65,344
Other creditors	4,510	5,512	4,510	5,512
Corporation tax	475	521	-	-
Accruals and deferred income	351,037	360,889	246,380	333,147
	<u>468,178</u>	<u>459,281</u>	<u>341,583</u>	<u>424,048</u>

Included in other taxation & social security is an amount of £12,015 (2021: £13,551) in respect of outstanding pension contributions.

Deferred income:	2022 £	2021 £
Deferred income brought forward	48,988	244,601
Amounts deferred in the year	156,175	48,988
Amounts released in the year	(48,988)	(244,601)
Deferred income carried forward	<u>156,175</u>	<u>48,988</u>

Deferred income relates to WACL (Women in Advertising and Communications, London) funds (raised at their Christmas Gala using NABS' Zettle machines as a payment option) repaid in January 2023; Stranger than Summer tables and donations, Ride Adland teams, NABS Golf teams, Media donations billed in 2022 deferred to 2023. Also timeTo and NABS training income has been deferred as training is not due to take place until 2023.

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

12 RESTRICTED FUNDS

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

The first is the Talent Awards (previously known as 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.

Future Leaders Fund	£
As at 1 January 2022	86,966
Received	40,000
Expended	(54,690)
As at 31 December 2022	<u>72,276</u>
David Pilton Award	
As at 1 January 2022	9,745
Expended	-
As at 31 December 2022	<u>9,745</u>
timeTo donation	
As at 1 January 2022	-
Received	22,500
Expended	(19,549)
As at 31 December 2022	<u>2,951</u>
Total Restricted Funds	<u><u>84,972</u></u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

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 2022	203,023	2,314	205,337
Expended	(5,759)	(2,314)	(8,073)
As at 31 December 2022	197,264	-	197,264

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 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 and benefit the beneficiaries of NABS living at Peterhouse when the Billie Dyson fund ran out. These plans have been delayed.

14a ANALYSIS OF MOVEMENT BETWEEN FUNDS - GROUP

	Unrestricted General Funds 2022 £	Unrestricted Designated Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
At 1 January 2022	5,007,889	205,337	96,711	5,309,937
Income	2,437,535	-	62,500	2,500,035
Expenditure	(3,497,865)	(8,073)	(74,239)	(3,580,177)
Realised/unrealised losses	(585,428)	-	-	(585,428)
At 31 December 2022	3,362,131	197,264	84,972	3,644,367

	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

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

14b ANALYSIS OF MOVEMENT BETWEEN FUNDS - CHARITY

	Unrestricted General Funds 2022 £	Unrestricted Designated Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
At 1 January 2022	4,987,503	205,337	96,711	5,289,551
Income	2,106,476	-	62,500	2,168,976
Expenditure	(3,168,913)	(8,073)	(74,239)	(3,251,225)
Realised/unrealised losses	(585,428)	-	-	(585,428)
At 31 December 2022	3,339,638	197,264	84,972	3,621,874

	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

14c ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted General Funds 2022 £	Unrestricted Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
GROUP				
Fixed assets	235,046	-	-	235,046
Investments	2,561,971	-	-	2,561,971
Net current assets	565,114	197,264	84,972	847,350
	3,362,131	197,264	84,972	3,644,367
CHARITY				
Fixed assets	235,046	-	-	235,046
Investments	2,561,973	-	-	2,561,973
Net current assets	542,619	197,264	84,972	824,855
	3,339,638	197,264	84,972	3,621,874

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

	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>
15a GROUP				2022
CASH FLOWS				£
				£
Reconciliation of net expenditure to cash used in operations				
Net (expenditure)				(1,665,570)
Adjustments for:				
Depreciation on tangible fixed assets				42,241
Dividends and interest receivable				(18,909)
Loss on investments				585,428
Taxation				475
Operating cash flow before movements in working capital				(1,056,335)
Decrease/(increase) in trade and other debtors				101,753
Increase/(decrease) in trade and other creditors				205,135
Cash used by operations				<u>(749,447)</u>
				<u>(930,663)</u>
		At		At
		1 January		31 December
		2022		2022
		£	Cash	£
			flow	
			£	
15b Analysis of net funds and net debt				
reconciliation				
Cash at bank and in hand		808,149	(230,843)	577,306
Total		<u>808,149</u>	<u>(230,843)</u>	<u>577,306</u>

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

16a COMMITMENTS UNDER OPERATING LEASES

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

	2022	2021
	£	£
Land and buildings		
within one year	223,317	223,317
two to five years	223,317	446,633
	<u>446,634</u>	<u>669,950</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 £73,328 (2021: £65,115) and are included within salary costs. The charity expects to pay £75,415 in 2023.

17 RELATED PARTY TRANSACTIONS

The charity has a wholly owned subsidiary, NABS Trading Limited. NABS Trading Limited transferred £195,118 to NABS as a distribution (2021: £167,756). As at the year-end, NABS Trading Limited owed £195,118 (2021: £167,756) to the Charity. Amounts owed by the charity were £2,979 (2021: owed to the Charity £140,615), 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, S Daglish, H Nicklin, N Pertwee (Jasinski), 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 £502,683 (2021: £491,794). The balances due from these companies at the year end was £53,972 (2021: £206,100).

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

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

	2022	2021
	£	£
Turnover	526,176	413,892
Other operating expenses	(328,476)	(243,385)
Operating profit	197,700	170,507
Profit on ordinary activities before taxation	197,700	170,507
Taxation	(475)	(521)
Retained profit/(loss) for the year	197,225	169,986
Profit and loss reserve at 1 January	20,384	18,154
Gift Aid distribution paid	(195,118)	(167,756)
Profit and loss reserve at 31 December	22,491	20,384
The aggregate of the assets, liabilities and funds was:		
Current assets	153,074	223,375
Creditors: Amounts falling due within one year	(130,581)	(202,989)
Net assets	22,493	20,386

N A B S (A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

19	TAXATION ON PROFIT FOR THE YEAR	2022 £	2021 £
	Current tax – UK corporation tax	<u>475</u>	<u>521</u>

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 2022 of 19% (2020 : 19%) as shown below:

	2022 £	2021 £
Profit on ordinary activities before tax	197,700	170,497
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax for small companies 19% (2021 : 19%)	37,563	32,394
Less gift aid (non-taxable)	<u>(37,088)</u>	<u>(31,873)</u>
Current tax charge	<u>475</u>	<u>521</u>

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 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
The carrying amounts of financial instruments were As follows:				

Financial assets:

Financial Assets held at fair value	2,547,517	3,633,115	2,547,517	3,633,115
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