

**NORTHERN ACADEMY OF PERFORMING ARTS  
EDUCATIONAL TRUST**

**FINANCIAL STATEMENTS**

**31 AUGUST 2020**

**Charity Number 1076867**

**FAWLEY JUDGE & EASTON**

Chartered Certified Accountants

1 Parliament Street

Hull

HU1 2AS

# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2020**

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# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 AUGUST 2020**

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	Northern Academy of Performing Arts Educational Trust
<b>Charity registration number</b>	1076867
<b>Principal office</b>	50 Anlaby Road Kingston upon Hull HU1 2PD

#### **The trustees**

The trustees who served during the year were as follows:

Peter Duffield (Chair)  
Naomi Bedworth (Vice-Chair)  
Henrietta Duckworth  
Andrew Kingston  
Chris Gruca  
John Netherwood  
Tony Dickens  
Alan Deller (resigned September 2019)

<b>Independent examiner</b>	Fawley Judge & Easton 1 Parliament Street Hull HU1 2AS
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<b>Bankers</b>	Barclays Bank Plc 32 Paragon Square Hull HU1 3QT
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<b>Solicitors</b>	Gosschalks Queens Gardens Hull HU1 3DZ
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# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

## **TRUSTEES' ANNUAL REPORT *(continued)***

**YEAR ENDED 31 AUGUST 2020**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Nature of Governing Document and constitution of the charity**

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

#### **Appointment of trustees**

Trustees are elected for a period of 3 years on a rolling basis. Trustees are nominated to serve on the board by recommendation of currently serving trustees. If the board agrees to the nomination, the candidate is invited to serve on the board.

#### **Trustee induction and training**

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

#### **✶ Organisation**

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

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

#### **Related parties**

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

#### **Risk management**

The trustees have a risk management strategy that comprises:

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

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

### **OBJECTIVES AND ACTIVITIES**

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

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



# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 AUGUST 2020

### ACHIEVEMENTS AND PERFORMANCE

The trust's activities were severely impacted by the Covid-19 pandemic. Our CEO, Carl Wheatley, summarised the year as follows:

"In a 'normal' year, NAPA offers almost 100 classes for all ages across any given week. We also work in dozens of local primary schools offering Musical Theatre tuition as part of our school outreach work, and we stage plays and musicals in our own 125-seater theatre.

We're also known for our outstanding dance tuition and many of our former pupils have gone on to have incredible careers in dance, drama and West End musicals, and we are proud of each and every one of our young people. We currently have former pupils in every major drama and dance school in London including RADA, LAMDA, Guildhall School of Music and Drama, Central School, Guildford School of Acting, Mountview Theatre Arts, ALRA, and many more.

Our overall aim, however, is to inspire self-confidence, communication skills and self-worth in the 650 children who attend our classes and to make sure they're learning new skills in a safe environment led by industry professionals.

Of course, this was far from a normal year. Like many arts organisations, we were completely knocked off our feet by the global pandemic.

We had to close on 17th March 2020 due to coronavirus restrictions and our income stopped overnight. All work in local schools also came to an abrupt end.

Our year runs alongside the academic year and we did manage to open for a few weeks but had to run a reduced timetable due to restrictions placed on class sizes, social distancing and use of our building. We were also unable to stage any musicals or plays in our in-house theatre for the period of national lockdown. Our main production at Hull Truck Theatre (*Grease*) was rescheduled twice before ultimately being cancelled.

Our home is a Grade 2 listed heritage building and our fixed costs didn't reduce during the enforced closure. We are also very proud of the fact that we were able to look after our people during the pandemic. The vast majority of our freelance staff have continued to be paid alongside our salaried staff who were furloughed. We're delighted that our extremely talented team were available to come back the moment we were allowed to open our doors.

During the lockdown we offered a full programme of remote learning - all free to our current members, in dance, drama and musical theatre. The feedback from parents was incredible - with many describing our work during Covid-19 as "lifesaving" for their children.

As an organisation we are constantly punching above our weight and, like many others, we've found it frustrating that the momentum we'd built up has been halted so abruptly, but with support from the Arts Council's Culture Recovery Fund and Hull City Council we've managed to breathe, regroup and look to the future.

This is my second year at NAPA, and I remain full of praise for the high standards of production, teaching standards, attention to detail and inclusivity which are at the heart of everything the academy produces."

### FINANCIAL REVIEW

The annual accounts show a deficit of £120,249 (2019 deficit £65,229) with a total cumulative surplus of £522,804 (2019 surplus of £643,053).

#### Investment Powers

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

#### Reserves Policy

The trustees consider that a level of reserves required in order for the charity to operate at its current level of activity has now been attained. The actual reserves at 31 August 2020 were in surplus by £522,804.

# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

## **TRUSTEES' ANNUAL REPORT *(continued)***

**YEAR ENDED 31 AUGUST 2020**


### **PLANS FOR FUTURE PERIODS**

The Academy has ambitious plans in 2021 and beyond to increase our collaborative working, take our productions out of NAPA more and to offer more places at NAPA for children who couldn't otherwise attend due to financial constraints through our bursary scheme. None of these plans would be possible without the strong foundations build up over a number of years by the incredibly talented team of staff and volunteers.

### **INDEPENDENT EXAMINER**

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

Signed on behalf of the trustees

 Peter D Duffield LLB FCA  
Trustee

Date: 14 May 2021



# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

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

### **YEAR ENDED 31 AUGUST 2020**

I report to the Trustees on my examination of the financial statements of Northern Academy of Performing Arts Educational Trust (the Trust) for the year ended 31 August 2020.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

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

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

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

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

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

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

Stephen Woolias  
Fawley Judge & Easton  
Independent examiner

Dated: 14 May 2021

1 Parliament Street  
Hull  
HU1 2AS

# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOMING RESOURCES</b>				
Incoming resources from generating funds:				
Voluntary income	2	13,830	13,830	6,229
Activities for generating funds	3	29,924	29,924	84,796
Investment income	4	3,807	3,807	395
Incoming resources from charitable activities	5	260,318	260,318	409,848
Other incoming resources	6	26,512	26,512	1,022
<b>TOTAL INCOMING RESOURCES</b>		<b>334,391</b>	<b>334,391</b>	<b>502,290</b>
<b>RESOURCES EXPENDED</b>				
Costs of generating funds:				
Costs of generating voluntary income	7	14,124	14,124	22,047
Charitable activities	8	436,916	436,916	541,552
Governance costs	9	3,600	3,600	3,920
<b>TOTAL RESOURCES EXPENDED</b>		<b>454,640</b>	<b>454,640</b>	<b>567,519</b>
<b>NET INCOMING /(OUTGOING) RESOURCES FOR THE YEAR</b>		<b>(120,249)</b>	<b>(120,249)</b>	<b>(65,229)</b>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward		643,053	643,053	708,282
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>522,804</b>	<b>522,804</b>	<b>643,053</b>

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

All of the above amounts relate to continuing activities.



# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## BALANCE SHEET

31 AUGUST 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	11	175,275	190,358
<b>CURRENT ASSETS</b>			
Debtors	12	3,474	3,000
Cash at bank		550,592	640,901
		<u>554,066</u>	<u>643,901</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>50,667</u>	<u>29,550</u>
<b>NET CURRENT ASSETS</b>		<b>503,399</b>	<b>614,351</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>678,674</b>	<b>804,709</b>
<b>CREDITORS: Amounts falling due after more than one year</b>	14	<u>155,870</u>	<u>161,656</u>
<b>NET ASSETS</b>		<b><u>522,804</u></b>	<b><u>643,053</u></b>
<b>FUNDS</b>			
Unrestricted income funds	15	<u>522,804</u>	<u>643,053</u>
<b>TOTAL FUNDS</b>		<b><u>522,804</u></b>	<b><u>643,053</u></b>

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

These financial statements were approved by the trustees and authorised for issue on 14 May 2021 and were signed on their behalf by:

Peter D Duffield LLB FCA

Trustee

# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2020**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared in accordance with the Academy's governing document, the Charities Act 2011 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 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The Academy has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Academy. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

#### **Donations and grants**

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

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

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

Incoming resources from charitable activities are accounted for when earned.

#### **Activities for generating funds**

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

# **NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2020**

### **1. ACCOUNTING POLICIES** *(continued)*

#### **Going concern**

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

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

#### **Investment income**

Investment income is included when receivable.

#### **Taxation**

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

# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

### 1. ACCOUNTING POLICIES *(continued)*

#### **Fund accounting**

Funds held by the charity are of the following types:

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

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

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

#### **Resources expended**

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

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

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

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

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

#### **Fixed assets**

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

### 2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>Donations</b>			
Sundry Donations	<u>13,830</u>	<u>13,830</u>	<u>6,229</u>



# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 AUGUST 2020**

### 3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Cafe Income	15,589	15,589	25,983
Activities for generating funds - Theatre Productions	14,335	14,335	34,493
Activities for generating funds - External Events	-	-	24,320
	<u>29,924</u>	<u>29,924</u>	<u>84,796</u>

### 4. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Sundry lettings	515	515	395
Investment income	3,292	3,292	-
	<u>3,807</u>	<u>3,807</u>	<u>395</u>

### 5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Enrolment Income	11,041	11,041	11,043
Student classes - Dance	86,805	86,805	161,715
Student classes - Musical Theatre	67,001	67,001	92,449
Student classes - Drama	38,696	38,696	60,804
Outreach	54,545	54,545	81,460
Wardrobe income	2,230	2,230	2,377
	<u>260,318</u>	<u>260,318</u>	<u>409,848</u>

### 6. OTHER INCOMING RESOURCES

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Sundry income	26,512	26,512	1,022

### 7. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Fundraising trading: Costs of goods sold and other costs	14,124	14,124	22,047

# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

### 8. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

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

	Activities undertaken directly	Total Funds 2020	Total Funds 2019
	£	£	£
General	266,515	266,515	245,422
Dance	50,345	50,345	110,126
Musical Theatre	43,372	43,372	47,912
Drama	24,404	24,404	36,256
Outreach	39,496	39,496	55,858
Theatre Productions	12,784	12,784	16,406
External Events	-	-	29,572
	<u>436,916</u>	<u>436,916</u>	<u>541,552</u>

### 9. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£
Accountancy fees	<u>3,600</u>	<u>3,600</u>	<u>3,920</u>

### 10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	165,842	189,841
Social security costs	9,828	14,066
Pension costs	3,316	2,610
	<u>178,986</u>	<u>206,517</u>

# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 AUGUST 2020**

### 10. STAFF COSTS AND EMOLUMENTS *(continued)*

**Particulars of employees:**

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

	2020	2019
	No	No
Dance and performance	3	3
Administration	6	5
	<u>9</u>	<u>8</u>

No employee received remuneration of more than £60,000 during the year (2019 - Nil).

### 11. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Fixtures & Fittings £	Total £
<b>COST</b>				
At 1 September 2019	231,746	61,372	104,478	397,596
Addition	-	-	-	-
At 31 August 2020	<u>231,746</u>	<u>61,372</u>	<u>104,478</u>	<u>397,596</u>
<b>DEPRECIATION</b>				
At 1 September 2019	70,213	61,372	75,653	207,238
Charge for the year	4,635	-	10,448	15,083
At 31 August 2020	<u>74,848</u>	<u>61,372</u>	<u>86,101</u>	<u>222,321</u>
<b>NET BOOK VALUE</b>				
At 31 August 2019	<u>156,898</u>	-	<u>18,377</u>	<u>175,275</u>
At 31 August 2020	<u>161,533</u>	-	<u>28,825</u>	<u>190,358</u>

### 12. DEBTORS

	2020	2019
	£	£
Trade debtors	<u>3,474</u>	<u>3,000</u>

### 13. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	18,560	18,560
Accruals	<u>32,107</u>	<u>10,990</u>
	<u>50,667</u>	<u>29,550</u>

# NORTHERN ACADEMY OF PERFORMING ARTS EDUCATIONAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 AUGUST 2020**

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

	2020	2019
	£	£
Bank loans and overdrafts	<u>155,870</u>	<u>161,657</u>

**15. UNRESTRICTED INCOME FUNDS**

	Balance at 1 Sep 2019	Transfer/ Incoming resources	Balance at 31 Aug 2020
	£	£	£
General Funds	<u>643,053</u>	<u>(120,249)</u>	<u>522,804</u>