

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Details

Other names NEXUS TRUST

Status Registered

Legal form Charitable company

Company number [05907385](#)

Registered 2007-11-29

Register [View on the Charity Commission register](#)

Contact

Address Astoria House
71 Albany Road
Coventry
CV5 6JR

Phone 02476713209

Email admin@nexus-ica.co.uk

Website www.nexus-ica.co.uk

Activities

Objects: (A) TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS APPEARING IN THE SCHEDULE HERETO IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE DIRECTORS OF THE CHARITY (HEREIN CALLED THE TRUSTEES) MAY FROM TIME TO TIME THINK FIT; (B) TO ADVANCE EDUCATION IN ACCORDANCE WITH CHRISTIAN PRINCIPLES BY SUCH MEANS AS THE TRUSTEES MAY CONSIDER APPROPRIATE INCLUDING BY MEANS OF ESTABLISHING AND OPERATING ANY EDUCATIONAL ESTABLISHMENT OR ESTABLISHMENTS IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT; (C) TO RELIEVE PERSONS WHO ARE IN CONDITIONS OF NEED OR HARDSHIP OR WHO ARE AGED OR SICK, AND TO RELIEVE THE DISTRESS CAUSED THEREBY IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT; (D) THE PROVISION, MAINTENANCE OR IMPROVEMENT OF A PERFORMANCE VENUE OR OTHER PUBLIC AMENITY. THIS INCLUDES BUILDINGS AND STRUCTURES IN THE VICINITY OF A LANDFILL SITE, WHERE IT IS FOR THE PROTECTION OF THE ENVIRONMENT, AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT; (E) THE MAINTENANCE, REPAIR OR RESTORATION OF A BUILDING OR OTHER STRUCTURE, WHICH IS A PLACE OF RELIGIOUS WORSHIP, OR IS OF HISTORIC OR ARCHITECTURAL INTEREST AND WHICH IS OPEN TO THE PUBLIC, WHERE IT IS FOR THE PROTECTION OF THE ENVIRONMENT, AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT; (F) TO PROMOTE AND FULFIL SUCH OTHER CHARITABLE PURPOSES BENEFICIAL TO THE COMMUNITY IN SUCH PARTS OF THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT.

Activities: Nexus ICA delivers 3 undergraduate degrees and 1 postgraduate, validated by University of West London. All are delivered in a Christian, faith-based environment and are available regardless of faith. Additional activities include provision of venue facilities and instrument tuition to the local community. Performance bands are trained to work in both a youth context and for public entertainment.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Religious Activities, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED IN PRACTICE NATIONAL AND OVERSEAS
- Coventry City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£297,542	£372,920	-	-
2024-08-31	£487,215	£618,628	-	-
2023-08-31	£625,200	£637,261	£676,204	25
2022-08-31	£643,854	£688,054	£688,265	25
2021-08-31	£651,227	£679,912	£732,465	24
2020-08-31	£677,169	£712,510	£761,150	28

Trustees

Name	Role	Appointed
Kathryn Silber	Chair	2019-03-01
DAVID BERTRAM		
MATTHEW LING		2011-06-09
Rachel DEKAM		2021-05-24

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Accounts

REGISTERED COMPANY NUMBER: 05907385 (England and Wales)
REGISTERED CHARITY NUMBER: 1121751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025
FOR
NEXUS INSTITUTE OF CREATIVE ARTS**

HB&O Ltd
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2025**

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 25
Detailed Statement of Financial Activities	26 to 27

NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES for the year ended 31 August 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Vision and Objectives

To be Europe's leading Christian institute for vocational arts and technology training.

Nexus is called to be a premier, global Christian institute known for the integration of faith, discipleship and vocational training in the service of God's people, His Church and society.

Our Mission

Through excellent training programs and comprehensive discipleship, Nexus leads Christian musicians and technicians from diverse background into an understanding of the full gospel of Jesus Christ; builds spiritual and musical foundations into individuals, essential for realising their full potential in life; and releases students into active participation in the building of God's Kingdom across the whole Earth.

Public Benefit

The trustees of the charity have had due regard to the Charity Commission guidance concerning public benefit.

DECISION TO CLOSE

This year of reporting saw us begin the previously stated plans for closure. As previously reported, the financial pressures of continuing to run a high-quality offering with increasingly small student numbers proved to be challenging. In March 2024 the trustees took the decision to close the charity after the end of the 2025/26 academic year. The charity will remain fully operational until the end of the 2025/26 academic year to complete the education of the current students.

ACHIEVEMENT AND PERFORMANCE

Student Numbers for 2024/25

In 2024/25 there were 33 students across three programmes of study, a drop from last year's numbers (51).

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 5	12	6	2	4
Level 6	21	19	1	1

Progression/Continuation into 2025/26

There was one withdrawal from Event Technology towards the end of the academic year.

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 5	11	6	1	4

Student Attainment

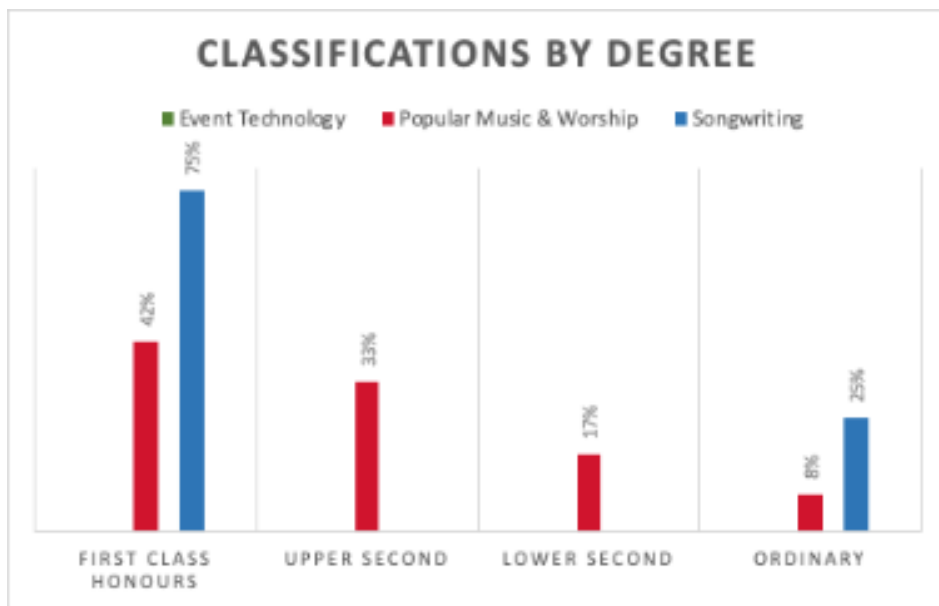
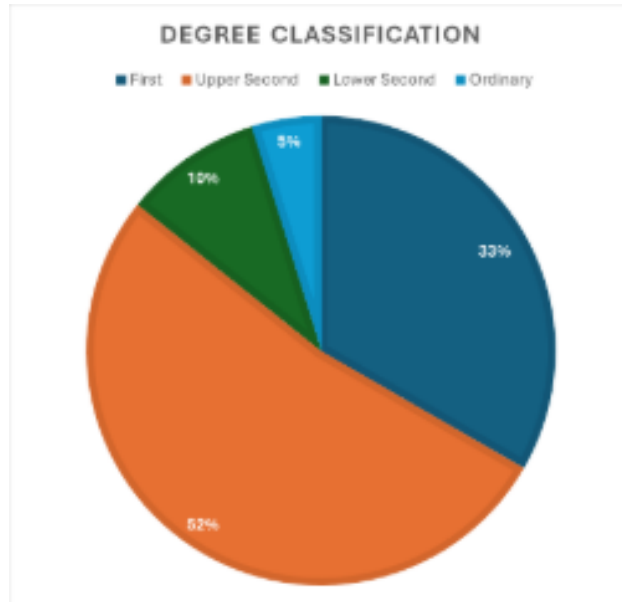
Despite no new level four students and our first of two teach-out years, this programme demonstrates consistent strength and high standards. You will see in the sub-sections that follow below that our rates at worst align with national averages and at best, greatly exceed it. It seems clear from reading the long-form feedback, that the challenges we face as we close are related to modulating the student experience to fit our decreasing cohort size, not the quality of our education. That said, with the difference in satisfaction between different modules peaking at only 6% it's clear that despite reducing our staff size, not recruiting new students and leading the school into the beginning stages of closure, we are still maintaining our consistency in delivery.

NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES
for the year ended 31 August 2025

Student Attainment (continued)

It's important to note in the below report that we have small student numbers, this most definitely impacts the statistical data.



Recruitment

Recruitment has ceased.

Communications

The figures below are as of August in each academic year.

Social media followers	2024/25	2023/24	Growth
Facebook	4,047	4,124	0.9% decrease
Instagram	2,997	2,855	5.0% increase

Socials are being used for updates on closure, communicating activities, events, and weekly highlights and the selling of assets.

NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES for the year ended 31 August 2025

Bursary Grants and Payments

The 'Cost of Living' grant continued to help students whose personal finances represented hardship that was making it difficult for them to continue to study. Money given from friends and partners of Nexus ICA continues to be specifically set apart for this purpose, with strong communication to those givers on the end of the scheme.

Students apply in a similar way to the Hardship Fund at our validating University and the trustees make the final decision on allocation.

Looking to the future, we will be considering the best use of the money donated specifically to this cause as we close.

Fundraising and Additional Streams of Income

While the experience of raising funds continues to be an important one for our students, and very likely for their future, the need to raise funds is no longer an issue. Therefore, fundraising efforts have been significantly reduced.

Rag Week 2025 – The Seasons Tour

The Seasons Tour saw students and staff working together to create a set of original music and covers that was designed to be an engaging evening of worship for all. Lowestoft, Peterborough, London and Banbury were the 'out of town' locations, with churches and partners providing support for each of these concerts. The finale event at Nexus was our end of year showcase event.

This event was not designed primarily as a fundraiser, therefore tickets were offered free of charge at the Tour events. It was a chance for students to work together on a project and look outward in ministering to others.



Fees

Fees remained at £8,000 for Level 5 students and £7,500 for Level 6 students.

Creative Arts

We've had some wonderful events this year. The Winter Showcase, Emma Nissen and the 'Seasons Tour' being highlights. All three events were sold out at Nexus. The Winter Showcase was especially powerful and played a big part in bringing students together, united in their love and pursuit of Christ. This filtered into the End of Year tour and resulted in two extremely strong shows.

Our songwriting students enjoyed an incredible 2 hour workshop with composer Harry Lightfoot at his studio in Leamington

Friday Night In continued as a student-led monthly evening featuring local musicians and students.

NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES for the year ended 31 August 2025

Facility and Asset Management

With the continued decrease in student numbers heading into the final year of Nexus ICA, we altered the use of rooms downstairs further to accommodate to students' needs, whilst aiming to finish well and continue to enhance student experience.

The sale of Astoria House to Debre Eyesus Church was accompanied by many changes to the spaces which were available solely to Nexus. The admin office and meeting room off reception were both handed over to the church, and they now use it as their own office and storage. In addition to this, they have sole access to Room 6, which is predominantly used as another meeting space for their services. What was the studio upstairs, off the mezzanine, was also handed over as storage. We therefore saw the opportunity to creatively manage usage of the remaining rooms.

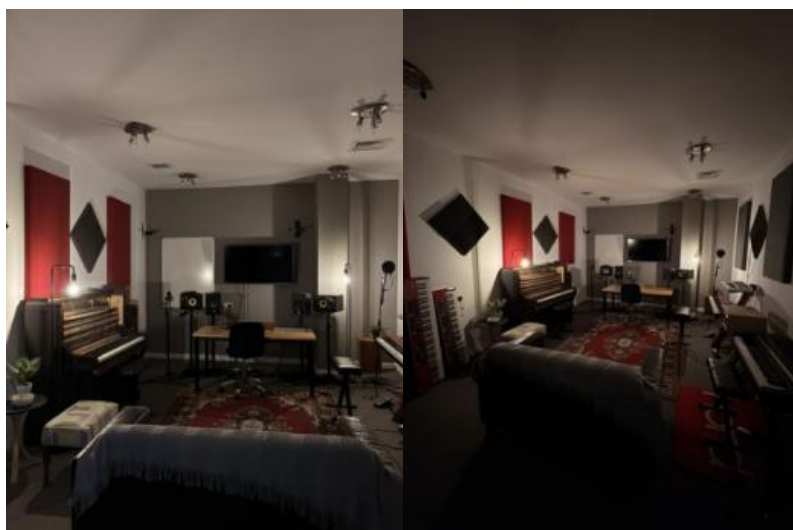
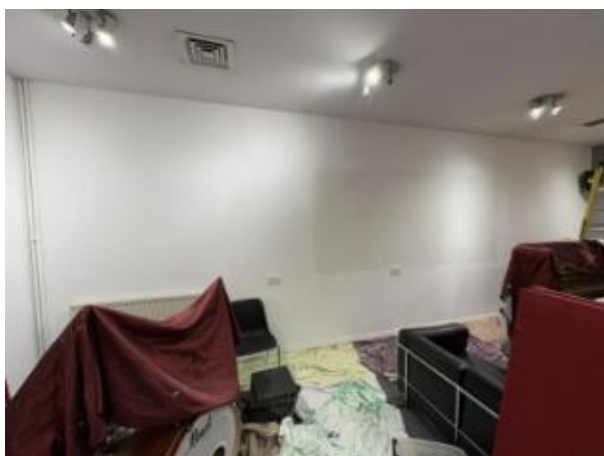
Space was needed to store assets that were to be sold, and fewer rooms were needed on a daily basis. Therefore, Room 7 was re-purposed as a storage room to collect up and store items that are listed on our assets website.

We also felt it would be a good use of space by making one of the rooms downstairs into a purpose built studio, where students and staff were able to come into a room, plug in, and hit record! Room 4 was selected – we painted, put up more acoustic panels, and changed the layout of the room.

We also wanted to make a 'content' space. Knowing the final year would bring more announcements needing to go out on socials relatively quickly, room 2 was converted into a designated area which was designed for quick capture, with ready-to-go equipment and resources.

Losing our meeting room meant we also changed the layout of room 1 which now doubles up as a meeting room and rehearsal space.

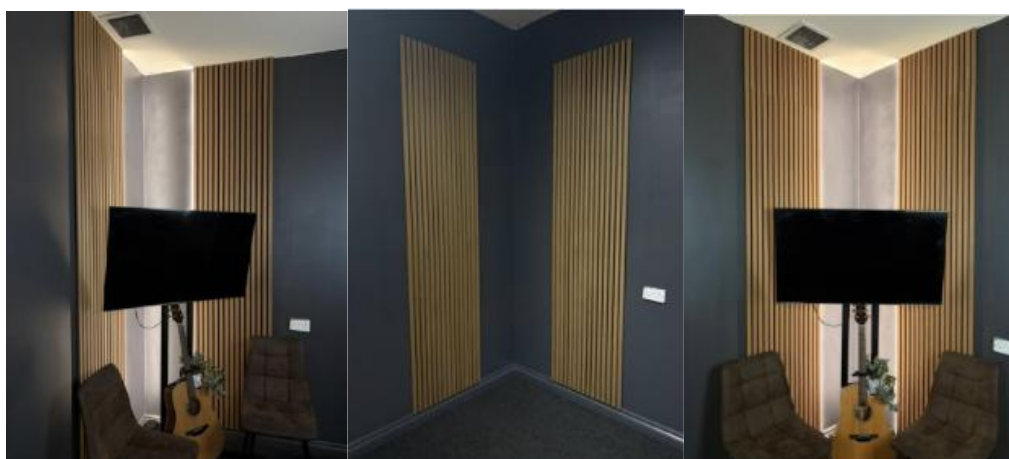
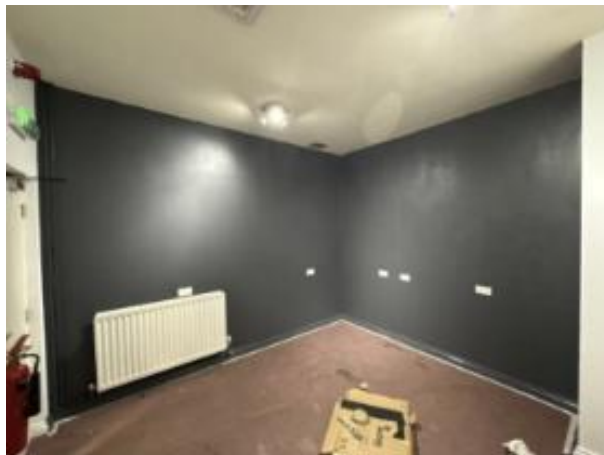
Room 4 – New Studio Space



NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES for the year ended 31 August 2025

Room 2 – New Content Space



FINANCIAL REVIEW

Reserves policy

In line with Charities Commission guidelines, Nexus ICA keep a minimum of 3 months operating costs in strategic reserve. Funds in excess of three months operating costs have been held to mitigate against delays in the receipt of student fees payment from The University of West London for Quarter 1 of the financial year where cash flow is historically at its lowest point. At 31 August 2025 general funds were £464,341 (2024: £538,637) and restricted funds were £5,072 (2024: £6,154).

Principal risks and uncertainties

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been implemented to mitigate those risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is a company limited by guarantee, incorporated on 16 August 2006, governed by its Memorandum and Articles of Association and became registered as a charity on 29 November 2007. The charity was formerly known as 'Nexus Trust' before officially changing its name to 'Nexus Institute of Creative Arts' on 19 February 2014.

NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES for the year ended 31 August 2025

Organisation and structure

The trustees who have served during the year and since the year end are shown on page 7. The trustees are appointed by the existing board of trustees and meet on a regular basis in order to oversee the work of the charity. The trustees delegate the day to day running of the organisation to a senior leadership team who are in turn responsible to the body of trustees. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Induction and training of new trustees

New trustees are appointed by the existing trustees. The trustees are given an introduction to the Charity and are given the guidance from the Charity Commission on the roles and responsibilities of trustees. All trustees are reminded to monitor the Charity Commission's website for any updates of these responsibilities on a regular basis.

Key management remuneration

Remuneration for key management personnel is set as part of the annual budget process with reference to benchmarking of pay and benefits for similar organisations.

Leadership - Notable Developments

Leadership have been consistent in communicating the message of 'completion not closure' to staff, students and wider supporters and friends of Nexus. This has enabled the start of a strong finish and represented a good framing for all activities. The Trustees continue to be grateful for their incredible on-the-ground leadership.

Staff have fed back that they felt consistently well-informed and well supported through the process, which is in line with Senior Leadership Team and Trustees desire that communication should be as transparent as possible. This felt very much in line with our policy and approach that has always been in place with staff, giving them maximum opportunity to make the right decision for their own employment and future decisions.

Health and Safety

Risk assessments, facility management, policies and protocols continue to be under constant review.

ACTIONS RELATED TO CLOSURE

Staffing

September 2024 started with reduced staffing and hours, but accompanied by a salary increase in line with the Higher Education Pay Spine of 2023/24. This was to match the shortfall created by ceasing recruitment.

Completed Sale of Astoria House

Trustees met in early September to formally accept the offer from the first buyer, however they later withdrew, so an offer was made to the 2nd interested party, Debre Eyesus Church, which was accepted. The sale was completed and a tenancy agreement reached in January of 2025. This tenancy agreement is enabling us to stay in Astoria House until closure, for which we are very grateful.

Disposal of Assets

A thorough review and documentation of our remaining assets was compiled to enable the proper sale or distribution of assets in these last 2 years. The asset register is being overseen by David Bertram and is being managed on the ground by the Site Manager.

Assets no longer required for operations are being made available for sale via social media channels and a link will be created on the Nexus ICA website.

Ongoing review of Redundancy arrangements

The Senior Leadership Team and the Trustees have been working together to make sure all aspects of redundancy are covered, including any actions or payments that may be needed after our August 31st closure date and final redundancy payment.

We continued to receive advice from our HR Consultant Peninsula with any ongoing questions regarding redundancy payments.

FUTURE PLANS

This year was our penultimate year, and we are heading towards our closure date of 31st August 2026. Our aim is to continue to offer education and training at a level that ensures success for our students; not primarily in grades achieved, but in the ability to leave with a strong sense of identity and hope for the future.

NEXUS INSTITUTE OF CREATIVE ART

**REPORT OF THE TRUSTEES
for the year ended 31 August 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05907385 (England and Wales)

Registered Charity number

1121751

Registered office

Astoria House
71 Albany Road
Coventry
West Midlands
CV5 6JR

Trustees

Kate Silber
David Bertram
Matthew Ling
Rachel Dekam

Auditors

HB&O Ltd
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Bankers

National Westminster Bank
24 Broadgate
Coventry
West Midlands
CV1 1NE

Advisers to the Board

Jane Moffat (Safeguarding)
Jenny Cavendish (Mental Health)

Senior Leadership Team

Matthew Cossey (Principal)
Matthew Donald (Assistant Principal)

NEXUS INSTITUTE OF CREATIVE ART

REPORT OF THE TRUSTEES for the year ended 31 August 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nexus Institute Of Creative Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 30 April 2026 and signed on its behalf by:



K S Silber - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Opinion

We have audited the financial statements of Nexus Institute Of Creative Arts (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its 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.

Basis for opinion

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Emphasis of matter

We draw attention to Note 2 to the financial statements which explains that the trustees intend to close the charitable company after the 2025/26 academic year and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 2. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
NEXUS INSTITUTE OF CREATIVE ARTS**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

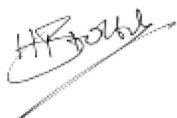
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiry of management to identify any instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of HB&O Ltd
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

30 April 2026

NEXUS INSTITUTE OF CREATIVE ARTS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	24,977	2,470	27,447	40,540
Charitable activities					
Tuition and performance	5	270,042	-	270,042	446,570
Investment income	4	-	53	53	105
Total		<u>295,019</u>	<u>2,523</u>	<u>297,542</u>	<u>487,215</u>
 EXPENDITURE ON					
Charitable activities					
Tuition and performance	6	<u>369,280</u>	<u>3,640</u>	<u>372,920</u>	<u>618,628</u>
 NET INCOME/(EXPENDITURE)					
Transfers between funds	21	<u>(74,261)</u> <u>(35)</u>	<u>(1,117)</u> <u>35</u>	<u>(75,378)</u> <u>-</u>	<u>(131,413)</u> <u>-</u>
Net movement in funds		(74,296)	(1,082)	(75,378)	(131,413)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>538,637</u>	<u>6,154</u>	<u>544,791</u>	<u>676,204</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>464,341</u></u>	<u><u>5,072</u></u>	<u><u>469,413</u></u>	<u><u>544,791</u></u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET
31 August 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	14	10,034	-	10,034	634,125
CURRENT ASSETS					
Stocks	15	3,717	-	3,717	-
Debtors	16	22,890	-	22,890	13,743
Cash at bank and in hand		<u>450,197</u>	<u>5,072</u>	<u>455,269</u>	<u>191,809</u>
		476,804	5,072	481,876	205,552
CREDITORS					
Amounts falling due within one year	17	<u>(22,497)</u>	-	<u>(22,497)</u>	<u>(145,576)</u>
NET CURRENT ASSETS		<u>454,307</u>	<u>5,072</u>	<u>459,379</u>	<u>59,976</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		464,341	5,072	469,413	694,101
CREDITORS					
Amounts falling due after more than one year	18	-	-	-	<u>(149,310)</u>
NET ASSETS		<u>464,341</u>	<u>5,072</u>	<u>469,413</u>	<u>544,791</u>
FUNDS					
Unrestricted funds	21			464,341	538,637
Restricted funds				<u>5,072</u>	<u>6,154</u>
TOTAL FUNDS				<u>469,413</u>	<u>544,791</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET - continued
31 August 2025

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 April 2026 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'K S Silber', written in a cursive style.

K S Silber - Trustee

NEXUS INSTITUTE OF CREATIVE ARTS

**CASH FLOW STATEMENT
for the year ended 31 August 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(229,565)	(87,818)
Interest paid		<u>(8,313)</u>	<u>(15,278)</u>
Net cash used in operating activities		<u>(237,878)</u>	<u>(103,096)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,257)	(7,870)
Sale of tangible fixed assets		779,350	4,195
Interest received		<u>53</u>	<u>105</u>
Net cash provided by/(used in) investing activities		<u>770,146</u>	<u>(3,570)</u>
Cash flows from financing activities			
New loans in year		-	100,000
Loan repayments in year		<u>(268,808)</u>	<u>(17,870)</u>
Net cash (used in)/provided by financing activities		<u>(268,808)</u>	<u>82,130</u>
		_____	_____
Change in cash and cash equivalents in the reporting period		263,460	(24,536)
Cash and cash equivalents at the beginning of the reporting period		<u>191,809</u>	<u>216,345</u>
Cash and cash equivalents at the end of the reporting period		<u>455,269</u>	<u>191,809</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2025**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(75,378)	(131,413)
Adjustments for:		
Depreciation charges	8,084	19,529
(Profit)/loss on disposal of fixed assets	(154,086)	1,003
Interest received	(53)	(105)
Interest paid	8,313	15,278
Increase in stocks	(3,717)	-
(Increase)/decrease in debtors	(9,147)	26,591
Decrease in creditors	<u>(3,581)</u>	<u>(18,701)</u>
Net cash used in operations	<u>(229,565)</u>	<u>(87,818)</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.9.24 £	Cash flow £	At 31.8.25 £
Net cash			
Cash at bank and in hand	<u>191,809</u>	<u>263,460</u>	<u>455,269</u>
	<u>191,809</u>	<u>263,460</u>	<u>455,269</u>
Debt			
Debts falling due within 1 year	(119,498)	119,498	-
Debts falling due after 1 year	<u>(149,310)</u>	<u>149,310</u>	<u>-</u>
	<u>(268,808)</u>	<u>268,808</u>	<u>-</u>
Total	<u>(76,999)</u>	<u>532,268</u>	<u>455,269</u>

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2025

1. GENERAL INFORMATION

Nexus Institute of Creative Arts is a company limited by guarantee and is incorporated in England. It is also a registered charity as regulated by the Charity Commission for England and Wales. The address of the registered office is given in the administrative information on page 7 of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In April 2024 the trustees took the decision to close the charity after the end of the 2025/26 academic year. Closure is planned less than 12 months from the date of the approval of these financial statements, consequently, the financial statements are not prepared on a going concern basis but instead a basis other than the going concern. Since all of the assets and liabilities are measured at their recoverable value, no adjustments were necessary to the valuation of net assets which are included in these financial statements. Sufficient funds are available to support the charitable activities until closure occurs. No provision has been made for the future costs of terminating the charity as such costs were not committed at the reporting date.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. Costs which contribute to more than one activity are apportioned on the basis of staff time incurred on each activity. Support costs which are not attributable to a single activity are apportioned between the activities being supported on the basis of staff time incurred on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- straight line over 50 years
Improvements to property	- 4% on cost
Equipment	- 25% on cost

Assets are capitalised when they cost £1,000 or more and have a useful life of more than one year.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025

2. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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 particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The charity is a company limited by guarantee, which was incorporated on 16 August 2006. The members of the company are the trustees named on page 7. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

3. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations and grants	27,447	36,266
Gift aid	-	4,274
	<u>27,447</u>	<u>40,540</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	<u>53</u>	<u>105</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

5. INCOME FROM CHARITABLE ACTIVITIES

		2025	2024
	Activity	£	£
Training fees	Tuition and performance	248,500	395,352
Merchandise and tuck sales	Tuition and performance	2,851	6,795
Hall and equipment hire	Tuition and performance	11,337	32,074
Events income	Tuition and performance	7,046	11,197
Other income	Tuition and performance	<u>308</u>	<u>1,152</u>
		<u>270,042</u>	<u>446,570</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Grant funding of activities (see note 8)	Support costs (see note 9)	Totals
	£	£	£	£
Tuition and performance	<u>275,902</u>	<u>3,640</u>	<u>93,378</u>	<u>372,920</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2025	2024
	£	£
Staff costs	171,499	179,947
Nexus giving and support	4,588	-
Sundries	2,918	3,953
Merchandise and tuck costs of sale	2,919	4,321
Equipment costs	2,857	-
Events	15,346	9,692
Training and activities	33,925	41,162
Validation fees	41,850	67,500
CAS number fees	-	75
	<u>275,902</u>	<u>306,650</u>

8. GRANTS PAYABLE

	2025	2024
	£	£
Tuition and performance	<u>3,640</u>	<u>2,750</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Tuition and performance	<u>217,364</u>	<u>(144,741)</u>	<u>20,755</u>	<u>93,378</u>

Support costs, included in the above, are as follows:

	2025 Tuition and performance £	2024 Total activities £
Administration salary costs	153,369	167,249
Social security	8,461	8,157
Pensions	4,413	4,103
Other operating leases	14,000	-
Water and rates	1,775	6,222
Insurance	4,819	5,103
Light and heat	6,305	15,462
Telephone	89	241
Printing, postage and stationery	292	907
Advertising	2,980	17,416
Bad debts	544	9,623
Child protection costs	144	615
Repairs, maintenance and security	10,119	13,628
Subscriptions	1,970	1,220
Depreciation of tangible fixed assets	8,084	19,529
Finance charges	1,032	1,274
(Profit)/loss on disposal of tangible fixed assets	(154,086)	1,003
Interest payable and similar charges	8,313	15,278
Auditors' remuneration	6,780	7,440
Legal fees	4,589	5,552
Accountancy fees	<u>9,386</u>	<u>9,206</u>
	<u>93,378</u>	<u>309,228</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025 £	2024 £
Auditors' remuneration	6,780	7,440
Depreciation - owned assets	8,084	19,529
Other operating leases	14,000	-
Surplus/(deficit) on disposal of fixed assets	<u>(154,086)</u>	<u>1,003</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

The key management personnel of the charity comprise the trustees and the senior leadership team. The total employee benefits of the key management personnel of the charity were £94,962 (2024: £83,054).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the year ended 31 August 2024.

12. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	311,659	335,755
Social security costs	17,499	15,746
Other pension costs	<u>8,584</u>	<u>7,955</u>
	<u><u>337,742</u></u>	<u><u>359,456</u></u>

The average monthly number of employees during the year was as follows:

	2025	2024
Training	5	8
Administration	<u>16</u>	<u>15</u>
	<u><u>21</u></u>	<u><u>23</u></u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	38,179	2,361	40,540
Charitable activities			
Tuition and performance	446,570	-	446,570
Investment income	<u>-</u>	<u>105</u>	<u>105</u>
Total	<u><u>484,749</u></u>	<u><u>2,466</u></u>	<u><u>487,215</u></u>
EXPENDITURE ON			
Charitable activities			
Tuition and performance	<u>615,878</u>	<u>2,750</u>	<u>618,628</u>
NET INCOME/(EXPENDITURE)	(131,129)	(284)	(131,413)

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

13.	COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted funds £	Restricted funds £	Total funds £
	RECONCILIATION OF FUNDS			
	Total funds brought forward	669,766	6,438	676,204
		<hr/>	<hr/>	<hr/>
	TOTAL FUNDS CARRIED FORWARD	<u>538,637</u>	<u>6,154</u>	<u>544,791</u>

14.	TANGIBLE FIXED ASSETS		Improvements to property		
		Freehold property £	£	Equipment £	Totals £
	COST				
	At 1 September 2024	650,000	127,859	32,628	810,487
	Additions	-	-	9,257	9,257
	Disposals	<u>(650,000)</u>	<u>(127,859)</u>	<u>(350)</u>	<u>(778,209)</u>
	At 31 August 2025	<hr/> -	<hr/> -	<hr/> 41,535	<hr/> 41,535
	DEPRECIATION				
	At 1 September 2024	91,000	55,558	29,804	176,362
	Charge for year	4,333	1,704	2,047	8,084
	Eliminated on disposal	<u>(95,333)</u>	<u>(57,262)</u>	<u>(350)</u>	<u>(152,945)</u>
	At 31 August 2025	<hr/> -	<hr/> -	<hr/> 31,501	<hr/> 31,501
	NET BOOK VALUE				
	At 31 August 2025	<hr/> -	<hr/> -	<hr/> 10,034	<hr/> 10,034
	At 31 August 2024	<u>559,000</u>	<u>72,301</u>	<u>2,824</u>	<u>634,125</u>

15.	STOCKS			
			2025	2024
			£	£
	Stocks		<u>3,717</u>	<u>-</u>

16.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
			2025	2024
			£	£
	Trade debtors		3,044	9,850
	Bad debt provision		(544)	(9,623)
	Other debtors		7,753	1,472
	Prepayments		<u>12,637</u>	<u>12,044</u>
			<u>22,890</u>	<u>13,743</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 19)	-	19,498
Other loans (see note 19)	-	100,000
Trade creditors	9,568	4,940
Other creditors	2,567	4,665
Accruals	10,362	8,473
Deferred income	-	8,000
	<u>22,497</u>	<u>145,576</u>

Deferred income comprises training and registration fees that have been received in advance of the forthcoming academic year:

	2025	2024
	£	£
Balance as at 1 September 2024	8,000	21,200
Amount released to income earned from charitable activities	(8,000)	(21,200)
Amount deferred in year	-	8,000
	<u>-</u>	<u>8,000</u>
Balance as at 31 August 2025	<u>-</u>	<u>8,000</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Bank loans (see note 19)	<u>-</u>	<u>149,310</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Bank loans	-	19,498
Other loans	<u>-</u>	<u>100,000</u>
	<u>-</u>	<u>119,498</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>20,425</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>55,974</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	-	72,911

Bank loans comprise a 2.5% p.a. Bounce Back loan repayable in July 2026 and a 5 year fixed rate 3.67% p.a. over Base Rate bank loan repayable in October 2032. The bank loans are secured by a first legal charge over the charity's freehold property. The bank loans were repaid in full in January 2025.

Other loans comprise an interest free loan repayable within one year. The loan was repaid in full in January 2025.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	26,329	5,329
Between one and five years	<u>4,441</u>	<u>9,769</u>
	<u>30,770</u>	<u>15,098</u>

21. MOVEMENT IN FUNDS

	At 1.9.24	Net movement in funds	Transfers between funds	At 31.8.25
	£	£	£	£
Unrestricted funds				
General fund	519,744	(73,161)	17,758	464,341
Property improvement grants	<u>18,893</u>	<u>(1,100)</u>	<u>(17,793)</u>	<u>-</u>
	538,637	(74,261)	(35)	464,341
Restricted funds				
Bursary fund	6,154	(1,117)	35	5,072
	<u>544,791</u>	<u>(75,378)</u>	<u>-</u>	<u>469,413</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	295,019	(368,180)	(73,161)
Property improvement grants	<u>-</u>	<u>(1,100)</u>	<u>(1,100)</u>
	295,019	(369,280)	(74,261)
Restricted funds			
Bursary fund	2,523	(3,640)	(1,117)
	<u>297,542</u>	<u>(372,920)</u>	<u>(75,378)</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	647,573	(127,829)	519,744
Property improvement grants	<u>22,193</u>	<u>(3,300)</u>	<u>18,893</u>
	669,766	(131,129)	538,637
Restricted funds			
Bursary fund	6,438	(284)	6,154
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>676,204</u></u>	<u><u>(131,413)</u></u>	<u><u>544,791</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	484,749	(612,578)	(127,829)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	484,749	(615,878)	(131,129)
Restricted funds			
Bursary fund	2,466	(2,750)	(284)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>487,215</u></u>	<u><u>(618,628)</u></u>	<u><u>(131,413)</u></u>

The general fund represents the free funds which are not designated for particular purposes.

The property improvement grants fund represents monies set aside by the trustees in recognition of grants received to assist in financing the rebuilding of the front steps and the new heating and air conditioning installations. The improvement costs were capitalised and included within tangible fixed assets.

The bursary fund has been set up to aid students in financial difficulty.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2025**

22. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due to the scheme and amounted to £8,584 (2024: £7,995).

Included within creditors is a balance due to pension providers of £1,647 (2024: £1,624) representing contributions owed to the fund.

23. RELATED PARTY DISCLOSURES

Several trustees, and members of the senior management team, are regular supporters of the charity's activities. The regular donations made are less than £1,200 per contributor.

During the year fees were paid to D Silber, spouse of K S Silber, totalling £954 (2024: £8,820).

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2025**

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and grants	27,447	36,266
Gift aid	<u>-</u>	<u>4,274</u>
	27,447	40,540
Investment income		
Deposit account interest	53	105
Charitable activities		
Training fees	248,500	395,352
Merchandise and tuck sales	2,851	6,795
Hall and equipment hire	11,337	32,074
Events income	7,046	11,197
Other income	<u>308</u>	<u>1,152</u>
	<u>270,042</u>	<u>446,570</u>
Total incoming resources	297,542	487,215
EXPENDITURE		
Charitable activities		
Salaries - training	158,290	168,506
Social security	9,038	7,589
Pensions	4,171	3,852
Nexus giving and support	4,588	-
Sundries	2,918	3,953
Merchandise and tuck costs of sale	2,919	4,321
Equipment costs	2,857	-
Events	15,346	9,692
Training and activities	33,925	41,162
Validation fees	41,850	67,500
CAS number fees	-	75
Grants to individuals	<u>3,640</u>	<u>2,750</u>
	279,542	309,400
Support costs		
Management		
Administration salary costs	153,369	167,249
Social security	8,461	8,157
Pensions	4,413	4,103
Other operating leases	14,000	-
Water and rates	1,775	6,222
Insurance	4,819	5,103
Carried forward	186,837	190,834

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2025**

	2025	2024
	£	£
Management		
Brought forward	186,837	190,834
Light and heat	6,305	15,462
Telephone	89	241
Printing, postage and stationery	292	907
Advertising	2,980	17,416
Bad debts	544	9,623
Child protection costs	144	615
Repairs, maintenance and security	10,119	13,628
Subscriptions	1,970	1,220
Depreciation of tangible fixed assets	8,084	19,529
	217,364	269,475
Finance		
Finance charges	1,032	1,274
(Profit)/loss on disposal of tangible fixed assets	(154,086)	1,003
Bank loan interest	8,313	15,278
	(144,741)	17,555
Governance costs		
Auditors' remuneration	6,780	7,440
Legal fees	4,589	5,552
Accountancy fees	9,386	9,206
	20,755	22,198
Total resources expended	372,920	618,628
Net expenditure	(75,378)	(131,413)

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Accounts

REGISTERED COMPANY NUMBER: 05907385 (England and Wales)
REGISTERED CHARITY NUMBER: 1121751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024
FOR
NEXUS INSTITUTE OF CREATIVE ARTS**

HB&O Ltd
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2024**

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 25
Detailed Statement of Financial Activities	26 to 27

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Vision and Objectives

To be Europe's leading Christian institute for vocational arts and technology training.

Nexus is called to be a premier, global Christian institute known for the integration of faith, discipleship and vocational training in the service of God's people, His Church and society.

Our Mission

Through excellent training programs and comprehensive discipleship, Nexus leads Christian musicians and technicians from diverse background into an understanding of the full gospel of Jesus Christ; builds spiritual and musical foundations into individuals, essential for realising their full potential in life; and releases students into active participation in the building of God's Kingdom across the whole Earth.

Public Benefit

The trustees of the charity have had due regard to the Charity Commission guidance concerning public benefit.

DECISION TO CLOSE

As previously reported, the financial pressures of continuing to run a high-quality offering with increasingly small student numbers is proving to be challenging. As trustees we are committed to finding a way forward that will enable high-quality provision or not at all. High quality for us is equal as much to contact hours with students as it is to curriculum, thus making staff cutbacks a possibility but not a straightforward one. As we looked at the figures for the upcoming year, including projected student numbers, it was easy to see the downturn in uptake of student places and of applicants in general. Approaching this as always with faith, we scoured not only the numbers but also the possibilities of:

- continued fundraising to cover our shortfall
- gifts and grants available to us from Trusts, connected individuals and charities
- restructure, including:
 - (i) the re-creation of a smaller offering that nonetheless enabled a degree education
 - (ii) the re-creation of a smaller offering outside of Higher Education, essentially returning to a 'year-out' programme
 - (iii) selling the building to provide capital and relocating to a suitable, rented venue
- prophetic words spoken to Nexus over the entire period of its existence
- the health and wellbeing of staff and trustees as we looked forward to a deficit year
- God's preferred way forward and the best overall response from us as a governance team.

The result of those considerations led us to make the decision to bring Nexus ICA to a close.

Overview of Timeline

January 2024

Trustees and SLT meet to begin the process of final decisions about the future of Nexus ICA. All of the above elements were considered, including an ongoing application for a grant from Imagine the Day.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

DECISION TO CLOSE (continued)

February 2024

The trustees and SLT meet and make a decision to close. No staff, stakeholders or students are informed at this point due to the first consideration being informing and taking advice from our validating University, University of West London.

We recognised the need to move swiftly on contacting the relevant people and bodies due to our decision essentially meaning that recruitment for September 2024 was no longer viable.

Nexus building valued by Holt Commercial.

First look at redundancies including cost, implication and legal obligations.

March 2024

Trustees continue to meet with each other and the SLT for prayer and discussion throughout the month.

12th March 2024 – UWL informed of our decision and their advice and comments sought. A face to face was set for Thursday 28th March in London.

19th March 2024 – staff meeting held where staff were brought into the current thinking of SLT and trustees, and the upcoming meeting with UWL. Costings and financial implications.

28th March 2024 - meeting held with UWL in London. An option was presented to us of a 'UWL take over' in order for Nexus to continue. Decision to reject the offer from UWL and proceed with closure was formalised at the Trustees Meeting 28th March 2024. Sections from the minutes of the meeting follow:

After careful consideration, detailed discussion and fervent prayer the Board of Trustees have made the decision to close Nexus Institute of Creative Arts.

At the start of 2024, the Senior Leadership Team presented a financial overview and projection into 2024/25 based on the current number of students and our projected intake for 2024/25. Looking at these figures it became clear that Nexus would be financially unsustainable, even if recent fundraising applications and future fundraising efforts were to return a positive result.

While much work needs to be done in the coming days and weeks, our resolution on this day is that we agree that Nexus Institute of Creative Arts is no longer financially viable and so we commit to engaging in the necessary processes to bring it to a close.

We acknowledge that the trustees are legally responsible for overseeing this process as custodians of this resource and as such would like to remain in close contact with the SLT regarding any decisions, communications or actions to be taken in regard to plans for the future. The trustees also acknowledged their part in supporting and upholding the SLT and staff and agreed to work and help to see this process through.

Advice sought from our HR Partner Peninsula regarding redundancies.

Date set to inform students and stakeholders (29th April 2024) and preparations made for instant sharing across our communication channels.

Closure Timeline of Actions

March 2024

Decision to close formalised

University of West London informed

Advice sought from Peninsula our HR partners

Trustees engage in research of legal requirements from the Charity Commission and Companies House

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

DECISION TO CLOSE (continued)

April 2024

Students and stakeholders informed of closure
Social media announcements made
Building listed for sale with Holt Commercial
Trustees and SLT explore private buyer options
Solicitor appointed

August 2024

A buyer makes an offer on the building and Heads of Terms are drawn up

September 2024

Trustees meet early September to formally accept the offer
The buyer withdraws his offer in late September
Offer made from Nexus to 2nd interested party who accept.

ACHIEVEMENT AND PERFORMANCE

Student Numbers for 2023/24

In 2023/24 there were 51 students across three programmes of study, a drop from last year's numbers (72).

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	14	7	3	4
Level 5	20	17	2	1
Level 6	17	13	-	4

Progression/Continuation

In total we had 3 withdrawals/deferrals, 1 from level 4, 1 from level 5 and 1 from level 6. Of the 4 students originally enrolled on the one-year Cert HE, 2 converted to the full degree and progressed to level 5.

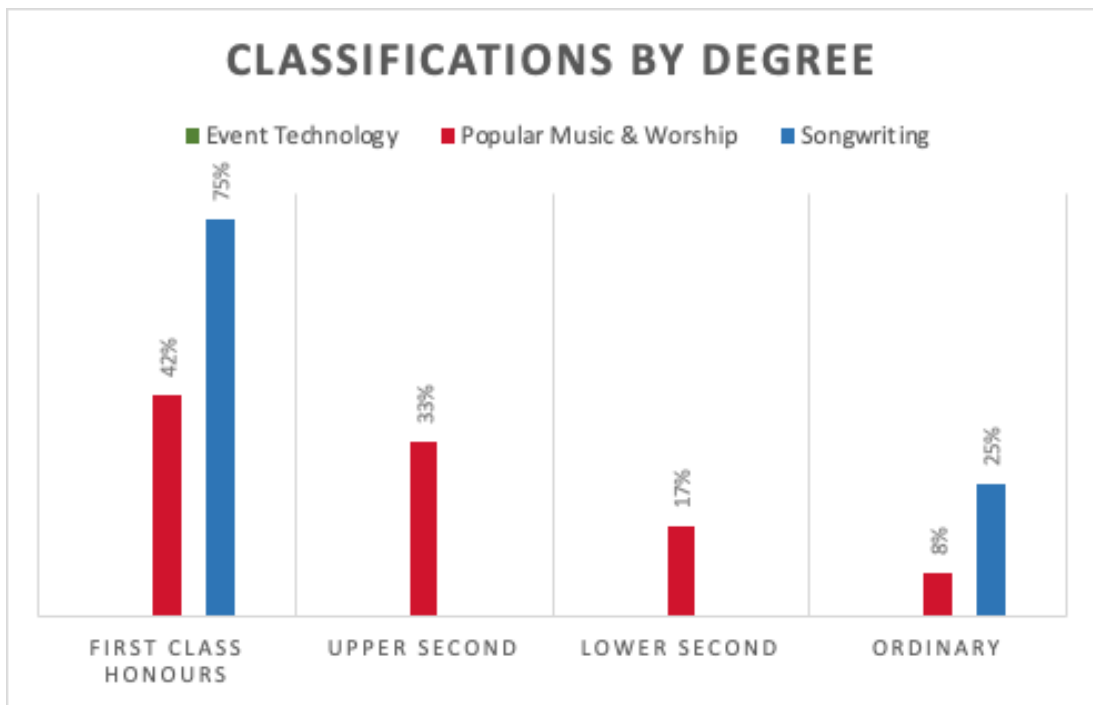
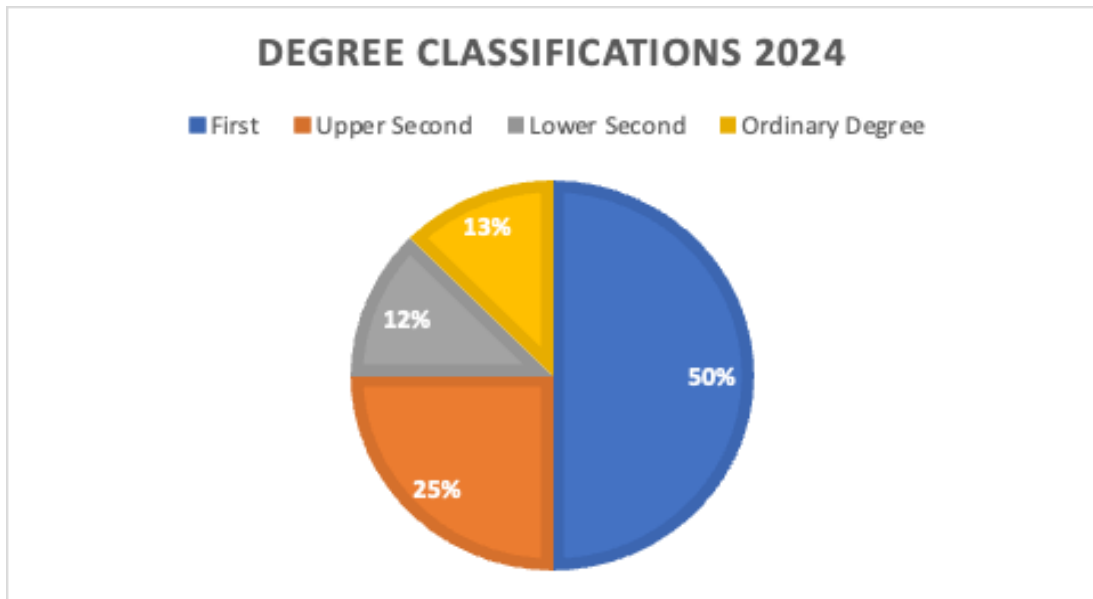
	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	12	5	3	4
Level 5	19	17	1	1

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES
for the year ended 31 August 2024

ACHIEVEMENT AND PERFORMANCE (continued)

Student Attainment



Recruitment

Since the decision was made to close Nexus ICA, recruitment for Level 4 entry in 2024 was also closed. Applicants and interested parties were notified and we spent some time answering the queries or worries of those who had hoped to come.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES
for the year ended 31 August 2024

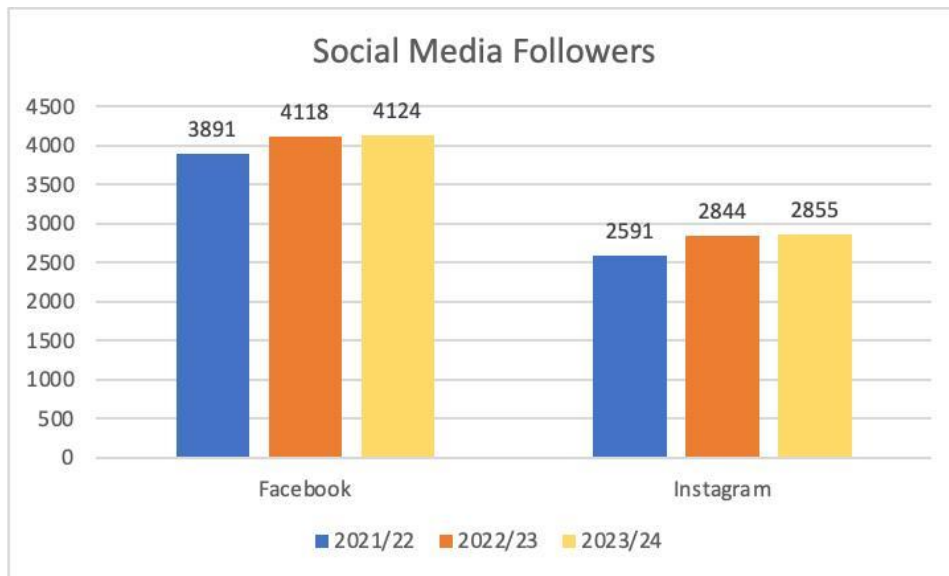
ACHIEVEMENT AND PERFORMANCE (continued)

Communications

Social media followers

The figures below are as of August in each academic year.

	2023/24	2022/23	Growth
Facebook	4,124	4,118	0.1% increase
Instagram	2,855	2,844	0.4% increase



NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

ACHIEVEMENT AND PERFORMANCE (continued)

Student Experience

Student experience in the latter half of the 2023/24 year has been targeted to ensure stability in a phase of completion. This included a small grant for Ukrainian students studying with us which was set up from money given to Nexus ICA specifically for that purpose. In addition a new 'Cost of Living' Grant was set up to help students whose personal finances represented hardship that was making it difficult for them to continue to study. Money given from friends and partners of Nexus ICA was specifically set apart for this purpose. Students apply in a similar way to the Hardship Fund at our validating University and the trustees make the final decision on allocation.

Fundraising and Additional Streams of Income

Rag Week

Rag Week was largely very successful, with around 70% of the student body involved.

We completed a 100km walk down the east coast of England (Norfolk and Suffolk) and raised £4,588.30 for Betel UK.

Staff and student moral was high for the whole week and the community dynamic was strong, helping to lead us into the year that was to follow.

Fundraising has continued to be a struggle, with factors such as the cost of living crisis, reduction in charity giving, lower student numbers and reduced capacity due to work all contributing. Despite this the amount raised for Betel was significant enough to make a difference to the charity.



NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

Fees

Fees were increased to £8,000 for 1st year students and remained at £7,500 for 2nd and 3rd year students.

Staff And Student Development

While no outside CPD was undertaken by staff, the SLT reported that due to the closure announcement there was a significant process of upskilling and growing in areas relating to HR in order to navigate redundancy processes and lead the staff through a period of change.

Creative Arts

Nexus Christmas and End of Year Shows

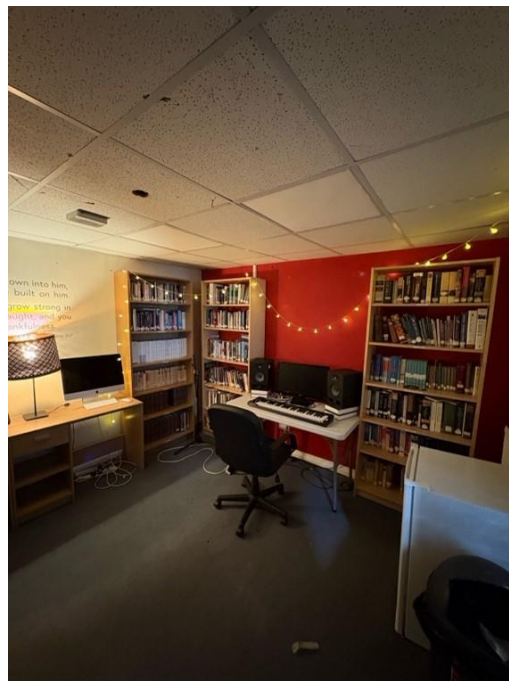
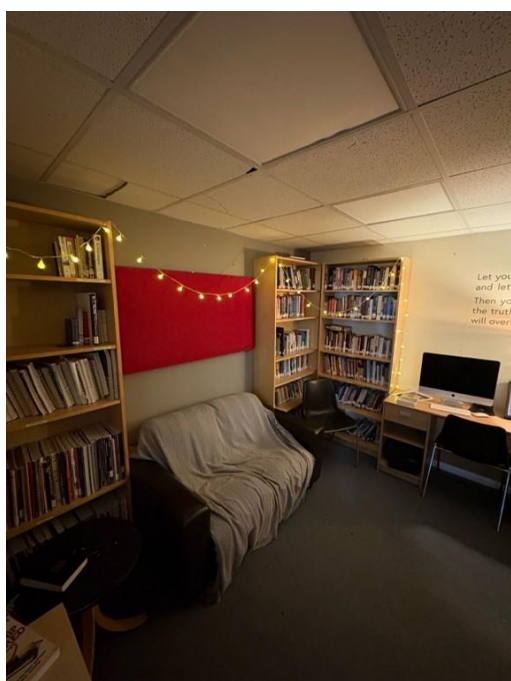
The Christmas Show of 2023 was a gospel showcase of cover and original festive songs. A lively performance which enabled strong participation across the student body.

End of Year Show 2024 showcased the work and effort that had taken place during the year, with participation from both staff and students.

Friday Nights In continued as a student-led monthly evening featuring local musicians and students.

Updates to Facility

With the lower number of students, there was less of a strain on use of the library, but due to the desire to be writing and making more music as an institute, we saw the need for another studio space. Therefore, we made space in the library to have a desk with speakers and an interface, alongside a sofa to give it a studio feel for the students.



In addition:

- New chairs were sourced for the reception area
- Godiva Build supported with upgrades to systems:
 - Remodelling of pipes underneath the staff kitchen sinks; separation of single waste pipe to two in order to help with waste flow.
 - Repair and remodelling of pipe work to one of the downstairs toilets.
 - A skip was hired for a proportion of the summer break in 2024 to begin the process of clearing out the building.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

FINANCIAL REVIEW

Reserves policy

In line with Charities Commission guidelines, Nexus ICA keep a minimum of 3 months operating costs in strategic reserve. Funds in excess of three months operating costs have been held to mitigate against delays in the receipt of student fees payment from The University of West London for Quarter 1 of the financial year where cash flow is historically at its lowest point. At 31 August 2024 general funds were £538,637 (2023: £669,766) and restricted funds were £6,154 (2023: £6,438).

Principal risks and uncertainties

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been implemented to mitigate those risks.

General considerations of risk and student numbers:

The main risk to sustainability is student numbers not hitting target or a number of students dropping out. The risk analysis factors in a 10% shortfall in student recruitment year on year plus a small percentage of students who leave the course early. It also includes a consideration for bad debt.

This can be mitigated by monitoring student numbers and staying on target with business plans to ensure targets are hit. The recruitment process involves reporting back on levels of applications, interviews and acceptances throughout the year as well as tracking it in relation to previous years.

As part of the management process, reports are prepared and presented to the Board ahead of each meeting throughout the year where adherence to the budget is monitored. These reports include historical data as well as forward cash flow projections which enable the board to make decisions on expenditure and, where necessary, instruct revised budgets to be drawn up.

Insufficient fund raising

After staffing costs, the biggest expenditures are facilities upgrades and updates. The Board's Fundraising Strategy addresses the need to raise funds for such expenditure; however the Board reserve the right to recommend a delay in facilities expenditure except where necessary upgrades or repair are unavoidable.

If CAS allocation is withdrawn or Tier 4 license revoked

Currently, levels of international students are low enough not to impact the budget in an unmanageable way should Tier 4 be removed. Since Nexus ICA is a franchised partner of UWL, the students are UWL students and transfer onto a UWL course would be available within the 60-day time frame. This is low risk because we have successfully operated our license for several years. The small number of international students' currently attending means the impact is relatively low and investment decisions can be deferred.

In the event of other business interruptions or financial difficulties

As part of the provision within the franchise agreement, UWL receives the fees from the Student Loan Company. Since 50% of fees are not paid out till May of the academic year it allows them to make provision for continuation should Nexus ICA cease trading for any reason. UWL would then deliver the course from London or transfer students onto one of their other courses. Nexus ICA's insurance policy also includes Business Interruption cover in the event of Force Majeure.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

FUTURE PLANS

Having made the decision to enter this final phase of completion, we are choosing to remain diligent to the end. With the few students that will see out this phase, our commitment to excellent education and student support now needs to double to ensure that we do not simply fade away.

Opportunities for reflection have already presented themselves and will no doubt continue and increase as this completion era comes to a climax. Energy is being put into recording significant events of the past and ensuring that the legacy of Nexus ICA will continue through its Alumni and current students. Although our future contains the closure of Nexus ICA, our strength will not fade.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is a company limited by guarantee, incorporated on 16 August 2006, governed by its Memorandum and Articles of Association and became registered as a charity on 29 November 2007. The charity was formerly known as 'Nexus Trust' before officially changing its name to 'Nexus Institute of Creative Arts' on 19 February 2014.

Organisation and structure

The trustees who have served during the year and since the year end are shown on page 7. The trustees are appointed by the existing board of trustees and meet on a regular basis in order to oversee the work of the charity. The trustees delegate the day to day running of the organisation to a senior leadership team who are in turn responsible to the body of trustees. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Our Board continues to work together to achieve the desired outcome of a strong and healthy Christian community in Nexus ICA. We continued to meet regularly outside of the structured trustees required meetings. We make full use of Teams as a communications channel, including being able to connect with the Senior Leadership Team easily and quickly. This year has seen us making some weighty decisions about the future of Nexus so we have been diligent in communication, calling extra meetings when required. Aside from formal meetings, we have been meeting to pray, using Teams and Teams videos as a method for quick communication or urgent decisions and have upgraded our connection with the SLT. This has all helped to provide a secure and smooth transition into the next phase.

Induction and training of new trustees

New trustees are appointed by the existing trustees. The trustees are given an introduction to the Charity and are given the guidance from the Charity Commission on the roles and responsibilities of trustees. All trustees are reminded to monitor the Charity Commission's website for any updates of these responsibilities on a regular basis.

Key management remuneration

Remuneration for key management personnel is set as part of the annual budget process with reference to benchmarking of pay and benefits for similar organisations.

Leadership - Notable Developments

The Senior Leadership Team have done a fantastic job of leading Nexus through what could have been a very unsettling time. Every detail has been covered and communicated well to the trustees. They have maintained a strong and supportive environment with staff and students, and been available for questions and discussion.

Health and Safety

Risk assessments, facility management, policies and protocols continue to be under constant review.

NEXUS INSTITUTE OF CREATIVE ARTS

**REPORT OF THE TRUSTEES
for the year ended 31 August 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05907385 (England and Wales)

Registered Charity number

1121751

Registered office

Astoria House
71 Albany Road
Coventry
West Midlands
CV5 6JR

Trustees

Kate Silber (Executive Chair)
David Bertram
Matthew Ling
Rachel Dekam

Auditors

HB&O Ltd
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Bankers

National Westminster Bank
118 Walsgrave Road
Coventry
West Midlands
CV3 4ZZ

Advisers to the Board

Jane Moffat (Safeguarding)
Jenny Cavendish (Mental Health)

Senior Leadership Team

Matthew Cossey (Principal)
Matthew Donald (Assistant Principal)

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2024

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nexus Institute Of Creative Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 6 May 2025 and signed on its behalf by:



K S Silber - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Opinion

We have audited the financial statements of Nexus Institute Of Creative Arts (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its 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.

Basis for opinion

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
NEXUS INSTITUTE OF CREATIVE ARTS**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

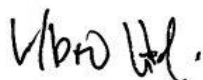
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiry of management to identify any instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of HB&O Ltd
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

6 May 2025

NEXUS INSTITUTE OF CREATIVE ARTS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	38,179	2,361	40,540	96,248
Charitable activities					
Tuition and performance	5	446,570	-	446,570	528,878
Investment income	4	-	105	105	74
Total		<u>484,749</u>	<u>2,466</u>	<u>487,215</u>	<u>625,200</u>
 EXPENDITURE ON					
Charitable activities					
Tuition and performance	6	<u>615,878</u>	<u>2,750</u>	<u>618,628</u>	<u>637,261</u>
NET INCOME/(EXPENDITURE)		(131,129)	(284)	(131,413)	(12,061)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>669,766</u>	<u>6,438</u>	<u>676,204</u>	<u>688,265</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>538,637</u></u>	<u><u>6,154</u></u>	<u><u>544,791</u></u>	<u><u>676,204</u></u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET
31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	14	634,125	-	634,125	650,982
CURRENT ASSETS					
Debtors	15	13,743	-	13,743	40,334
Cash at bank and in hand		<u>185,655</u>	<u>6,154</u>	<u>191,809</u>	<u>216,345</u>
		199,398	6,154	205,552	256,679
CREDITORS					
Amounts falling due within one year	16	<u>(145,576)</u>	-	<u>(145,576)</u>	<u>(62,810)</u>
NET CURRENT ASSETS		<u>53,822</u>	<u>6,154</u>	<u>59,976</u>	<u>193,869</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		687,947	6,154	694,101	844,851
CREDITORS					
Amounts falling due after more than one year	17	<u>(149,310)</u>	-	<u>(149,310)</u>	<u>(168,647)</u>
NET ASSETS		<u><u>538,637</u></u>	<u><u>6,154</u></u>	<u><u>544,791</u></u>	<u><u>676,204</u></u>
FUNDS					
Unrestricted funds	20			538,637	669,766
Restricted funds				<u>6,154</u>	<u>6,438</u>
TOTAL FUNDS				<u><u>544,791</u></u>	<u><u>676,204</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET - continued
31 August 2024

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6 May 2025 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'K S Silber', written in a cursive style.

K S Silber - Trustee

NEXUS INSTITUTE OF CREATIVE ARTS

**CASH FLOW STATEMENT
for the year ended 31 August 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(87,818)	11,305
Interest paid		<u>(15,278)</u>	<u>(12,061)</u>
Net cash used in operating activities		<u>(103,096)</u>	<u>(756)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(7,870)	-
Sale of tangible fixed assets		4,195	5,647
Interest received		<u>105</u>	<u>74</u>
Net cash (used in)/provided by investing activities		<u>(3,570)</u>	<u>5,721</u>
Cash flows from financing activities			
New loans in year		100,000	-
Loan repayments in year		<u>(17,870)</u>	<u>(19,170)</u>
Net cash provided by/(used in) financing activities		<u>82,130</u>	<u>(19,170)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		(24,536)	(14,205)
Cash and cash equivalents at the beginning of the reporting period		<u>216,345</u>	<u>230,550</u>
Cash and cash equivalents at the end of the reporting period		<u>191,809</u>	<u>216,345</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2024**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(131,413)	(12,061)
Adjustments for:		
Depreciation charges	19,529	19,501
Loss/(profit) on disposal of fixed assets	1,003	(5,647)
Interest received	(105)	(74)
Interest paid	15,278	12,061
Decrease in debtors	26,591	35,678
Decrease in creditors	<u>(18,701)</u>	<u>(38,153)</u>
Net cash (used in)/provided by operations	<u>(87,818)</u>	<u>11,305</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.9.23 £	Cash flow £	At 31.8.24 £
Net cash			
Cash at bank and in hand	<u>216,345</u>	<u>(24,536)</u>	<u>191,809</u>
	<u>216,345</u>	<u>(24,536)</u>	<u>191,809</u>
Debt			
Debts falling due within 1 year	(18,032)	(101,466)	(119,498)
Debts falling due after 1 year	<u>(168,647)</u>	<u>19,337</u>	<u>(149,310)</u>
	<u>(186,679)</u>	<u>(82,129)</u>	<u>(268,808)</u>
Total	<u>29,666</u>	<u>(106,665)</u>	<u>(76,999)</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. GENERAL INFORMATION

Nexus Institute of Creative Arts is a company limited by guarantee and is incorporated in England. It is also a registered charity as regulated by the Charity Commission for England and Wales. The address of the registered office is given in the administrative information on page 7 of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In March 2024 the trustees took the decision to close the charity after the end of the 2025/26 academic year. The charity will not recruit any new first year students, however it will remain fully operational until the end of the 2025/26 academic year to complete the education of the current students.

The trustees believe that the charity can meet its liabilities as they fall due and the charity shall remain a going concern. As such the financial statements have been prepared on this basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. Costs which contribute to more than one activity are apportioned on the basis of staff time incurred on each activity. Support costs which are not attributable to a single activity are apportioned between the activities being supported on the basis of staff time incurred on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- straight line over 50 years
Improvements to property	- 4% on cost
Equipment	- 25% on cost

Assets are capitalised when they cost £1,000 or more and have a useful life of more than one year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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 particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The charity is a company limited by guarantee, which was incorporated on 16 August 2006. The members of the company are the trustees named on page 7. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations and grants	36,266	87,629
Gift aid	<u>4,274</u>	<u>8,619</u>
	<u>40,540</u>	<u>96,248</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>105</u>	<u>74</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2024	2023
	Activity	£	£
Training fees	Tuition and performance	395,352	479,177
Merchandise and tuck sales	Tuition and performance	6,795	1,600
Hall and equipment hire	Tuition and performance	32,074	31,860
Events income	Tuition and performance	11,197	8,622
Other income	Tuition and performance	<u>1,152</u>	<u>7,619</u>
		<u>446,570</u>	<u>528,878</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Tuition and performance	<u>306,650</u>	<u>2,750</u>	<u>309,228</u>	<u>618,628</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024 £	2023 £
Staff costs	179,947	180,929
Sundries	3,953	1,457
Merchandise and tuck costs of sale	4,321	1,250
Equipment costs	-	3,197
Events	9,692	10,157
Training and activities	41,162	39,815
Validation fees	67,500	90,000
CAS number fees	75	84
	<u>306,650</u>	<u>326,889</u>

8. GRANTS PAYABLE

	2024 £	2023 £
Tuition and performance	<u>2,750</u>	<u>1,500</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Tuition and performance	<u>269,475</u>	<u>17,555</u>	<u>22,198</u>	<u>309,228</u>

Support costs, included in the above, are as follows:

	2024 Tuition and performance £	2023 Total activities £
Administration salary costs	167,249	180,685
Social security	8,157	8,446
Pensions	4,103	3,825
Water and rates	6,222	7,493
Insurance	5,103	4,949
Light and heat	15,462	14,383
Telephone	241	787
Printing, postage and stationery	907	326
Advertising	17,416	21,441
Bad debts	9,623	-
Carried forward	<u>234,483</u>	<u>242,335</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

9. SUPPORT COSTS - continued

	2024	2023
	Tuition and performance £	Total activities £
Brought forward	234,483	242,335
Child protection costs	615	497
Repairs, maintenance and security	13,628	15,325
Subscriptions	1,220	1,943
Depreciation of tangible fixed assets	19,529	19,501
Finance charges	1,274	1,924
Loss/(profit) on disposal of tangible fixed assets	1,003	(5,647)
Interest payable and similar charges	15,278	12,061
Auditors' remuneration	7,440	6,240
Legal fees	5,552	5,487
Accountancy fees	<u>9,206</u>	<u>9,206</u>
	<u>309,228</u>	<u>308,872</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Auditors' remuneration	7,440	6,240
Depreciation - owned assets	19,529	19,501
(Deficit)/surplus on disposal of fixed assets	<u>1,003</u>	<u>(5,647)</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

The key management personnel of the charity comprise the trustees and the senior leadership team. The total employee benefits of the key management personnel of the charity were £83,054 (2023: £78,663).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

12. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	335,755	348,417
Social security costs	15,746	17,473
Other pension costs	7,955	7,995
	<u>359,456</u>	<u>373,885</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Training	8	9
Administration	15	16
	<u>23</u>	<u>25</u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	80,500	15,748	96,248
Charitable activities			
Tuition and performance	528,878	-	528,878
Investment income	-	74	74
Total	<u>609,378</u>	<u>15,822</u>	<u>625,200</u>
EXPENDITURE ON			
Charitable activities			
Tuition and performance	<u>624,561</u>	<u>12,700</u>	<u>637,261</u>
NET INCOME/(EXPENDITURE)	(15,183)	3,122	(12,061)
Transfers between funds	<u>(630)</u>	<u>630</u>	<u>-</u>
Net movement in funds	(15,813)	3,752	(12,061)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>685,579</u>	<u>2,686</u>	<u>688,265</u>
TOTAL FUNDS CARRIED FORWARD	<u>669,766</u>	<u>6,438</u>	<u>676,204</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £	Totals £
COST				
At 1 September 2023	650,000	128,514	55,035	833,549
Additions	-	-	7,870	7,870
Disposals	-	(655)	(30,277)	(30,932)
At 31 August 2024	<u>650,000</u>	<u>127,859</u>	<u>32,628</u>	<u>810,487</u>
DEPRECIATION				
At 1 September 2023	78,000	50,544	54,023	182,567
Charge for year	13,000	5,114	1,415	19,529
Eliminated on disposal	-	(100)	(25,634)	(25,734)
At 31 August 2024	<u>91,000</u>	<u>55,558</u>	<u>29,804</u>	<u>176,362</u>
NET BOOK VALUE				
At 31 August 2024	<u>559,000</u>	<u>72,301</u>	<u>2,824</u>	<u>634,125</u>
At 31 August 2023	<u>572,000</u>	<u>77,970</u>	<u>1,012</u>	<u>650,982</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	9,850	22,627
Bad debt provision	(9,623)	-
Other debtors	1,472	5,679
Prepayments	<u>12,044</u>	<u>12,028</u>
	<u>13,743</u>	<u>40,334</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 18)	19,498	18,032
Other loans (see note 18)	100,000	-
Trade creditors	4,940	7,229
Social security and other taxes	-	4,648
Other creditors	4,665	3,886
Accruals	8,473	7,815
Deferred income	<u>8,000</u>	<u>21,200</u>
	<u>145,576</u>	<u>62,810</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

	2024	2023
	£	£
Deferred income comprises training and registration fees that have been received in advance of the forthcoming academic year:		
Balance as at 1 September 2023	21,200	39,750
Amount released to income earned from charitable activities	(21,200)	(39,750)
Amount deferred in year	<u>8,000</u>	<u>21,200</u>
	<u><u>8,000</u></u>	<u><u>21,200</u></u>
Balance as at 31 August 2024		

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 18)	<u>149,310</u>	<u>168,647</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	19,498	18,032
Other loans	<u>100,000</u>	-
	<u><u>119,498</u></u>	<u><u>18,032</u></u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>20,425</u>	<u>19,369</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>55,974</u>	<u>55,860</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	72,911	93,418

Bank loans comprise a 2.5% p.a. Bounce Back loan repayable in July 2026 and a 5 year fixed rate 3.67% p.a. over Base Rate bank loan repayable in October 2032.

The bank loan is secured by a first legal charge over the charity's freehold property.

Other loans comprise an interest free loan repayable in the next academic year.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	5,329	3,984
Between one and five years	<u>9,769</u>	<u>-</u>
	<u>15,098</u>	<u>3,984</u>

20. MOVEMENT IN FUNDS

	At 1.9.23	Net movement in funds	At 31.8.24
	£	£	£
Unrestricted funds			
General fund	647,573	(127,829)	519,744
Property improvement grants	<u>22,193</u>	<u>(3,300)</u>	<u>18,893</u>
	669,766	(131,129)	538,637
Restricted funds			
Bursary fund	6,438	(284)	6,154
	<u>676,204</u>	<u>(131,413)</u>	<u>544,791</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	484,749	(612,578)	(127,829)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	484,749	(615,878)	(131,129)
Restricted funds			
Bursary fund	2,466	(2,750)	(284)
	<u>487,215</u>	<u>(618,628)</u>	<u>(131,413)</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	660,086	(11,883)	(630)	647,573
Property improvement grants	<u>25,493</u>	<u>(3,300)</u>	<u>-</u>	<u>22,193</u>
	685,579	(15,183)	(630)	669,766
Restricted funds				
Building fund	1,200	(1,200)	-	-
Bursary fund	<u>1,486</u>	<u>4,322</u>	<u>630</u>	<u>6,438</u>
	<u>2,686</u>	<u>3,122</u>	<u>630</u>	<u>6,438</u>
TOTAL FUNDS	<u><u>688,265</u></u>	<u><u>(12,061)</u></u>	<u><u>-</u></u>	<u><u>676,204</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	609,378	(621,261)	(11,883)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	609,378	(624,561)	(15,183)
Restricted funds			
Building fund	-	(1,200)	(1,200)
Bursary fund	5,822	(1,500)	4,322
Marketing fund	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
	<u>15,822</u>	<u>(12,700)</u>	<u>3,122</u>
TOTAL FUNDS	<u><u>625,200</u></u>	<u><u>(637,261)</u></u>	<u><u>(12,061)</u></u>

The general fund represents the free funds which are not designated for particular purposes.

The property improvement grants fund represents monies set aside by the trustees in recognition of grants received to assist in financing the rebuilding of the front steps and the new heating and air conditioning installations. The improvement costs were capitalised and included within tangible fixed assets.

The building fund represents monies received to enable improvements to be made to the building.

The bursary fund has been set up to aid students in financial difficulty cover their fees.

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2024

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due to the scheme and amounted to £7,955 (2023: £7,995).

Included within creditors is a balance due to pension providers of £1,624 (2023: £1,605) representing contributions owed to the fund.

22. RELATED PARTY DISCLOSURES

Several trustees, and members of the senior management team, are regular supporters of the charity's activities. The regular donations made are less than £1,200 per contributor.

During the year consultancy fees were paid to D Silber, spouse of K S Silber, totalling £8,820 (2023: £14,058).

23. POST BALANCE SHEET EVENTS

In January 2025 the charity sold the freehold property, Astoria House, for £800,000.

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and grants	36,266	87,629
Gift aid	<u>4,274</u>	<u>8,619</u>
	40,540	96,248
Investment income		
Deposit account interest	105	74
Charitable activities		
Training fees	395,352	479,177
Merchandise and tuck sales	6,795	1,600
Hall and equipment hire	32,074	31,860
Events income	11,197	8,622
Other income	<u>1,152</u>	<u>7,619</u>
	<u>446,570</u>	<u>528,878</u>
Total incoming resources	487,215	625,200
EXPENDITURE		
Charitable activities		
Salaries - training	168,506	167,732
Social security	7,589	9,027
Pensions	3,852	4,170
Sundries	3,953	1,457
Merchandise and tuck costs of sale	4,321	1,250
Equipment costs	-	3,197
Events	9,692	10,157
Training and activities	41,162	39,815
Validation fees	67,500	90,000
CAS number fees	75	84
Grants to individuals	<u>2,750</u>	<u>1,500</u>
	309,400	328,389
Support costs		
Management		
Administration salary costs	167,249	180,685
Social security	8,157	8,446
Pensions	4,103	3,825
Water and rates	6,222	7,493
Insurance	5,103	4,949
Light and heat	15,462	14,383
Telephone	241	787
Carried forward	206,537	220,568

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2024**

	2024	2023
	£	£
Management		
Brought forward	206,537	220,568
Printing, postage and stationery	907	326
Advertising	17,416	21,441
Bad debts	9,623	-
Child protection costs	615	497
Repairs, maintenance and security	13,628	15,325
Subscriptions	1,220	1,943
Depreciation of tangible fixed assets	<u>19,529</u>	<u>19,501</u>
	269,475	279,601
Finance		
Finance charges	1,274	1,924
Loss/(profit) on disposal of tangible fixed assets	1,003	(5,647)
Bank loan interest	<u>15,278</u>	<u>12,061</u>
	17,555	8,338
Governance costs		
Auditors' remuneration	7,440	6,240
Legal fees	5,552	5,487
Accountancy fees	<u>9,206</u>	<u>9,206</u>
	<u>22,198</u>	<u>20,933</u>
Total resources expended	<u>618,628</u>	<u>637,261</u>
Net expenditure	<u>(131,413)</u>	<u>(12,061)</u>

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Accounts

REGISTERED COMPANY NUMBER: 05907385 (England and Wales)
REGISTERED CHARITY NUMBER: 1121751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023
FOR
NEXUS INSTITUTE OF CREATIVE ARTS**

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2023**

	Page
Report of the Trustees	1 to 11
Report of the Independent Auditors	12 to 13
Statement of Financial Activities	14
Balance Sheet	15 to 16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 29
Detailed Statement of Financial Activities	30 to 31

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Vision and Objectives

To be Europe's leading Christian institute for vocational arts and technology training.

Nexus is called to be a premier, global Christian institute known for the integration of faith, discipleship and vocational training in the service of God's people, His Church and society.

Our Mission

Through excellent training programs and comprehensive discipleship, Nexus leads Christian musicians and technicians from diverse background into an understanding of the full gospel of Jesus Christ; builds spiritual and musical foundations into individuals, essential for realising their full potential in life; and releases students into active participation in the building of God's Kingdom across the whole Earth.

Public Benefit

The trustees of the charity have had due regard to the Charity Commission guidance concerning public benefit.

ACHIEVEMENTS AND PERFORMANCE

Student Numbers for 2022/23

In 2022/23 there were 72 students across three programmes of study, a drop from last year's numbers (89).

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	25	21	2	2
Level 5	18	14	-	4
Level 6	29	24	2	3

Progression/Continuation

In total we had 4 withdrawals/deferrals, 2 from level 4, 1 from level 5 and 1 from level 6. Of the 6 students originally enrolled on the one-year Cert HE, 4 converted to the full degree with 3 progressing to level 5 and 1 looking to repeat level 4 in the 2023/24 academic year.

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	19	16	2	1
Level 5	17	13	-	4

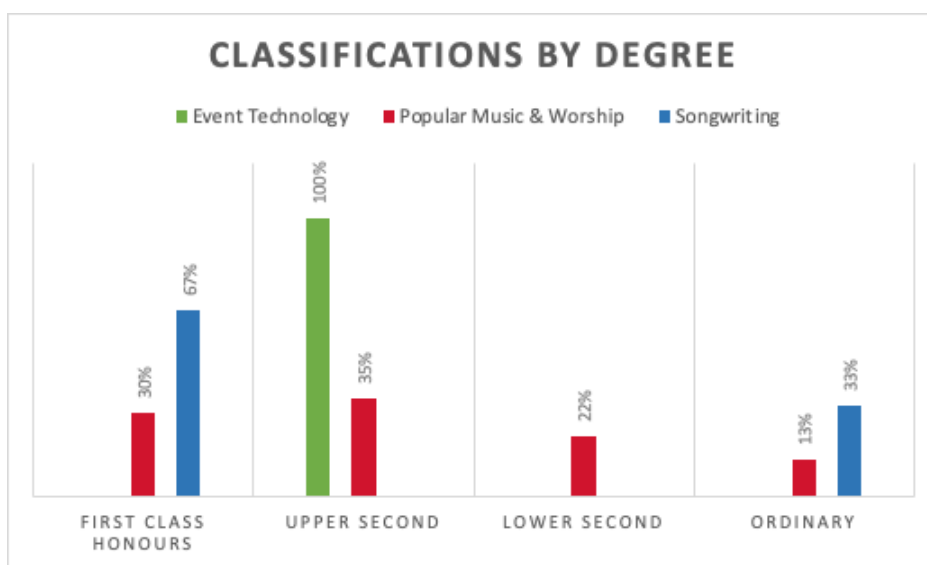
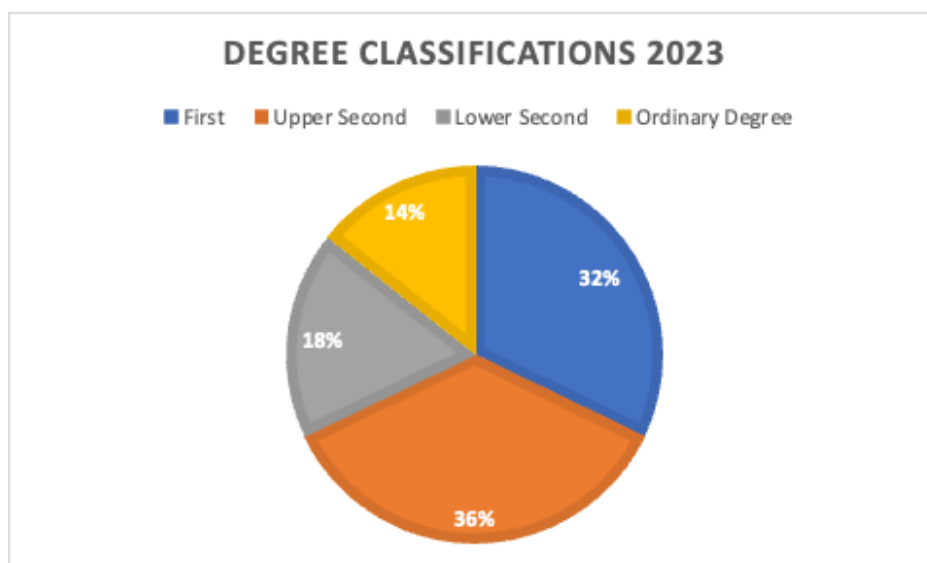
Student Attainment

At the time of the last trustees report, we hadn't yet received the final results of the 2021/2022 level 7 cohort. There was a 100% pass rate with all 5 of them achieving Distinction. It's worth noting that 2022/2023 saw our first cohorts from the Event Technology and Songwriting courses graduate.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)



Graduation Celebration

The Graduation celebration of the 2021/22 graduates took place at Twickenham Stadium in November of 2022. Hosted by our validating body, the University of West London, it was a memorable occasion for all.

Recruitment

As before, recruitment continues to be on the downward trend, causing us to continue to ask questions about the sustainability of Nexus ICA. Higher Education has continued to lose popularity and has never gained its former strength since the Pandemic. With student population decreasing across the sector we are not seeing the numbers of applications we need to sustain us into future years, despite our courses being robust, well supported and unique.

Festivals and Face-to-face recruitment

While there has been a slow return to festivals after Covid, the downturn in interest in the Higher Education sector continues to affect recruitment even when given a face-to-face opportunity. Costs for space and festivals have also increased significantly meaning our presence at festivals is much reduced compared to previous years.

NEXUS INSTITUTE OF CREATIVE ARTS

**REPORT OF THE TRUSTEES
for the year ended 31 August 2023**

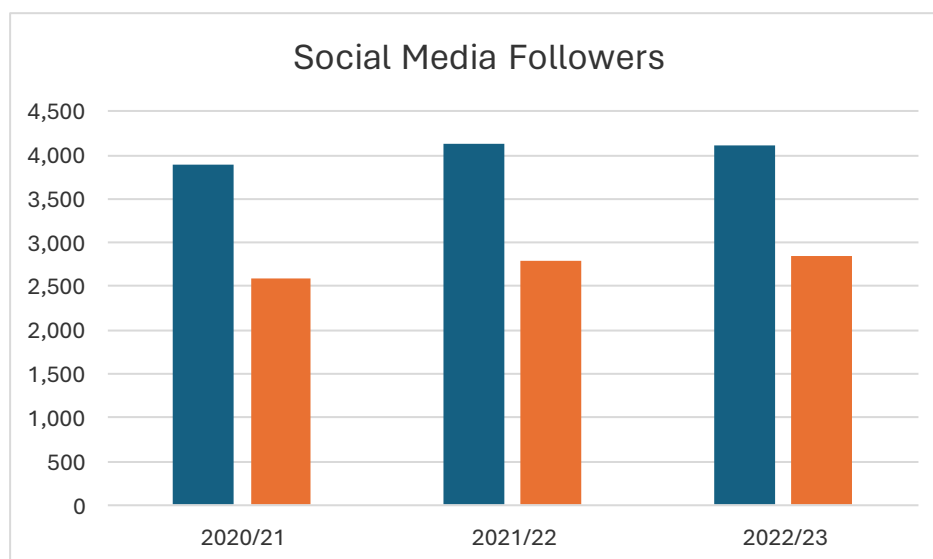
ACHIEVEMENTS AND PERFORMANCE (continued)

Communications

Social media followers

The figures below are as of August in each academic year.

	2021/22	2022/23	Growth
Facebook	4,130	4,118	0.3% decrease
Instagram	2,797	2,844	1.7% increase



After a drop in 2020/21 period the communications team have seen an increase in the 2022/23 outcomes.

Digital Advertising

A change in Meta’s rules regarding targeted ads means that Nexus ICA is no longer able to target their main audience –Christians. This has significantly affected our recruitment process and the communications team are working hard to find alternative measures.

Student Experience

Despite discouraging recruitment figures, student feedback concerning experience remains overall strong. The leadership team and the staff are diligent in applying any improving measures that can be made from the student feedback in consultation with the Student Reps.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Fundraising and Additional Streams of Income

25&Beyond

This major fundraising initiative was launched as planned in October 2022 with the aim of raising £100k. After a rather slow start the campaign did gain momentum with fundraising events towards the end of the year being much more successful.

Changes in staffing around fundraising midway through the year helped to bring a boost and some momentum to the campaign, including an in-depth look at funding through grants and trust funds.

Despite the encouraging finish, we raised £50,000 of our intended £100,000 by August 2023. This amount was still enough to make a significant difference to the 2022/23 academic year, but will not impact the years beyond that to a sufficient level.

Rag Week

Staying with our 100 years of Astoria House theme, students and staff took part in a 100k Walk in the Peak District. Spread over 4 days of 25k each, participants stayed in a church building and fundraising was managed centrally rather than each student being responsible for a personal target. The total raised was added into our £50k overall fundraising total for the year.

Night on Broadway

Hopefully the first of an annual fundraiser, Night on Broadway was an incredibly successful event. Not only was the cast and entertainment of top quality, the event itself set a precedent for future fundraisers that we hope to continue in the coming years.

Fees

Fees have continued at their 2021-22 rate but we are looking at the possibility of increasing all fees to £8k per student.

Staff And Student Development

The yearly trip to NAMM was undertaken with great success. Students in particular experienced real world experience in the music industry. We are thankful to Nord and American Music and Sound for continuing to provide this opportunity.

Principal Matt Cossey continues to be active in the gigging world, setting an example for students in balancing career opportunities without compromising any area.

Creative Arts

Nexus Christmas and End of Year Shows

All of our shows are off-timetable and rely on voluntary participation from students. The educational and community value is high and these shows are often the highlights of the year. This year's Christmas show 'Rejoice!' featured original and cover material and focussed on gospel choir style performances.

The End of Year show was a marvellous showcase not only of the talent of our staff and students but also of the way in which all worked together to produce the show. As usual, many valuable lessons learnt about how to participate in a community project.

Friday Nights In continued as a student-led monthly evening featuring local musicians and students.

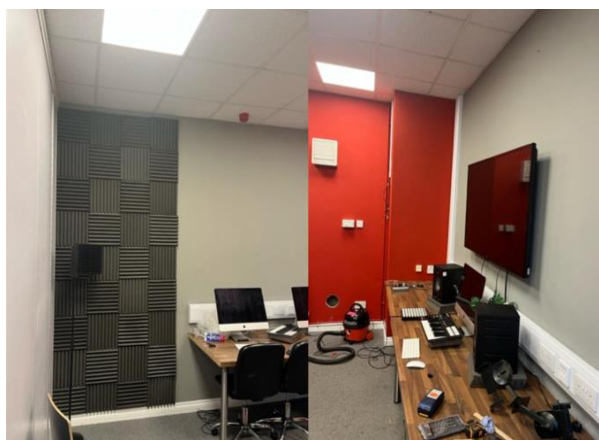
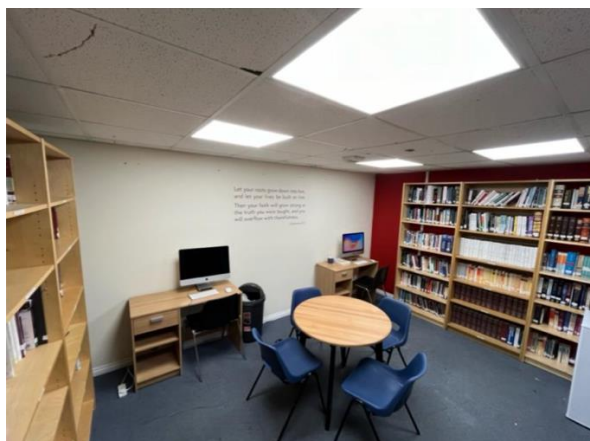
NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Updates to Facility

- The main corridor and practice room doors underwent re-painting, along with new door numbers installed.
- The Mac Lab has been transformed into a new studio/teaching space, with some macs being moved elsewhere in order to have a single studio/teaching setup on one side of the room, with macs for students to work at on the other. Sound insulation foam has also been put up in one corner of the room to create a vocal recording booth.
- In collaboration with Operations Support team, Buildings Services Team did a Library makeover, with bookshelves moved to create more space for the installation of 2 new desks, with 2 macs from the Mac Lab being utilised in the Library.
- A completely new alarm and security system was installed, with remote access and increased coverage/security over the building.
- New lighting installed on the back stairs to increase visibility and safety.



NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

FINANCIAL REVIEW

Reserves policy

In line with Charities Commission guidelines, Nexus ICA keep a minimum of 3 months operating costs in strategic reserve. Funds in excess of three months operating costs have been held to mitigate against delays in the receipt of student fees payment from The University of West London for Quarter 1 of the financial year where cash flow is historically at its lowest point. At 31 August 2023 general funds were £669,766 (2022: £685,579) and restricted funds were £6,438 (2022: £2,686).

Principal risks and uncertainties

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been implemented to mitigate those risks.

General considerations of risk and student numbers:

The main risk to sustainability is student numbers not hitting target or a number of students dropping out. The risk analysis factors in a 10% shortfall in student recruitment year on year plus a small percentage of students who leave the course early. It also includes a consideration for bad debt.

This can be mitigated by monitoring student numbers and staying on target with business plans to ensure targets are hit. The recruitment process involves reporting back on levels of applications, interviews and acceptances throughout the year as well as tracking it in relation to previous years.

As part of the management process, reports are prepared and presented to the Board ahead of each meeting throughout the year where adherence to the budget is monitored. These reports include historical data as well as forward cash flow projections which enable the board to make decisions on expenditure and, where necessary, instruct revised budgets to be drawn up.

Insufficient fund raising

After staffing costs, the biggest expenditures are facilities upgrades and updates. The Board's Fundraising Strategy addresses the need to raise funds for such expenditure; however the Board reserve the right to recommend a delay in facilities expenditure except where necessary upgrades or repair are unavoidable.

If CAS allocation is withdrawn or Tier 4 license revoked

Currently, levels of international students are low enough not to impact the budget in an unmanageable way should Tier 4 be removed. Since Nexus ICA is a franchised partner of UWL, the students are UWL students and transfer onto a UWL course would be available within the 60-day time frame. This is low risk because we have successfully operated our license for several years. The small number of international students' currently attending means the impact is relatively low and investment decisions can be deferred.

In the event of other business interruptions or financial difficulties

As part of the provision within the franchise agreement, UWL receives the fees from the Student Loan Company. Since 50% of fees are not paid out till May of the academic year it allows them to make provision for continuation should Nexus ICA cease trading for any reason. UWL would then deliver the course from London or transfer students onto one of their other courses. Nexus ICA's insurance policy also includes Business Interruption cover in the event of Force Majeure.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

PLANS FOR FUTURE PERIODS

The trustees, leadership Team and staff continue to be amazed and grateful at the transformative work of Nexus ICA. We continue to be convinced, having seen the fruit, that there remains a need for places of refuge, discipleship and learning within the HE sector. Our observation is that while some of our larger Higher Education Institutes are managing to offer a place of community and an opportunity for maturity and growth within that broad system, many are not. Our young people are being fed to the lions of outcomes over character, unrealistic life and financial expectations being set and extreme loneliness in the midst of crowds, often emerging from University broken, disenchanted and without the necessary skills to journey forward in a complex and crisis-ridden world. This only strengthens our resolve to battle against the lack of support for smaller HE Institutes and in particular for those of the Christian faith which we believe offers genuine security and hope in days where these qualities seem to be diminishing. This conviction needs funds to exist and a way forward in a system that shamelessly prefers the larger money-making institutes without acknowledging the work of the smaller ones.

Our validating body, the University of West London, has consistently and unequivocally supported our work and public thanks should go to the leadership and management of UWL for the work they have done on our behalf.

Our data tells us this: having ridden the wave of the Covid years and an expected drop in student numbers, intake for 2022 – 2023 has remained low. The result of the downward trend in applicants and students is being felt across Higher Education in general; the result specifically for Nexus ICA is that we may be moving towards financial unsustainability. Our resolve tells us this: should we be given the opportunity to continue to offer undergraduate and postgraduate study we will do so with the strength, determination and conviction that has been the hallmark of Nexus since its inception in 1998. With such low numbers of applicants we will need a miracle to survive but we remain thankful for the miracle of having offered a genuine place of learning, sanctuary and safety for students who have chosen to study with us.

We remain committed to our vision of Higher Education that strengthens, prepares and encourages students to springboard into the rest of life, whatever that may offer.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is a company limited by guarantee, incorporated on 16 August 2006, governed by its Memorandum and Articles of Association and became registered as a charity on 29 November 2007. The charity was formerly known as 'Nexus Trust' before officially changing its name to 'Nexus Institute of Creative Arts' on 19 February 2014.

Organisation and structure

The trustees who have served during the year and since the year end are shown on page 8. The trustees are appointed by the existing board of trustees and meet on a regular basis in order to oversee the work of the charity. The trustees delegate the day to day running of the organisation to a senior leadership team who are in turn responsible to the body of trustees. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Our Board continues to work together to achieve the desired outcome of a strong and healthy Christian community in Nexus ICA. We continued to meet regularly outside of the structured trustees required meetings. We make full use of Teams as a communications channel, including being able to connect with the Senior Leadership Team easily and quickly.

As previously reported, the financial pressures of continuing to run a high quality offering with increasingly small student numbers is proving to be challenging. As trustees we are committed to finding a way forward that will enable high-quality provision or not at all. High quality for us is equal as much to contact hours with students as it is to curriculum, thus making staff cutbacks a possibility but not a straightforward one.

Induction and training of new trustees

New trustees are appointed by the existing trustees. The trustees are given an introduction to the Charity and are given the guidance from the Charity Commission on the roles and responsibilities of trustees. All trustees are reminded to monitor the Charity Commission's website for any updates of these responsibilities on a regular basis.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Leadership – Notable Developments

Matthew Cossey has continued to grow in strength as Principal of Nexus ICA. Along with his fellow Senior Leader Matt Donald, Nexus is led firmly, with transparency and with increasingly good communication between leadership level and staff.

Key management remuneration

Remuneration for key management personnel is set as part of the annual budget process with reference to benchmarking of pay and benefits for similar organisations.

Health and Safety

Risk assessments, facility management, policies and protocols continue to be under constant review.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05907385 (England and Wales)

Registered Charity number

1121751

Registered office

Astoria House
71 Albany Road
Coventry
West Midlands
CV5 6JR

Auditors

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Bankers

National Westminster Bank
118 Walsgrave Road
Coventry
West Midlands
CV3 4ZZ

Trustees

Kate Silber (Executive Chair)
David Bertram
Matthew Ling
Rachel Dekam

Advisors to the Board

Jane Moffat (Safeguarding)
Jenny Cavendish (Mental Health)

Senior Leadership Team

Matthew Cossey (Principal)
Matthew Donald (Assistant Principal)

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nexus Institute Of Creative Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

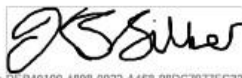
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 21 May 2024 and signed on its behalf by:



UEB40100-4898-0022-A468-08DC7977FC32

K Silber - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Opinion

We have audited the financial statements of Nexus Institute Of Creative Arts (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its 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.

Basis for opinion

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiry of management to identify any instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

21 May 2024

NEXUS INSTITUTE OF CREATIVE ARTS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	80,500	15,748	96,248	41,206
Charitable activities					
Tuition and performance	5	528,878	-	528,878	602,640
Investment income	4	<u>-</u>	<u>74</u>	<u>74</u>	<u>8</u>
Total		<u>609,378</u>	<u>15,822</u>	<u>625,200</u>	<u>643,854</u>
 EXPENDITURE ON					
Charitable activities					
Tuition and performance	6	<u>624,561</u>	<u>12,700</u>	<u>637,261</u>	<u>688,054</u>
 NET INCOME/(EXPENDITURE)					
Transfers between funds	20	<u>(15,183)</u>	<u>3,122</u>	<u>(12,061)</u>	<u>(44,200)</u>
		<u>(630)</u>	<u>630</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(15,813)</u>	<u>3,752</u>	<u>(12,061)</u>	<u>(44,200)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>685,579</u>	<u>2,686</u>	<u>688,265</u>	<u>732,465</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>669,766</u></u>	<u><u>6,438</u></u>	<u><u>676,204</u></u>	<u><u>688,265</u></u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET
31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	14	650,982	-	650,982	670,483
CURRENT ASSETS					
Debtors	15	40,334	-	40,334	76,012
Cash at bank and in hand		<u>209,907</u>	<u>6,438</u>	<u>216,345</u>	<u>230,550</u>
		250,241	6,438	256,679	306,562
CREDITORS					
Amounts falling due within one year	16	<u>(62,810)</u>	-	<u>(62,810)</u>	<u>(100,408)</u>
NET CURRENT ASSETS		<u>187,431</u>	<u>6,438</u>	<u>193,869</u>	<u>206,154</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		838,413	6,438	844,851	876,637
CREDITORS					
Amounts falling due after more than one year	17	<u>(168,647)</u>	-	<u>(168,647)</u>	<u>(188,372)</u>
NET ASSETS		<u><u>669,766</u></u>	<u><u>6,438</u></u>	<u><u>676,204</u></u>	<u><u>688,265</u></u>
FUNDS					
Unrestricted funds	20			669,766	685,579
Restricted funds				<u>6,438</u>	<u>2,686</u>
TOTAL FUNDS				<u><u>676,204</u></u>	<u><u>688,265</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET - continued
31 August 2023

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 May 2024 and were signed on its behalf by:



DEB40100-4898-0022-A468-08DC7977FC32

K Silber - Trustee

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**CASH FLOW STATEMENT
for the year ended 31 August 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	11,305	(24,535)
Interest paid		<u>(12,061)</u>	<u>(9,814)</u>
Net cash used in operating activities		<u>(756)</u>	<u>(34,349)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,366)
Sale of tangible fixed assets		5,647	546
Interest received		<u>74</u>	<u>8</u>
Net cash provided by/(used in) investing activities		<u>5,721</u>	<u>(812)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(19,170)</u>	<u>(18,780)</u>
Net cash used in financing activities		<u>(19,170)</u>	<u>(18,780)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		(14,205)	(53,941)
Cash and cash equivalents at the beginning of the reporting period		<u>230,550</u>	<u>284,491</u>
Cash and cash equivalents at the end of the reporting period		<u><u>216,345</u></u>	<u><u>230,550</u></u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2023**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(12,061)	(44,200)
Adjustments for:		
Depreciation charges	19,501	20,043
Profit on disposal of fixed assets	(5,647)	(546)
Interest received	(74)	(8)
Interest paid	12,061	9,814
Decrease/(increase) in debtors	35,678	(37,412)
(Decrease)/increase in creditors	<u>(38,153)</u>	<u>27,774</u>
Net cash provided by/(used in) operations	<u>11,305</u>	<u>(24,535)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank and in hand	<u>230,550</u>	<u>(14,205)</u>	<u>216,345</u>
	<u>230,550</u>	<u>(14,205)</u>	<u>216,345</u>
Debt			
Debts falling due within 1 year	(17,478)	(554)	(18,032)
Debts falling due after 1 year	<u>(188,372)</u>	<u>19,725</u>	<u>(168,647)</u>
	<u>(205,850)</u>	<u>19,171</u>	<u>(186,679)</u>
Total	<u>24,700</u>	<u>4,966</u>	<u>29,666</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2023

1. GENERAL INFORMATION

Nexus Institute of Creative Arts is a company limited by guarantee and is incorporated in England. It is also a registered charity as regulated by the Charity Commission for England and Wales. The address of the registered office is given in the administrative information on page 8 of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees believe that the charity can meet its liabilities as they fall due and the charity shall remain a going concern. As such the financial statements have been prepared on this basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. Costs which contribute to more than one activity are apportioned on the basis of staff time incurred on each activity. Support costs which are not attributable to a single activity are apportioned between the activities being supported on the basis of staff time incurred on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- straight line over 50 years
Improvements to property	- 4% on cost
Equipment	- 25% on cost

Assets are capitalised when they cost £1,000 or more and have a useful life of more than one year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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 particular restricted purposes.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

2. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The charity is a company limited by guarantee, which was incorporated on 16 August 2006. The members of the company are the trustees named on page 8. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations and grants	87,629	33,915
Gift aid	8,619	328
Kickstart income	-	6,963
	<u>96,248</u>	<u>41,206</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>74</u>	<u>8</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Training fees	Tuition and performance	479,177	558,606
Merchandise and tuck sales	Tuition and performance	1,600	1,445
Hall and equipment hire	Tuition and performance	31,860	29,198
Events income	Tuition and performance	8,622	10,119
Other income	Tuition and performance	<u>7,619</u>	<u>3,272</u>
		<u>528,878</u>	<u>602,640</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Tuition and performance	<u>326,889</u>	<u>1,500</u>	<u>308,872</u>	<u>637,261</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Staff costs	180,929	213,116
Sundries	1,457	-
Merchandise and tuck costs of sale	1,250	893
Equipment costs	3,197	485
Events	10,157	6,377
Training and activities	39,815	38,342
Validation fees	90,000	116,400
CAS number fees	<u>84</u>	<u>63</u>
	<u>326,889</u>	<u>375,676</u>

8. GRANTS PAYABLE

	2023 £	2022 £
Tuition and performance	<u>1,500</u>	<u>-</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Tuition and performance	<u>279,601</u>	<u>8,338</u>	<u>20,933</u>	<u>308,872</u>

Support costs, included in the above, are as follows:

	2023 Tuition and performance £	2022 Total activities £
Administration salary costs	180,685	188,564
Social security	8,446	10,852
Pensions	3,825	5,302
Water and rates	7,493	5,833
Insurance	4,949	4,734
Light and heat	14,383	11,514
Telephone	787	699
Printing, postage and stationery	326	665
Advertising	21,441	21,961
Child protection costs	<u>497</u>	<u>421</u>
Carried forward	242,832	250,545

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

9. SUPPORT COSTS - continued

	2023	2022
	Tuition and performance £	Total activities £
Brought forward	242,832	250,545
Repairs, maintenance and security	15,325	11,284
Subscriptions	1,943	2,308
Depreciation of tangible fixed assets	19,501	20,043
Finance charges	1,924	866
Profit on disposal of tangible fixed assets	(5,647)	(546)
Interest payable and similar charges	12,061	9,814
Auditors' remuneration	6,240	3,696
Legal fees	5,487	4,318
Accountancy fees	<u>9,206</u>	<u>10,050</u>
	<u>308,872</u>	<u>312,378</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration	6,240	3,696
Depreciation - owned assets	19,501	20,043
Surplus on disposal of fixed assets	<u>(5,647)</u>	<u>(546)</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

The key management personnel of the charity comprise the trustees and the senior leadership team. The total employee benefits of the key management personnel of the charity were £78,663 (2022: £119,923).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	348,417	385,064
Social security costs	17,473	21,413
Other pension costs	<u>7,995</u>	<u>11,357</u>
	<u>373,885</u>	<u>417,834</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Training	9	9
Administration	<u>16</u>	<u>16</u>
	<u>25</u>	<u>25</u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	34,243	6,963	41,206
Charitable activities			
Tuition and performance	602,640	-	602,640
Investment income	<u>8</u>	<u>-</u>	<u>8</u>
Total	<u>636,891</u>	<u>6,963</u>	<u>643,854</u>
EXPENDITURE ON			
Charitable activities			
Tuition and performance	<u>681,091</u>	<u>6,963</u>	<u>688,054</u>
NET INCOME/(EXPENDITURE)	(44,200)	-	(44,200)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>729,779</u>	<u>2,686</u>	<u>732,465</u>
TOTAL FUNDS CARRIED FORWARD	<u>685,579</u>	<u>2,686</u>	<u>688,265</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £	Totals £
COST				
At 1 September 2022	650,000	128,514	56,547	835,061
Disposals	<u>-</u>	<u>-</u>	<u>(1,512)</u>	<u>(1,512)</u>
At 31 August 2023	<u>650,000</u>	<u>128,514</u>	<u>55,035</u>	<u>833,549</u>
DEPRECIATION				
At 1 September 2022	65,000	45,403	54,175	164,578
Charge for year	13,000	5,141	1,360	19,501
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(1,512)</u>	<u>(1,512)</u>
At 31 August 2023	<u>78,000</u>	<u>50,544</u>	<u>54,023</u>	<u>182,567</u>
NET BOOK VALUE				
At 31 August 2023	<u>572,000</u>	<u>77,970</u>	<u>1,012</u>	<u>650,982</u>
At 31 August 2022	<u>585,000</u>	<u>83,111</u>	<u>2,372</u>	<u>670,483</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	22,627	55,705
Other debtors	5,679	2,392
Prepayments	<u>12,028</u>	<u>17,915</u>
	<u>40,334</u>	<u>76,012</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Bank loans and overdrafts (see note 18)	18,032	17,478
Trade creditors	7,229	18,053
Social security and other taxes	4,648	4,833
Other creditors	3,886	12,074
Accruals	7,815	8,220
Deferred income	<u>21,200</u>	<u>39,750</u>
	<u>62,810</u>	<u>100,408</u>

Deferred income comprises training and registration fees that have been received in advance of the forthcoming academic year.

	2023 £	2022 £
Balance as at 1 September 2022	39,750	21,200
Amount released to income earned from charitable activities	(39,750)	(21,200)
Amount deferred in year	<u>21,200</u>	<u>39,750</u>
	<u>21,200</u>	<u>39,750</u>
Balance as at 31 August 2023		

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 18)	<u>168,647</u>	<u>188,372</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>18,032</u>	<u>17,478</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>19,369</u>	<u>18,368</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>55,860</u>	<u>55,009</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	93,418	114,995

Bank loans comprise a 2.5% p.a. Bounce Back loan repayable in July 2026 and a 5 year fixed rate 3.67% p.a. over Base Rate bank loan repayable in October 2032.

The bank loan is secured by a first legal charge over the charity's freehold property.

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	3,984	5,976
Between one and five years	-	3,984
	<u>3,984</u>	<u>9,960</u>

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023

20. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Unrestricted funds				
General fund	660,086	(11,883)	(630)	647,573
Property improvement grants	<u>25,493</u>	<u>(3,300)</u>	<u>-</u>	<u>22,193</u>
	685,579	(15,183)	(630)	669,766
Restricted funds				
Building fund	1,200	(1,200)	-	-
Bursary fund	<u>1,486</u>	<u>4,322</u>	<u>630</u>	<u>6,438</u>
	<u>2,686</u>	<u>3,122</u>	<u>630</u>	<u>6,438</u>
TOTAL FUNDS	<u>688,265</u>	<u>(12,061)</u>	<u>-</u>	<u>676,204</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	609,378	(621,261)	(11,883)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	609,378	(624,561)	(15,183)
Restricted funds			
Building fund	-	(1,200)	(1,200)
Bursary fund	5,822	(1,500)	4,322
Marketing fund	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
	<u>15,822</u>	<u>(12,700)</u>	<u>3,122</u>
TOTAL FUNDS	<u>625,200</u>	<u>(637,261)</u>	<u>(12,061)</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	700,986	(40,900)	660,086
Property improvement grants	<u>28,793</u>	<u>(3,300)</u>	<u>25,493</u>
	729,779	(44,200)	685,579
Restricted funds			
Building fund	1,200	-	1,200
Bursary fund	<u>1,486</u>	<u>-</u>	<u>1,486</u>
	<u>2,686</u>	<u>-</u>	<u>2,686</u>
TOTAL FUNDS	<u><u>732,465</u></u>	<u><u>(44,200)</u></u>	<u><u>688,265</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	636,891	(677,791)	(40,900)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	636,891	(681,091)	(44,200)
Restricted funds			
Kickstart fund	<u>6,963</u>	<u>(6,963)</u>	<u>-</u>
TOTAL FUNDS	<u><u>643,854</u></u>	<u><u>(688,054)</u></u>	<u><u>(44,200)</u></u>

The general fund represents the free funds which are not designated for particular purposes.

The property improvement grants fund represents monies set aside by the trustees in recognition of grants received to assist in financing the rebuilding of the front steps and the new heating and air conditioning installations. The improvement costs were capitalised and included within tangible fixed assets.

The building fund represents monies received to enable improvements to be made to the building.

The bursary fund has been set up to aid students in financial difficulty cover their fees.

The Kickstart fund represents government funding received to create a new job for a 16 to 24 year old.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2023**

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due to the scheme and amounted to £7,995 (2022: £11,357).

Included within creditors is a balance due to pension providers of £1,605 (2022: £1,727) representing contributions owed to the fund.

22. RELATED PARTY DISCLOSURES

Several trustees, and members of the senior management team, are regular supporters of the charity's activities. The regular donations made are less than £1,200 per contributor.

During the year consultancy fees were paid to D Silber, spouse of K S Silber, totalling £14,058 (2022: £14,552).

Tuition fees totalling £Nil were received from the son of M Ling in the year (2022: £6,165).

23. POST BALANCE SHEET EVENTS

In April 2024 the trustees have taken the decision to close the charity after the end of the 2025/26 academic year. The charity will not recruit any new students, however it will remain fully operational until the end of the 2025/26 academic year to complete the education of the current students.

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and grants	87,629	33,915
Gift aid	8,619	328
Kickstart income	<u>-</u>	<u>6,963</u>
	96,248	41,206
Investment income		
Deposit account interest	74	8
Charitable activities		
Training fees	479,177	558,606
Merchandise and tuck sales	1,600	1,445
Hall and equipment hire	31,860	29,198
Events income	8,622	10,119
Other income	<u>7,619</u>	<u>3,272</u>
	528,878	602,640
Total incoming resources	625,200	643,854
EXPENDITURE		
Charitable activities		
Salaries - training	167,732	196,500
Social security	9,027	10,561
Pensions	4,170	6,055
Sundries	1,457	-
Merchandise and tuck costs of sale	1,250	893
Equipment costs	3,197	485
Events	10,157	6,377
Training and activities	39,815	38,342
Validation fees	90,000	116,400
CAS number fees	84	63
Grants to individuals	<u>1,500</u>	<u>-</u>
	328,389	375,676
Support costs		
Management		
Administration salary costs	180,685	188,564
Social security	8,446	10,852
Pensions	3,825	5,302
Water and rates	7,493	5,833
Insurance	4,949	4,734
Light and heat	14,383	11,514
Carried forward	219,781	226,799

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2023**

	2023	2022
	£	£
Management		
Brought forward	219,781	226,799
Telephone	787	699
Printing, postage and stationery	326	665
Advertising	21,441	21,961
Child protection costs	497	421
Repairs, maintenance and security	15,325	11,284
Subscriptions	1,943	2,308
Depreciation of tangible fixed assets	<u>19,501</u>	<u>20,043</u>
	279,601	284,180
Finance		
Finance charges	1,924	866
Profit on disposal of tangible fixed assets	(5,647)	(546)
Bank loan interest	<u>12,061</u>	<u>9,814</u>
	8,338	10,134
Governance costs		
Auditors' remuneration	6,240	3,696
Legal fees	5,487	4,318
Accountancy fees	<u>9,206</u>	<u>10,050</u>
	<u>20,933</u>	<u>18,064</u>
Total resources expended	<u>637,261</u>	<u>688,054</u>
Net expenditure	<u>(12,061)</u>	<u>(44,200)</u>

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Accounts

REGISTERED COMPANY NUMBER: 05907385 (England and Wales)
REGISTERED CHARITY NUMBER: 1121751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022
FOR
NEXUS INSTITUTE OF CREATIVE ARTS**

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2022**

	Page
Report of the Trustees	1 to 11
Report of the Independent Auditors	12 to 13
Statement of Financial Activities	14
Balance Sheet	15 to 16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 27
Detailed Statement of Financial Activities	28 to 29

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Vision and Objectives

To be Europe's leading Christian institute for vocational arts and technology training.

Nexus is called to be a premier, global Christian institute known for the integration of faith, discipleship and vocational training in the service of God's people, His Church and society.

Our Mission

Through excellent training programs and comprehensive discipleship, Nexus leads Christian musicians and technicians from diverse background into an understanding of the full gospel of Jesus Christ; builds spiritual and musical foundations into individuals, essential for realising their full potential in life; and releases students into active participation in the building of God's Kingdom across the whole Earth.

Public Benefit

The trustees of the charity have had due regard to the Charity Commission guidance concerning public benefit.

ACHIEVEMENTS AND PERFORMANCE

Student Numbers for 2021/22

The year 2021/22 began with 89 students across four programmes of study, a slight drop from last year's numbers (91).

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	22	17	2	3
Level 5	30	24	3	3
Level 6	32	32	-	-
Level 7	5	-	-	-

Progression/Continuation

There were 3 deferrals/withdrawals, one from each level of undergraduate study. Progress was as follows. Of the 9 students originally enrolled on the one-year Cert HE, 4 converted to the full degree, progressing to Level 5 of the BA Hons.

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	17	12	2	3
Level 5	29	24	2	3

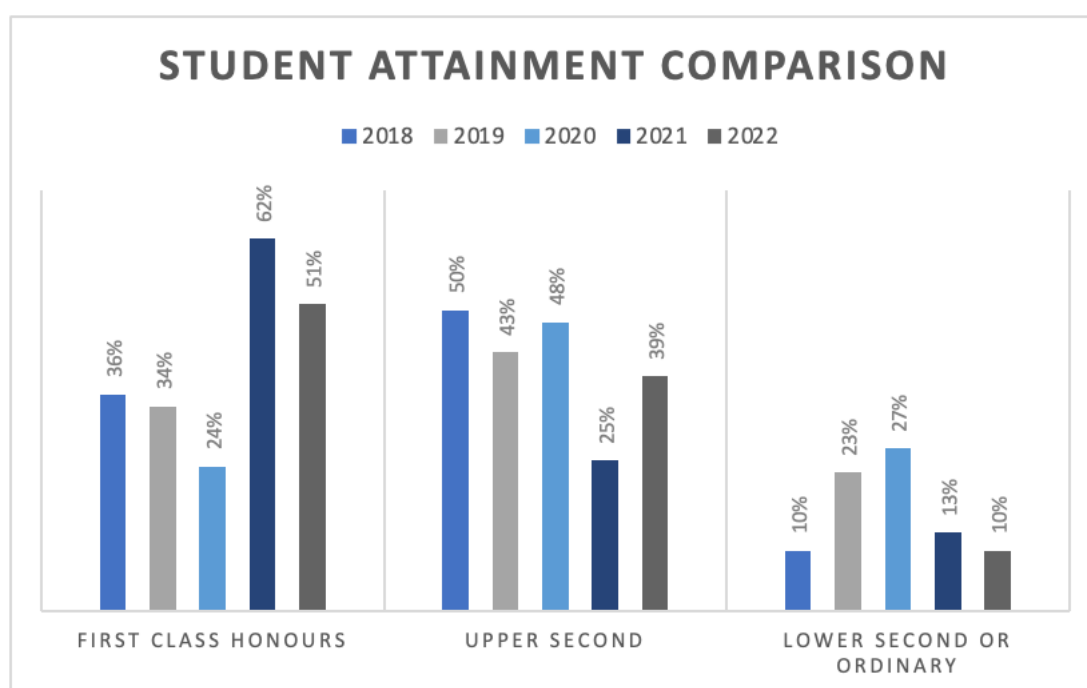
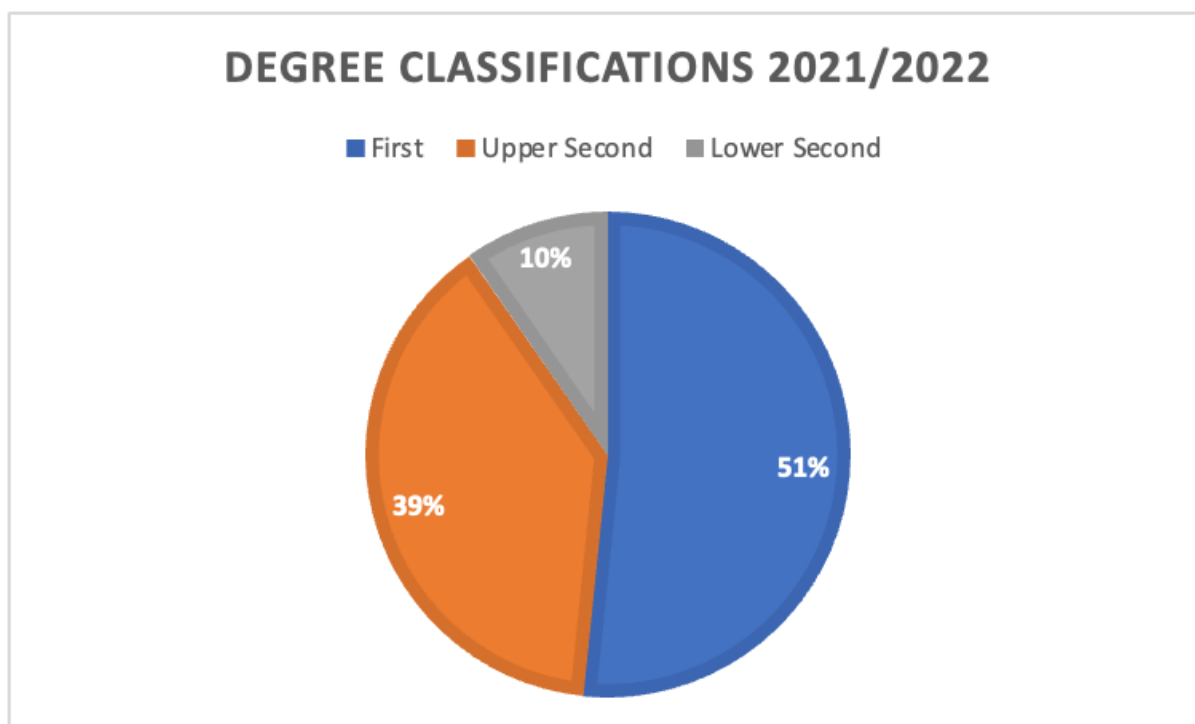
Student Attainment

2021/22 saw 100% graduation rate with 90% gaining First Class or Upper second. This represents an increase on last year's figures. We are pleased to see increase in this area and alongside that recognise that all degree passes are a success. The Trustees would also like to make clear that success can be found alongside and outside of academic achievement and that results determine neither character nor progression as the student journeys forward in life.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)



Emergency Regulations put in place by the University were still operational where a module had been started during that period in the previous year. Like many other Higher Education Providers, this ensured a pathway towards 'no detriment'. The flexibility given in this regard was well received by students but did put a huge administrative burden on staff.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Graduation Celebration

The Graduation celebration of the 2020 and 2021 graduates took place at Twickenham Stadium in December of 2021, delayed due to the Pandemic. Hosted by our validating body, the University of West London it was a memorable occasion for all.

Recruitment

With uncertainty continuing around Covid 19, recruitment continued to be an area of difficulty. The Higher Education Sector came under scrutiny from the press and did not necessarily emerge in a good light. At Nexus ICA, the student experience was wholly different to that reported in the press, we nonetheless suffered the impact of that and received a higher than average number of withdrawals and deferrals from students accepted to study in the 2020/21 academic year.

Engagement on socials and website saw an increase, and further spending was allocated towards the area to try to boost recruitment. A new website was commissioned and released in March 2022, alongside making the application process clearer and more accessible.

The Exhibitions and Conferences stand was redesigned and relaunched with festivals and gatherings of other types opening up all across the UK.



We began working with local government and our validating body, The University of West London, to enable the safe passage of Ukrainian students to study at Nexus ICA from September 2022. We are hoping to accept 3 students who have shown interest in studying here, with more opportunities opening up in the future.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

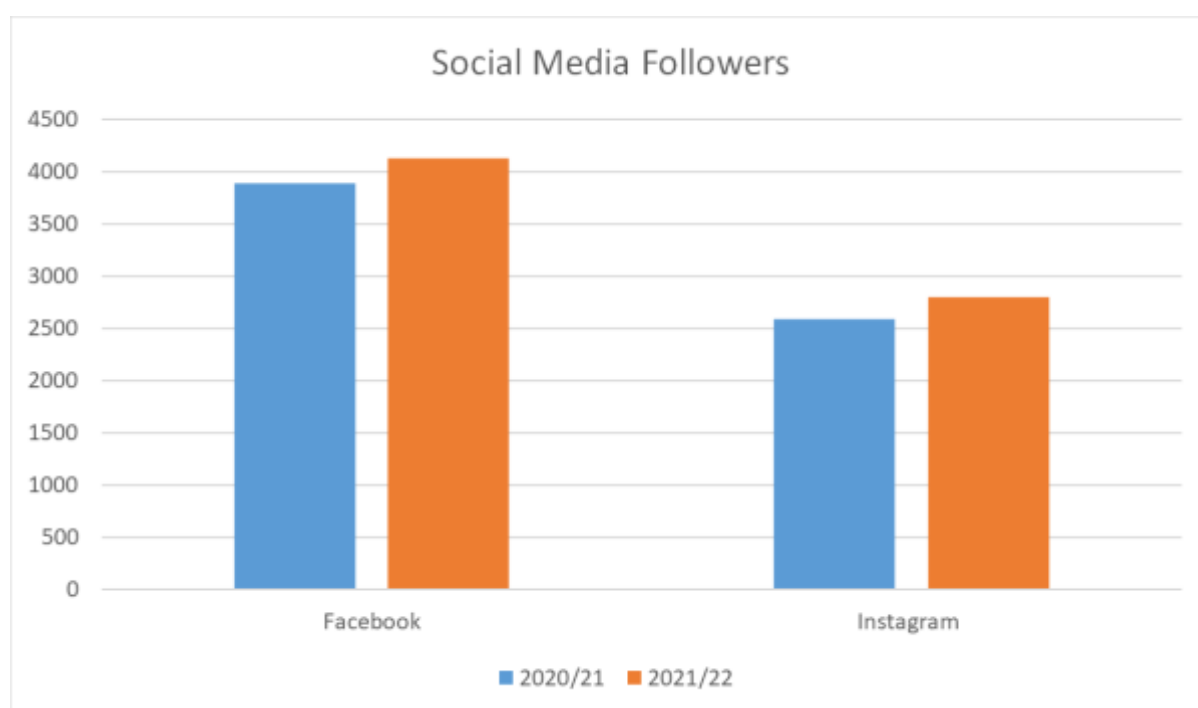
ACHIEVEMENTS AND PERFORMANCE (continued)

Communications

Social media followers

The figures below are as of August in each academic year.

	2020/21	2021/22	Growth
Facebook	3,891	4,130	6% increase
Instagram	2,591	2,797	8% increase



Website Visitors

There was a significant decrease in visitors to the website in 2021/22, the main decline being between June and August of that year.

	2020/21	2021/22
Total Web Visits	33,425	11,686

This decline is attributable to problems with Google Analytics and website communication during a website redesign. At the time of writing this technical difficulty is in the process of being resolved.

Student Experience

Despite discouraging recruitment figures, student feedback concerning experience remains strong, and staff response to feedback remains consistent in application.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Fundraising and Additional Streams of Income

RAG Week

Efforts this year were very much reduced due to staff capacity and buy-in. Two events were organised and 20% of all funds was diverted to supporting the refugee crisis in Ukraine, particularly through our friendship with UETS (Ukrainian Evangelical Theological Seminary).

Community Outreach Weekend - 1st and 2nd of April 2022

Students and staff gave up their weekends to volunteer for a number of charities and organisations in and around Coventry, including Betel in Birmingham, Feed the Hungry in Binley, and St Christopher's Church in Allesley.

Weekend Worship Session

Students had just over 24 hours to write, refine, and rehearse a collection of worship songs before filming the set in front of a live audience on the evening of Saturday 25th June. They were later mixed and edited ready for release to the public.

The 2 events together raised a little over £1,000, which was way below target for the fundraising year and not anyway near what we needed to bolster finances for the year. Discussions are already in process for next year's fundraising efforts (see below in 'Looking to the Future') in conjunction with the Fundraiser and SLT at Nexus.

Personal Fundraising

One of the Cert HE students undertook a solo bike ride of 1,167km from Coventry to her home in Kleinaltdorf, Germany to raise money to support Ukrainian refugees studying at Nexus ICA. The total raised was £2000 + gift aid; double her target for the ride.



Fees

It was agreed that fees for students would be increased in line with the University's procedures and policies, from September 2021. The fees were set at £7,500 for Undergraduate study and £8,000 for Post Graduate.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Staff And Student Development

Student Development

After a break due to the Pandemic, students attended the NAMM show again in California, representing Nexus ICA and getting experience of serving and attending at a large scale music event. They were accompanied by 2 members of staff.



Staff Development

Staff presence at Festivals and Conferences saw an upturn this year, in particular with newly appointed Principal Matthew Cossey (Interim) connecting with Christian Leaders across the UK through worship and music.

4 additional members of staff – Hannah Hodges, John Conneran, Ashley Allen and Alex Hart - released original music in addition to the 3 already having released tracks in previous years.

Hannah Hodges continued study with her Masters Degree in Integrative Theology and expects to graduate in September of 2022.

Support for Coventry City Events maintained its previous level with events such as Genexis in the Cathedral, and Motofest in the City Centre, with Events Management Course leader Dan Meakin playing a key role in curating and managing the events. This also grew with the addition of supporting City Praise and Prayer in May (see below).

NB: Motofest was cancelled in 2022 due to the death of Queen Elizabeth II

Creative Arts

Nexus Christmas Show

This year's Christmas show was planned and executed by staff and students and was a mixture of original songs and originally arranged covers.



NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Nexus Music releases

Christmas music

Played and recorded as part of the Christmas 21 shows, this music was released on streaming platforms later on in the year featuring songs written and recorded by Nexus ICA students.

Weekend Worship Sessions

Students and staff had just over 24 hours to write, refine, and rehearse a collection of worship songs before filming the set on the evening of Saturday 25th June. The Music was released on streaming platforms in July of 2022.

City Praise and Prayer in Coventry Cathedral Ruins

May saw Nexus ICA and Alumni collaborating with Coventry City Praise and Prayer to resource a citywide event in the Cathedral. Nexus provided stage hands, technical services, welcome team, event management and security and musicians to contribute to what was a memorable event within the City.



Come From Away – London

Staff and students connected with Betel UK and students from Coventry University to watch alumnus Ricardo Castro performing in ‘Come From Away’ in the West End. An inspiring visit.

End Of Year Shows

Due to the Pandemic, these shows were the first end of year showcase since 2019.

These are off-timetable, voluntary participation from students, so it was encouraging to see how many gave their time and energy to make these great shows.



NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Updates to Facility

- A new portable exhibition stand was commissioned and produced – see report on recruitment.
- Continued reconfiguration of reception area and new meeting rooms took place to enable better spaces for meeting and greeting.
- In response to a specific fundraising campaign that took place between December and February, the reception area was repainted and re-carpeted.
- May saw the installation of updated lighting across the building.
- In July acoustic panels were added to teaching room and performance spaces.
- More lighting was installed in August and fire detection and prevention equipment was updated and renewed.

FINANCIAL REVIEW

Reserves policy

In line with Charities Commission guidelines, Nexus ICA keep a minimum of 3 months operating costs in strategic reserve. Funds in excess of three months operating costs have been held to mitigate against delays in the receipt of student fees payment from The University of West London for Quarter 1 of the financial year where cash flow is historically at its lowest point. At 31 August 2022 general funds were £685,579 (2021: £729,779) and restricted funds were £2,686 (2021: £2,686).

Principal risks and uncertainties

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been implemented to mitigate those risks.

General considerations of risk and student numbers:

The main risk to sustainability is student numbers not hitting target or a number of students dropping out. The risk analysis factors in a 10% shortfall in student recruitment year on year plus a small percentage of students who leave the course early. It also includes a consideration for bad debt.

This can be mitigated by monitoring student numbers and staying on target with business plans to ensure targets are hit. The recruitment process involves reporting back on levels of applications, interviews and acceptances throughout the year as well as tracking it in relation to previous years.

As part of the management process, reports are prepared and presented to the Board ahead of each meeting throughout the year where adherence to the budget is monitored. These reports include historical data as well as forward cash flow projections which enable the board to make decisions on expenditure and, where necessary, instruct revised budgets to be drawn up.

Insufficient fund raising

After staffing costs, the biggest expenditures are facilities upgrades and updates. The Board's Fundraising Strategy addresses the need to raise funds for such expenditure; however the Board reserve the right to recommend a delay in facilities expenditure except where necessary upgrades or repair are unavoidable.

If CAS allocation is withdrawn or Tier 4 license revoked

Currently, levels of international students are low enough not to impact the budget in an unmanageable way should Tier 4 be removed. Since Nexus ICA is a franchised partner of UWL, the students are UWL students and transfer onto a UWL course would be available within the 60-day time frame. This is low risk because we have successfully operated our license for several years. The small number of international students' currently attending means the impact is relatively low and investment decisions can be deferred.

In the event of other business interruptions or financial difficulties

As part of the provision within the franchise agreement, UWL receives the fees from the Student Loan Company. Since 50% of fees are not paid out till May of the academic year it allows them to make provision for continuation should Nexus ICA cease trading for any reason. UWL would then deliver the course from London or transfer students onto one of their other courses. Nexus ICA's insurance policy also includes Business Interruption cover in the event of Force Majeure.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

PLANS FOR FUTURE PERIODS

A sober evaluation of the need for, and future of, Nexus continued to take place among the Trustees and SLT. With a change of leadership halfway through the year, there was ample opportunity to assess the future direction of Nexus ICA and whether the new Principal was able to take it forward.

Alongside financial difficulties, the culture and raison d'être of Nexus was at stake following 2 years of limited face-to-face contact and a struggle to form a vibrant community in those circumstances. This needed to be addressed and the Board of Trustees were not willing to continue with a half-hearted version of what Nexus was called to be.

After prayer and consultation with key partners and stakeholders, we concluded that there was still a future to be pursued. This would be possible with ruthless elimination of aspects of culture that had grown up, key training for staff in certain areas of pastoral care and wellbeing and a re-launch of our flagship degree, Popular Music and Worship. Much of what Nexus ICA had built in the past needed to be mined and relevant 'gold' taken from that to give momentum to future building. Misunderstandings that had taken root in staff and students needed to be identified and eliminated, going forward with a much more cohesive approach between the Trustees and the SLT as a first building block.

October 2022 marks the 100th year anniversary of the Nexus building 'Astoria House' and the 25th Anniversary of the founding of Nexus. These 2 events combined are being used to give way to a fundraising campaign entitled '25&Beyond' with a target of £100k which will begin in October 2022.

In addition to this, and very much alongside, the Board have requested that we engage key stakeholders, partners, church links, alumni and current students, being frank and transparent about the current position and future hope for Nexus ICA. Nexus ICA is not only its current student, staff and stakeholders, but a collective of partners, supporters and organisations that have invested in its past and will continue to benefit from its future.

As God leads us, so we will continue.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is a company limited by guarantee, incorporated on 16 August 2006, governed by its Memorandum and Articles of Association and became registered as a charity on 29 November 2007. The charity was formerly known as 'Nexus Trust' before officially changing its name to 'Nexus Institute of Creative Arts' on 19 February 2014.

Organisation and structure

The trustees who have served during the year and since the year end are shown on page 11. The trustees are appointed by the existing board of trustees and meet on a regular basis in order to oversee the work of the charity. The trustees delegate the day to day running of the organisation to a senior leadership team who are in turn responsible to the body of trustees. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Our Board continues to work together strongly to achieve the desired outcome of a strong and healthy Christian community in Nexus ICA. This year we increased the regularity of meeting, adding informal meetings for discussion and prayer twice a month, in addition to formal and required meetings. This has strengthened our working relationship and given more time for discussion and thought around significant issues.

Induction and training of new trustees

New trustees are appointed by the existing trustees. The trustees are given an introduction to the Charity and are given the guidance from the Charity Commission on the roles and responsibilities of trustees. All trustees are reminded to monitor the Charity Commission's website for any updates of these responsibilities on a regular basis.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Leadership – Notable Developments

In December of 2021, the Principal, Dave Ashworth, handed in his resignation to the Board. This came as a surprise but we nonetheless accepted his resignation and began the process of working with him and the Senior Leadership Team to appoint a new Principal. After a period of consultation, and some interest shown from current staff, the role was advertised internally, with one applicant. A significant process of thought and prayer followed resulting in the appointment of Matthew Cossey to a 6 month interim position from February to September 2022. A 3 month review was carried out in May and a decision was made to permanently appoint Matthew Cossey to the role in July of 2022.

From February to end of August, the Board have been very happy with the appointment and the working relationship with Matthew is proving to be transparent, strong and open to further developments.

Key management remuneration

Remuneration for key management personnel is set as part of the annual budget process with reference to benchmarking of pay and benefits for similar organisations.

Health and Safety

Risk assessments, facility management, policies and protocols continued to be under constant review due to the Pandemic. The Board were kept updated on the developments and face to face classes were resumed in part towards the end of the year.

Mental Health

An advisor to Board in the area of Mental Health was appointed. This was in response to the growing number of mental health conditions at Nexus ICA among staff and students, and the Board's recognition that support and advice for practitioners working in Higher Education in a Christian environment was minimal.

The Board asked Jenny Cavendish to look at provision at Nexus ICA, to meet with the leadership team and to make recommendations for further action. Her advice and comments so far have been constructive and insightful and will lead to bespoke training next year along with a written audit.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05907385 (England and Wales)

Registered Charity number

1121751

Registered office

Astoria House
71 Albany Road
Coventry
West Midlands
CV5 6JR

Auditors

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2022

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Bankers

National Westminster Bank
118 Walsgrave Road
Coventry
West Midlands
CV3 4ZZ

Trustees

Kate Silber (Executive Chair)
David Bertram
Matthew Ling
Rachel Dekam

Advisors to the Board

Jane Moffat (Safeguarding)
Jenny Cavendish (Mental Health)

Senior Leadership Team

Matthew Cossey (Interim Principal)
Hannah Proudfoot (Assistant Principal)
Matthew Donald (Assistant Principal)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nexus Institute Of Creative Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 18 April 2023 and signed on its behalf by:

.....
D Bertram - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Opinion

We have audited the financial statements of Nexus Institute Of Creative Arts (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its 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.

Basis for opinion

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiry of management to identify any instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

18 April 2023

NEXUS INSTITUTE OF CREATIVE ARTS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	34,242	6,963	41,205	69,373
Charitable activities	6				
Tuition and performance		602,296	-	602,296	567,683
Other trading activities	4	345	-	345	14,160
Investment income	5	<u>8</u>	<u>-</u>	<u>8</u>	<u>11</u>
Total		<u>636,891</u>	<u>6,963</u>	<u>643,854</u>	<u>651,227</u>
 EXPENDITURE ON					
Charitable activities	7				
Tuition and performance		<u>681,091</u>	<u>6,963</u>	<u>688,054</u>	<u>679,912</u>
 NET INCOME/(EXPENDITURE)		(44,200)	-	(44,200)	(28,685)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>729,779</u>	<u>2,686</u>	<u>732,465</u>	761,150
 TOTAL FUNDS CARRIED FORWARD		<u><u>685,579</u></u>	<u><u>2,686</u></u>	<u><u>688,265</u></u>	<u><u>732,465</u></u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET
31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	670,483	-	670,483	689,160
CURRENT ASSETS					
Debtors	15	76,012	-	76,012	38,600
Cash at bank and in hand		<u>227,864</u>	<u>2,686</u>	<u>230,550</u>	<u>284,491</u>
		303,876	2,686	306,562	323,091
CREDITORS					
Amounts falling due within one year	16	<u>(100,408)</u>	-	<u>(100,408)</u>	<u>(75,884)</u>
NET CURRENT ASSETS		<u>203,468</u>	<u>2,686</u>	<u>206,154</u>	<u>247,207</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		873,951	2,686	876,637	936,367
CREDITORS					
Amounts falling due after more than one year	17	<u>(188,372)</u>	-	<u>(188,372)</u>	<u>(203,902)</u>
NET ASSETS		<u><u>685,579</u></u>	<u><u>2,686</u></u>	<u><u>688,265</u></u>	<u><u>732,465</u></u>
FUNDS					
Unrestricted funds	20			685,579	729,779
Restricted funds				<u>2,686</u>	<u>2,686</u>
TOTAL FUNDS				<u><u>688,265</u></u>	<u><u>732,465</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET - continued
31 August 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 18 April 2023 and were signed on its behalf by:

.....
D Bertram - Trustee

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**CASH FLOW STATEMENT
for the year ended 31 August 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(24,535)	18,676
Interest paid		<u>(9,814)</u>	<u>(10,123)</u>
Net cash (used in)/provided by operating activities		<u>(34,349)</u>	<u>8,553</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,366)	(14,585)
Sale of tangible fixed assets		546	3,567
Interest received		<u>8</u>	<u>11</u>
Net cash used in investing activities		<u>(812)</u>	<u>(11,007)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(18,780)</u>	<u>(13,591)</u>
Net cash used in financing activities		<u>(18,780)</u>	<u>(13,591)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		(53,941)	(16,045)
Cash and cash equivalents at the beginning of the reporting period		<u>284,491</u>	<u>300,536</u>
Cash and cash equivalents at the end of the reporting period		<u><u>230,550</u></u>	<u><u>284,491</u></u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2022**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(44,200)	(28,685)
Adjustments for:		
Depreciation charges	20,043	21,751
(Profit)/loss on disposal of fixed assets	(546)	410
Interest received	(8)	(11)
Interest paid	9,814	10,123
(Increase)/decrease in debtors	(37,412)	10,225
Increase in creditors	<u>27,774</u>	<u>4,863</u>
Net cash (used in)/provided by operations	<u>(24,535)</u>	<u>18,676</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21	Cash flow	At 31.8.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>284,491</u>	<u>(53,941)</u>	<u>230,550</u>
	<u>284,491</u>	<u>(53,941)</u>	<u>230,550</u>
Debt			
Debts falling due within 1 year	(20,728)	3,250	(17,478)
Debts falling due after 1 year	<u>(203,902)</u>	<u>15,530</u>	<u>(188,372)</u>
	<u>(224,630)</u>	<u>18,780</u>	<u>(205,850)</u>
Total	<u>59,861</u>	<u>(35,161)</u>	<u>24,700</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2022

1. GENERAL INFORMATION

Nexus Institute of Creative Arts is a company limited by guarantee and is incorporated in England. It is also a registered charity as regulated by the Charity Commission for England and Wales. The address of the registered office is given in the administrative information on page 10 of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees are aware of the possible impact of COVID-19 and are confident sufficient steps have been taken to mitigate these impacts. The trustees believe that the charity can meet its liabilities as they fall due and the charity shall remain a going concern. As such the financial statements have been prepared on this basis

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. Costs which contribute to more than one activity are apportioned on the basis of staff time incurred on each activity. Support costs which are not attributable to a single activity are apportioned between the activities being supported on the basis of staff time incurred on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- straight line over 50 years
Improvements to property	- 4% on cost
Equipment	- 25% on cost

Assets are capitalised when they cost £1,000 or more and have a useful life of more than one year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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 particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The charity is a company limited by guarantee, which was incorporated on 16 August 2006. The members of the company are the trustees named on page 11. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and grants	33,914	28,974
Gift aid	328	2,831
Kickstart income	6,963	-
Coronavirus Job Retention Scheme	-	<u>37,568</u>
	<u>41,205</u>	<u>69,373</u>

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events (Rag Week)	<u>345</u>	<u>14,160</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>8</u>	<u>11</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Training fees	Tuition and performance	558,606	562,148
Merchandise and tuck sales	Tuition and performance	1,445	267
Hall and equipment hire	Tuition and performance	29,198	3,624
Events income	Tuition and performance	9,775	-
Other income	Tuition and performance	<u>3,272</u>	<u>1,644</u>
		<u>602,296</u>	<u>567,683</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Tuition and performance	<u>375,676</u>	<u>312,378</u>	<u>688,054</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	213,116	223,431
Merchandise and tuck costs of sale	893	336
Equipment costs	485	68
Events	6,377	4,814
Training and activities	38,342	44,430
Validation fees	116,400	107,400
CAS number fees	<u>63</u>	<u>42</u>
	<u>375,676</u>	<u>380,521</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Tuition and performance	<u>284,180</u>	<u>10,134</u>	<u>18,064</u>	<u>312,378</u>

Support costs, included in the above, are as follows:

	2022 Tuition and performance £	2021 Total activities £
Administration salary costs	188,564	179,786
Social security	10,852	7,980
Pensions	5,302	4,138
Water and rates	5,833	5,904
Insurance	4,734	4,370
Light and heat	11,514	9,829
Telephone	699	703
Printing, postage and stationery	665	170
Advertising	21,961	29,443
Child protection costs	421	515
Repairs, maintenance and security	11,284	7,705
Subscriptions	2,308	2,543
Depreciation of tangible fixed assets	20,043	21,751
Finance charges	866	455
(Profit)/loss on disposal of tangible fixed assets	(546)	410
Interest payable and similar charges	9,814	10,123
Auditors' remuneration	3,696	4,653
Legal fees	<u>4,318</u>	<u>4,796</u>
Carried forward	302,328	295,274

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

9. SUPPORT COSTS - continued

	2022	2021
	Tuition and performance £	Total activities £
Brought forward	302,328	295,274
Accountancy fees	<u>10,050</u>	<u>4,117</u>
	<u>312,378</u>	<u>299,391</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	3,696	4,653
Depreciation - owned assets	20,043	21,751
Surplus/(deficit) on disposal of fixed assets	<u>(546)</u>	<u>410</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

K S Silber, was an employee of the charity and was appointed as a trustee on 1 March 2019. £Nil remuneration was paid to K S Silber, in her occupational capacity in the year (2021: £707). The remuneration was paid under the legal authority of the charity's Memorandum and Articles of Association. K S Silber resigned as an employee of the charity on 30 September 2020.

There were no other trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

The key management personnel of the charity comprise the trustees and the senior leadership team. The total employee benefits of the key management personnel of the charity were £119,923 (2021: £138,765).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

12. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	385,064	381,292
Social security costs	21,413	21,686
Other pension costs	<u>11,357</u>	<u>12,357</u>
	<u>417,834</u>	<u>415,335</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

12. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2022	2021
Training	9	8
Administration	<u>16</u>	<u>16</u>
	<u><u>25</u></u>	<u><u>24</u></u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	67,123	2,250	69,373
Charitable activities			
Tuition and performance	567,683	-	567,683
Other trading activities	14,160	-	14,160
Investment income	<u>11</u>	<u>-</u>	<u>11</u>
Total	<u><u>648,977</u></u>	<u><u>2,250</u></u>	<u><u>651,227</u></u>
EXPENDITURE ON			
Charitable activities			
Tuition and performance	<u>679,912</u>	<u>-</u>	<u>679,912</u>
NET INCOME/(EXPENDITURE)	(30,935)	2,250	(28,685)
Transfers between funds	<u>2,250</u>	<u>(2,250)</u>	<u>-</u>
Net movement in funds	(28,685)	-	(28,685)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>758,464</u>	<u>2,686</u>	<u>761,150</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>729,779</u></u>	<u><u>2,686</u></u>	<u><u>732,465</u></u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £	Totals £
COST				
At 1 September 2021	650,000	127,148	56,547	833,695
Additions	<u>-</u>	<u>1,366</u>	<u>-</u>	<u>1,366</u>
At 31 August 2022	<u>650,000</u>	<u>128,514</u>	<u>56,547</u>	<u>835,061</u>
DEPRECIATION				
At 1 September 2021	52,000	40,285	52,250	144,535
Charge for year	<u>13,000</u>	<u>5,118</u>	<u>1,925</u>	<u>20,043</u>
At 31 August 2022	<u>65,000</u>	<u>45,403</u>	<u>54,175</u>	<u>164,578</u>
NET BOOK VALUE				
At 31 August 2022	<u>585,000</u>	<u>83,111</u>	<u>2,372</u>	<u>670,483</u>
At 31 August 2021	<u>598,000</u>	<u>86,863</u>	<u>4,297</u>	<u>689,160</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	55,705	40,729
Bad debt provision	-	(19,013)
Other debtors	2,392	5,194
Prepayments	<u>17,915</u>	<u>11,690</u>
	<u>76,012</u>	<u>38,600</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loans and overdrafts (see note 18)	17,478	20,728
Trade creditors	18,053	13,461
Social security and other taxes	4,833	6,202
Other creditors	12,074	9,223
Accruals	8,220	5,070
Deferred income	<u>39,750</u>	<u>21,200</u>
	<u>100,408</u>	<u>75,884</u>

Deferred income comprises training and registration fees that have been received in advance of the forthcoming academic year.

	2022 £	2021 £
Balance as at 1 September 2021	21,200	17,600
Amount released to income earned from charitable activities	(21,200)	(17,600)
Amount deferred in year	<u>39,750</u>	<u>21,200</u>
	<u>39,750</u>	<u>21,200</u>
Balance as at 31 August 2022		

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 18)	<u>188,372</u>	<u>203,902</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>17,478</u>	<u>20,728</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>18,368</u>	<u>20,728</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>55,009</u>	<u>61,741</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	114,995	121,433

Bank loans comprise a 2.5% p.a. Bounce Back loan repayable in July 2026 and a 5 year fixed rate 3.67% p.a. over Base Rate bank loan repayable in October 2032.

The bank loan is secured by a first legal charge over the charity's freehold property.

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	5,976	7,213
Between one and five years	<u>3,984</u>	<u>9,959</u>
	<u>9,960</u>	<u>17,172</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

20. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	700,986	(40,900)	660,086
Property improvement grants	<u>28,793</u>	<u>(3,300)</u>	<u>25,493</u>
	729,779	(44,200)	685,579
Restricted funds			
Building fund	1,200	-	1,200
Bursary fund	<u>1,486</u>	<u>-</u>	<u>1,486</u>
	<u>2,686</u>	<u>-</u>	<u>2,686</u>
TOTAL FUNDS	<u><u>732,465</u></u>	<u><u>(44,200)</u></u>	<u><u>688,265</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	636,891	(677,791)	(40,900)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	636,891	(681,091)	(44,200)
Restricted funds			
Kickstart fund	<u>6,963</u>	<u>(6,963)</u>	<u>-</u>
TOTAL FUNDS	<u><u>643,854</u></u>	<u><u>(688,054)</u></u>	<u><u>(44,200)</u></u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	726,371	(27,635)	2,250	700,986
Property improvement grants	<u>32,093</u>	<u>(3,300)</u>	<u>-</u>	<u>28,793</u>
	758,464	(30,935)	2,250	729,779
Restricted funds				
Building fund	1,200	-	-	1,200
Bursary fund	1,486	-	-	1,486
Access all areas fund	<u>-</u>	<u>2,250</u>	<u>(2,250)</u>	<u>-</u>
	<u>2,686</u>	<u>2,250</u>	<u>(2,250)</u>	<u>2,686</u>
TOTAL FUNDS	<u><u>761,150</u></u>	<u><u>(28,685)</u></u>	<u><u>-</u></u>	<u><u>732,465</u></u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	648,977	(676,612)	(27,635)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	648,977	(679,912)	(30,935)
Restricted funds			
Access all areas fund	2,250	-	2,250
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>651,227</u>	<u>(679,912)</u>	<u>(28,685)</u>

The general fund represents the free funds which are not designated for particular purposes.

The property improvement grants fund represents monies set aside by the trustees in recognition of grants received to assist in financing the rebuilding of the front steps and the new heating and air conditioning installations. The improvement costs were capitalised and included within tangible fixed assets.

The building fund represents monies received to enable improvements to be made to the building.

The bursary fund has been set up to aid students in financial difficulty cover their fees.

The access all areas fund represents monies received to improve access to the building for users who are physically impaired.

The Kickstart fund represents government funding received to create a new job for a 16 to 24 year old.

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due to the scheme and amounted to £11,357 (2021: £12,357).

Included within creditors is a balance due to pension providers of £1,727 (2021: £4,184) representing contributions owed to the fund.

22. RELATED PARTY DISCLOSURES

Several trustees, and members of the senior management team, are regular supporters of the charity's activities. The regular donations made are less than £1,200 per contributor.

During the year consultancy fees were paid to D Silber, spouse of K S Silber, totalling £14,552 (2021: £14,280).

Tuition fees totalling £6,165 were received from the son of M Ling in the year.

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and grants	33,914	28,974
Gift aid	328	2,831
Kickstart income	6,963	-
Coronavirus Job Retention Scheme	<u>-</u>	<u>37,568</u>
	41,205	69,373
Other trading activities		
Fundraising events (Rag Week)	345	14,160
Investment income		
Deposit account interest	8	11
Charitable activities		
Training fees	558,606	562,148
Merchandise and tuck sales	1,445	267
Hall and equipment hire	29,198	3,624
Events income	9,775	-
Other income	<u>3,272</u>	<u>1,644</u>
	602,296	567,683
Total incoming resources	643,854	651,227
EXPENDITURE		
Charitable activities		
Salaries - training	196,500	201,506
Social security	10,561	13,706
Pensions	6,055	8,219
Merchandise and tuck costs of sale	893	336
Equipment costs	485	68
Events	6,377	4,814
Training and activities	38,342	44,430
Validation fees	116,400	107,400
CAS number fees	<u>63</u>	<u>42</u>
	375,676	380,521
Support costs		
Management		
Administration salary costs	188,564	179,786
Social security	10,852	7,980
Pensions	5,302	4,138
Water and rates	5,833	5,904
Carried forward	210,551	197,808

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2022**

	2022 £	2021 £
Management		
Brought forward	210,551	197,808
Insurance	4,734	4,370
Light and heat	11,514	9,829
Telephone	699	703
Printing, postage and stationery	665	170
Advertising	21,961	29,443
Child protection costs	421	515
Repairs, maintenance and security	11,284	7,705
Subscriptions	2,308	2,543
Depreciation of tangible fixed assets	<u>20,043</u>	<u>21,751</u>
	284,180	274,837
 Finance		
Finance charges	866	455
(Profit)/loss on disposal of tangible fixed assets	(546)	410
Bank loan interest	<u>9,814</u>	<u>10,123</u>
	10,134	10,988
 Governance costs		
Auditors' remuneration	3,696	4,653
Legal fees	4,318	4,796
Accountancy fees	<u>10,050</u>	<u>4,117</u>
	<u>18,064</u>	<u>13,566</u>
 Total resources expended	<u>688,054</u>	<u>679,912</u>
 Net expenditure	<u>(44,200)</u>	<u>(28,685)</u>

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Accounts

REGISTERED COMPANY NUMBER: 05907385 (England and Wales)
REGISTERED CHARITY NUMBER: 1121751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
NEXUS INSTITUTE OF CREATIVE ARTS**

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2021**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 11
Statement of Financial Activities	12
Balance Sheet	13 to 14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 25
Detailed Statement of Financial Activities	26 to 27

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Vision and objectives

To be Europe's leading Christian institute for vocational arts and technology training.

Nexus is called to be a premier, global Christian institute known for the integration of faith, discipleship and vocational training in the service of God's people, His Church and society.

Our mission

Through excellent training programs and comprehensive discipleship, Nexus leads Christian musicians and technicians from diverse background into an understanding of the full gospel of Jesus Christ; builds spiritual and musical foundations into individuals, essential for realising their full potential in life; and releases students into active participation in the building of God's Kingdom across the whole Earth.

Public benefit

The trustees of the charity have had due regard to the Charity Commission guidance concerning public benefit.

ACHIEVEMENTS AND PERFORMANCE

Student numbers

The year 2020/21 began with 92 students across four programmes of study. The MMus number represents 5 full-time and 5 part-time students.

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	34	28	3	3
Level 5	32	32	-	-
Level 6	16	16	-	-
Level 7 (MMus)	10	-	-	-

Progression

Of those 92 students 88% of Level 4 and 100% of Level 5 progressed to the next year of their studies.

	Total	BA (Hons) Popular Music & Worship	BA (Hons) Event Technology	BA (Hons) Songwriting
Level 4	30	24	3	3
Level 5	32	32	-	-

Continuation

100% of part-time students continued with their studies.

	Total
Level 7 (MMus)	5

NEXUS INSTITUTE OF CREATIVE ARTS

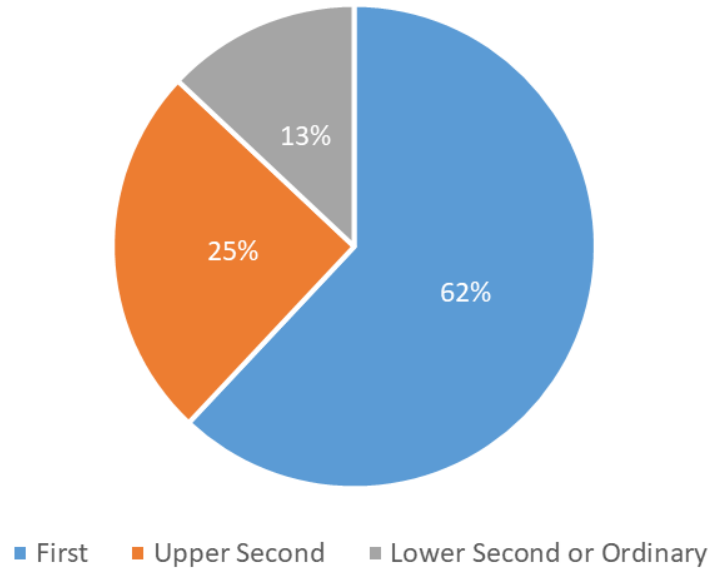
REPORT OF THE TRUSTEES
for the year ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Student attainment

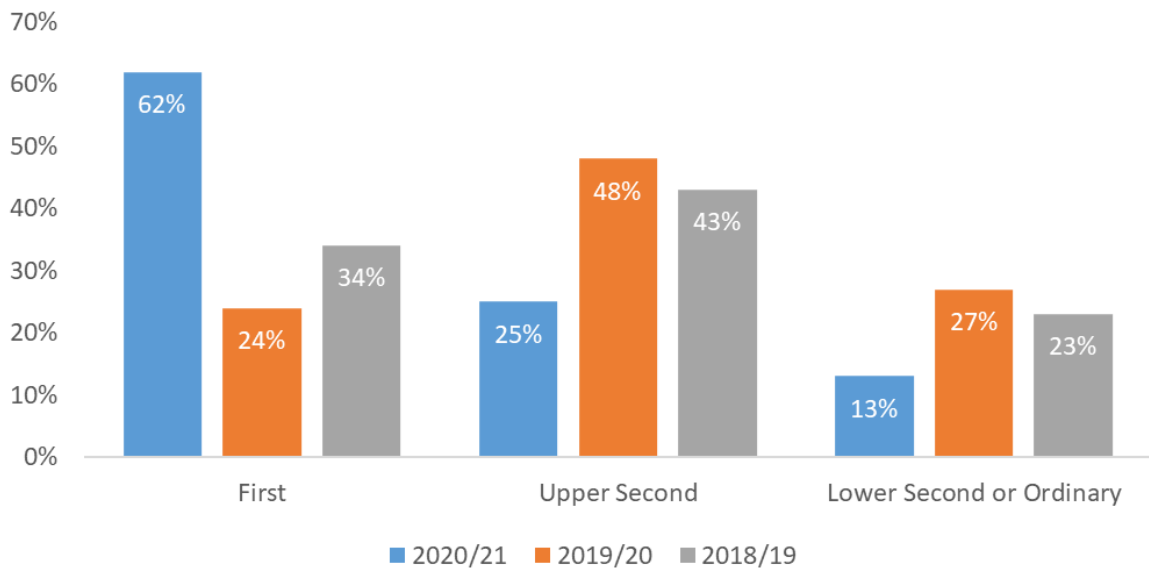
2020/21 saw a 100% graduation rate, 87% of which with a 'Good Degree' (Upper Second or First).

2020/21 Degree Classifications



This was a particularly strong year compared to previous years. It should be noted that even though the number of Lower Second or Ordinary degrees being awarded is low, this number is made up of 100% Ordinary Degrees, that is degrees awarded without Honours, a qualification to those who have not completed the full diet of study for an BA (Hons).

Student Attainment Comparison



By way of comparative data, this academic year demonstrates a significant improvement in student attainment from previous years.

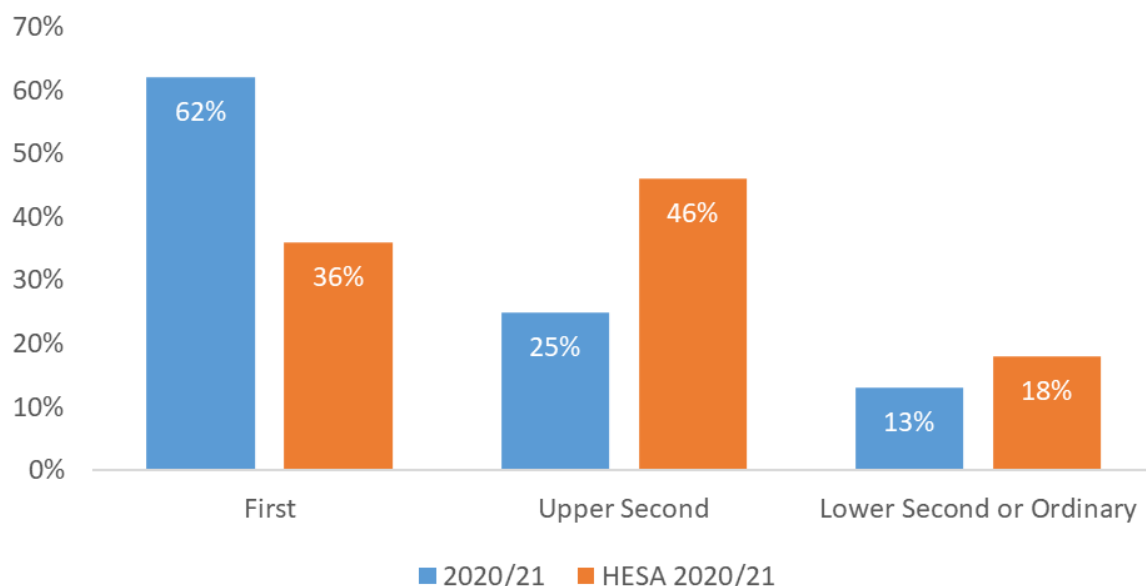
NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES
for the year ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Student attainment (continued)

Nexus ICA vs HESA National Average



Our results in this academic year track nicely ahead of the national average in HE for this same year.

Please note, the student numbers on this academic year were particularly low, which impacts the comparative figures.

Graduation celebration

Thanks to the pandemic restrictions lifting, a graduation ceremony was held by UWL in December for students from this and the previous academic year. It was a particularly special occasion to celebrate two years of achievement and many of the graduating students from the year before we had not seen for a long time.

Due to an outbreak of Covid-19 within the Nexus ICA community an in-person celebration was cancelled but we joined together online.

Recruitment

With uncertainty continuing around Covid 19, recruitment continued to be an area of difficulty. The Higher Education Sector came under scrutiny from the press and did not necessarily emerge in a good light. At Nexus ICA, the student experience was wholly different to that reported in the press, we nonetheless suffered the impact of that and received a higher than average number of withdrawals and deferrals from students accepted to study in the 20-21 academic year.

Engagement on socials and website saw an increase, and further spending was allocated towards the area to try to boost recruitment. A new website was planned for release in the academic year 21-22.

Social media followers

The figures below are as of August in each academic year.

	2019/20	2020/21	Growth
Facebook	3,663	3,891	6.2% increase
Instagram	2,342	2,591	10.6% increase

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Recruitment (continued)

Website Visitors

The target of 5,138 visitors for 2020-21 was achieved by November 2020. In the previous year this target wasn't reached until April.

	2019/20	2020/21	Growth
Total web visits	22,160	33,425	51% increase

Our intended goal of increasing recruitment was not met, and discussions started in August 2021 at Board and Senior Leadership level regarding the future sustainability of Nexus ICA as an ongoing business.

Student experience

Despite discouraging recruitment figures, student feedback concerning experience remains strong, and staff response to feedback remains consistent in application.

Fundraising and additional streams of income

For the second year in a row, fundraising activities were curtailed but not the extent of the 2019-20 academic year.

In consultation with students and stakeholders, a fundraising 'RAG' week took place in June 2021. Three events took place:

Yorkshire Three Peaks Hike
Coast to Coast Cycle
Heart of England Way Walking Relay

Our fundraising target was **£15,000**. Our total fundraising revenue from the three events was **£14,234.96**. After expenses this was **£11,401.66**

We did not achieve our target for fundraising but the final total of £11k was a good amount to reach after a complete break in the previous year. Trustees and Senior Leadership Team began discussions on employing a fundraiser and beginning a high profile fundraising event in the near future.

It was agreed that fees for students would be increased in line with the University's procedures and policies, from September 2021. The fees were set at £7,500 for Undergraduate study and £8,000 for Post Graduate.

Staff and student development

Staff development

As ever Nexus ICA staff continue to push themselves academically and creatively and this year was no different.

Daniel Meakin presented his conference paper 'The wireless handheld microphone as a symbol of spiritual authority: a comparison between western and African church practice' at Birmingham University in October.

Assistant Principal Hannah Proudfoot completed her undergraduate degree in Management & Leadership in November with a first.

Daniel Johnson continues to grow as voice in the faith-based academic community with several presentations, publications or panels in his name during this year.

Lecturer Joel Payne and his worship organisation Resound released their album Doxecology. Thirteen new, congregational worship songs that celebrate the wonder of creation, acknowledge our failures, and anticipate a glorious restoration in Christ.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Creative arts

Nexus Christmas show

Although we were hoping to host an onsite and online Christmas show, guidance from the Higher Education Sector recommended no extra curricular events should take place. Instead, the Director of Creative Arts organised a selection of online Christmas collaborations which included Alumni members. This made an excellent contribution to the strategy of strengthening relationships with Nexus Alumni.

The Nexus Virtual Christmas Overture featured students and staff past and present from all around the globe, including South Africa, USA, Germany, the Netherlands and the UK.

End of year show

Extensive preparations were made for an End of Year Show, but it was cancelled due to a Covid case in the staff body. The safety of our guests and students was considered greater than the opportunity of running the show. Requests were sent out to guests to ask for a donation of their previously purchased tickets since plans for fund-raising announcements were curtailed.

Staff continued to encourage creativity within allowed boundaries as they had done in the previous year:

- Staff and student online performances, including collaborative work, continued.
- 'How To' blogs continued, encouraging students to remain creative and engaged at home.
- An interview was conducted at Nexus ICA with BBC Songs of Praise and the footage was released in June of 2021.

Updates to facility

During the Academic year 2020-21 we were able to complete several larger projects. Right at the beginning of the year we were able to replace the back door, rework the disabled toilet and add a power assisted door mechanism from reception to the corridor to improve accessibility around the building.

Early on in the year we also removed the old built in stage and replaced it for a new steel deck platform to help improve our performance area. We were then able, over the summer, to reconfigure the reception area, moving the admin office into the old female toilet, allowing us to add a more suitable meeting room off the reception area.

In addition to these projects, we continued with ongoing upkeep and decoration to the building throughout the year.

Impact of Covid-19 pandemic

Although a situation that was managed very well by Senior Leadership Team and staff, this continued to have an impact. Face to face sessions were restored where appropriate, and social distancing remained in place for the whole year. Remote lectures and remote support continued, and an extensive review of online provision was carried out, resulting in some changes to the teaching approach. The gradual return to face to face classes was planned and executed while ensuring boundaries and the preference of students was maintained. Classes and other sessions continued to be streamed online until the end of the academic year for those isolating or who needed a gradual return for personal reasons.

Virtual Open Days continued, with a hope that in person Open Days will commence in September of 2021.

The Leadership Team and Site Management team did an excellent job keeping up with changes, recommendations and requirements. A full daily cleaning schedule continues.

Extra-curricular activity was again either curtailed or cancelled for a second year. Since these opportunities form a vital part of the student-centred learning environment we provide, it has been increasingly difficult to maintain a sense of community and to track growth and developing maturity in students.

Although a business case was re-written and put forward for the Postgraduate Degree in Contemporary Worship Studies it was agreed by the Trustees and by the University that this should be indefinitely paused until a greater level of financial stability and student numbers is achieved.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2021

FINANCIAL REVIEW

Reserves policy

In line with Charities Commission guidelines, Nexus ICA keep a minimum of 3 months operating costs in strategic reserve. Funds in excess of three months operating costs have been held to mitigate against delays in the receipt of student fees payment from The University of West London for Quarter 1 of the financial year where cash flow is historically at its lowest point. At 31 August 2021 general funds were £729,779 (2020: £758,464) and restricted funds were £2,686 (2020: £2,686).

Principal risks and uncertainties

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been implemented to mitigate those risks.

General considerations of risk and student numbers:

The main risk to sustainability is student numbers not hitting target or a number of students dropping out. The risk analysis factors in a 10% shortfall in student recruitment year on year plus a small percentage of students who leave the course early. It also includes a consideration for bad debt.

This can be mitigated by monitoring student numbers and staying on target with business plans to ensure targets are hit. The recruitment process involves reporting back on levels of applications, interviews and acceptances throughout the year as well as tracking it in relation to previous years.

As part of the management process, reports are prepared and presented to the Board ahead of each meeting throughout the year where adherence to the budget is monitored. These reports include historical data as well as forward cash flow projections which enable the board to make decisions on expenditure and, where necessary, instruct revised budgets to be drawn up.

Insufficient fund raising

After staffing costs, the biggest expenditures are facilities upgrades and updates. The Board's Fundraising Strategy addresses the need to raise funds for such expenditure; however the Board reserve the right to recommend a delay in facilities expenditure except where necessary upgrades or repair are unavoidable.

If CAS allocation is withdrawn or Tier 4 license revoked

Currently, levels of international students are low enough not to impact the budget in an unmanageable way should Tier 4 be removed. Since Nexus ICA is a franchised partner of UWL, the students are UWL students and transfer onto a UWL course would be available within the 60-day time frame. This is low risk because we have successfully operated our license for several years. The small number of international students' currently attending means the impact is relatively low and investment decisions can be deferred.

In the event of other business interruptions or financial difficulties

As part of the provision within the franchise agreement, UWL receives the fees from the Student Loan Company. Since 50% of fees are not paid out till May of the academic year it allows them to make provision for continuation should Nexus ICA cease trading for any reason. UWL would then deliver the course from London or transfer students onto one of their other courses. Nexus ICA's insurance policy also includes Business Interruption cover in the event of Force Majeure.

PLANS FOR FUTURE PERIODS

While we have seen many successes, personal stories of transformation and a continuation of excellent pastoral support, the year has not been without its challenges. A decreasing student body naturally means decreased income and we have spent much of the year looking for ways that this can be mitigated, while still continuing with our vision to offer distinctively Christian, and distinctively different education within the Higher Education Sector.

Alongside many other Higher Education providers, we are considering our current situation with sober assessment. Plans for the future will include continuing to discuss business cases with our validating University, re-examining our business plans and recruitment strategy and strengthening current courses.

We continue to celebrate the achievements and highlights of the year, which all revolve around the growth and development of our staff and students.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is a company limited by guarantee, incorporated on 16 August 2006, governed by its Memorandum and Articles of Association and became registered as a charity on 29 November 2007. The charity was formerly known as 'Nexus Trust' before officially changing its name to 'Nexus Institute of Creative Arts' on 19 February 2014.

Organisation and structure

The trustees who have served during the year and since the year end are shown on page 9. The trustees are appointed by the existing board of trustees and meet on a regular basis in order to oversee the work of the charity. The trustees delegate the day to day running of the organisation to a senior leadership team who are in turn responsible to the body of trustees. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Recruitment of trustees

With one resignation and one appointment, the Board has remained small but continues to be effective. Communication between Board members is frequent and transparent and working relationship with the Principal remains strong, with frequent meetings and discussions.

Induction and training of new trustees

New trustees are appointed by the existing trustees. The trustees are given an introduction to the Charity and are given the guidance from the Charity Commission on the roles and responsibilities of trustees. All trustees are reminded to monitor the Charity Commission's website for any updates of these responsibilities on a regular basis.

Key management remuneration

Remuneration for key management personnel is set as part of the annual budget process with reference to benchmarking of pay and benefits for similar organisations.

Health and Safety

Risk assessments, facility management, policies and protocols continued to be under constant review due to the Pandemic. The Board were kept updated on the developments and face to face classes were resumed in part towards the end of the year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05907385 (England and Wales)

Registered Charity number

1121751

Registered office

Astoria House
71 Albany Road
Coventry
West Midlands
CV5 6JR

Auditors

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Bankers

National Westminster Bank
118 Walsgrave Road
Coventry
West Midlands
CV5 6JR

Trustees

Kate Silber (Executive Chair)
David Bertram
Jet Jones (resigned 24 May 2021)
Matthew Ling
Rachel Dekam (appointed 24 May 2021)

Senior Leadership Team

Matthew Cossey (Interim Principal)
Hannah Proudfoot (Assistant Principal)
Matthew Donald (Assistant Principal)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nexus Institute Of Creative Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 12 May 2022 and signed on its behalf by:

.....
D Bertram - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Opinion

We have audited the financial statements of Nexus Institute Of Creative Arts (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its 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.

Basis for opinion

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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.

However not all future events or conditions can be foreseen. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charitable company and the wider economy. The trustee's views on the impact of COVID-19 are disclosed in note 2 of the notes to the financial statements.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance; and
- Enquiry of management to identify any instances of non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

12 May 2022

NEXUS INSTITUTE OF CREATIVE ARTS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	67,123	2,250	69,373	38,706
Charitable activities					
Tuition and performance	6	567,683	-	567,683	638,371
Other trading activities	4	14,160	-	14,160	75
Investment income	5	<u>11</u>	<u>-</u>	<u>11</u>	<u>17</u>
Total		648,977	2,250	651,227	677,169
 EXPENDITURE ON					
Charitable activities					
Tuition and performance	7	<u>679,912</u>	<u>-</u>	<u>679,912</u>	<u>712,510</u>
NET INCOME/(EXPENDITURE)		(30,935)	2,250	(28,685)	(35,341)
Transfers between funds	20	<u>2,250</u>	<u>(2,250)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(28,685)	-	(28,685)	(35,341)
RECONCILIATION OF FUNDS					
Total funds brought forward		758,464	2,686	761,150	796,491
TOTAL FUNDS CARRIED FORWARD		<u>729,779</u>	<u>2,686</u>	<u>732,465</u>	<u>761,150</u>

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET
31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	14	689,160	-	689,160	700,303
CURRENT ASSETS					
Debtors	15	38,600	-	38,600	48,825
Cash at bank and in hand		<u>281,805</u>	<u>2,686</u>	<u>284,491</u>	<u>300,536</u>
		320,405	2,686	323,091	349,361
CREDITORS					
Amounts falling due within one year	16	<u>(75,884)</u>	-	<u>(75,884)</u>	<u>(65,941)</u>
NET CURRENT ASSETS		<u>244,521</u>	<u>2,686</u>	<u>247,207</u>	<u>283,420</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		933,681	2,686	936,367	983,723
CREDITORS					
Amounts falling due after more than one year	17	<u>(203,902)</u>	-	<u>(203,902)</u>	<u>(222,573)</u>
NET ASSETS		<u><u>729,779</u></u>	<u><u>2,686</u></u>	<u><u>732,465</u></u>	<u><u>761,150</u></u>
FUNDS	20				
Unrestricted funds				729,779	758,464
Restricted funds				<u>2,686</u>	<u>2,686</u>
TOTAL FUNDS				<u><u>732,465</u></u>	<u><u>761,150</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET - continued
31 August 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 12 May 2022 and were signed on its behalf by:

.....
D Bertram - Trustee

NEXUS INSTITUTE OF CREATIVE ARTS

**CASH FLOW STATEMENT
for the year ended 31 August 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	18,676	(44,862)
Interest paid		<u>(10,123)</u>	<u>(10,542)</u>
Net cash provided by/(used in) operating activities		<u>8,553</u>	<u>(55,404)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(14,585)	(12,336)
Sale of tangible fixed assets		3,567	300
Interest received		<u>11</u>	<u>17</u>
Net cash used in investing activities		<u>(11,007)</u>	<u>(12,019)</u>
Cash flows from financing activities			
New loans in year		-	25,000
Loan repayments in year		<u>(13,591)</u>	<u>(12,729)</u>
Net cash (used in)/provided by financing activities		<u>(13,591)</u>	<u>12,271</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(16,045)	(55,152)
Cash and cash equivalents at the beginning of the reporting period		<u>300,536</u>	<u>355,688</u>
Cash and cash equivalents at the end of the reporting period		<u>284,491</u>	<u>300,536</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2021**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(28,685)	(35,341)
Adjustments for:		
Depreciation charges	21,751	20,639
Loss/(profit) on disposal of fixed assets	410	(300)
Interest received	(11)	(17)
Interest paid	10,123	10,542
Decrease/(increase) in debtors	10,225	(32,457)
Increase/(decrease) in creditors	<u>4,863</u>	<u>(7,928)</u>
Net cash provided by/(used in) operations	<u>18,676</u>	<u>(44,862)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	<u>300,536</u>	<u>(16,045)</u>	<u>284,491</u>
	<u>300,536</u>	<u>(16,045)</u>	<u>284,491</u>
Debt			
Debts falling due within 1 year	(15,649)	(5,079)	(20,728)
Debts falling due after 1 year	<u>(222,573)</u>	<u>18,671</u>	<u>(203,902)</u>
	<u>(238,222)</u>	<u>13,592</u>	<u>(224,630)</u>
Total	<u>62,314</u>	<u>(2,453)</u>	<u>59,861</u>

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

1. GENERAL INFORMATION

Nexus Institute of Creative Arts is a company limited by guarantee and is incorporated in England. It is also a registered charity as regulated by the Charity Commission for England and Wales. The address of the registered office is given in the administrative information on page 13 of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees are aware of the possible impact of COVID-19 and are confident sufficient steps have been taken to mitigate these impacts. The trustees believe that the charity can meet its liabilities as they fall due and the charity shall remain a going concern. As such the financial statements have been prepared on this basis

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. Costs which contribute to more than one activity are apportioned on the basis of staff time incurred on each activity. Support costs which are not attributable to a single activity are apportioned between the activities being supported on the basis of staff time incurred on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	straight line over 50 years
Improvements to property	-	4% on cost
Equipment	-	25% on cost

Assets are capitalised when they cost £1,000 or more and have a useful life of more than one year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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 particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The charity is a company limited by guarantee, which was incorporated on 16 August 2006. The members of the company are the trustees named on page 9. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations and grants	28,974	29,228
Gift aid	2,831	4,678
Coronavirus Job Retention Scheme	<u>37,568</u>	<u>4,800</u>
	<u>69,373</u>	<u>38,706</u>

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events (Rag Week)	<u>14,160</u>	<u>75</u>

5. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>11</u>	<u>17</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		2021	2020
	Activity	£	£
Training fees	Tuition and performance	562,148	611,688
Merchandise and tuck sales	Tuition and performance	267	30
Hall and equipment hire	Tuition and performance	3,624	15,409
Events income	Tuition and performance	-	8,519
Other income	Tuition and performance	<u>1,644</u>	<u>2,725</u>
		<u>567,683</u>	<u>638,371</u>

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Tuition and performance	<u>380,521</u>	<u>299,391</u>	<u>679,912</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	223,431	227,683
Merchandise and tuck costs of sale	336	20
Equipment costs	68	-
Events	4,814	10,091
Training and activities	44,430	57,856
Validation fees	107,400	114,150
CAS number fees	<u>42</u>	<u>-</u>
	<u>380,521</u>	<u>409,800</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Tuition and performance	<u>274,837</u>	<u>10,988</u>	<u>13,566</u>	<u>299,391</u>

Support costs, included in the above, are as follows:

	2021 Tuition and performance £	2020 Total activities £
Administration salary costs	179,786	185,589
Social security	7,980	7,452
Pensions	4,138	6,727
Water and rates	5,904	5,882
Insurance	4,370	4,169
Light and heat	9,829	11,805
Telephone	703	781
Printing, postage and stationery	170	1,221
Advertising	29,443	25,151
Child protection costs	515	381
Repairs, maintenance and security	7,705	8,543
Subscriptions	2,543	1,970
Depreciation of tangible fixed assets	21,751	20,639
Finance charges	455	519
Loss/(profit) on disposal of tangible fixed assets	410	(300)
Interest payable and similar charges	10,123	10,542
Auditors' remuneration	4,653	3,933
Legal fees	<u>4,796</u>	<u>4,160</u>
Carried forward	295,274	299,164

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

9. SUPPORT COSTS - continued

	2021	2020
	Tuition and performance £	Total activities £
Brought forward	295,274	299,164
Accountancy fees	4,117	3,546
	<u>299,391</u>	<u>302,710</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	4,653	3,933
Depreciation - owned assets	21,751	20,639
(Deficit)/surplus on disposal of fixed assets	410	(300)

11. TRUSTEES' REMUNERATION AND BENEFITS

K S Silber, an employee of the charity, was appointed as a trustee on 1 March 2019. £707 remuneration was paid to K S Silber, in her occupational capacity in the year (2020: £13,084). The remuneration was paid under the legal authority of the charity's Memorandum and Articles of Association. K S Silber resigned as an employee of the charity on 30 September 2020.

There were no other trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

The key management personnel of the charity comprise the trustees and the senior leadership team. The total employee benefits of the key management personnel of the charity were £138,765 (2020: £134,370).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	381,292	391,237
Social security costs	21,686	21,194
Other pension costs	12,357	15,020
	<u>415,335</u>	<u>427,451</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

12. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2021	2020
Training	8	9
Administration	<u>16</u>	<u>19</u>
	<u><u>24</u></u>	<u><u>28</u></u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	38,706	-	38,706
Charitable activities			
Tuition and performance	638,371	-	638,371
Other trading activities	75	-	75
Investment income	<u>17</u>	<u>-</u>	<u>17</u>
Total	677,169	-	677,169
EXPENDITURE ON			
Charitable activities			
Tuition and performance	712,510	-	712,510
	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)	(35,341)	-	(35,341)
RECONCILIATION OF FUNDS			
Total funds brought forward	793,805	2,686	796,491
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u><u>758,464</u></u>	<u><u>2,686</u></u>	<u><u>761,150</u></u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £	Totals £
COST				
At 1 September 2020	650,000	120,518	52,569	823,087
Additions	-	6,630	7,955	14,585
Disposals	-	-	(3,977)	(3,977)
	<u>650,000</u>	<u>127,148</u>	<u>56,547</u>	<u>833,695</u>
At 31 August 2021	<u>650,000</u>	<u>127,148</u>	<u>56,547</u>	<u>833,695</u>
DEPRECIATION				
At 1 September 2020	39,000	35,272	48,512	122,784
Charge for year	13,000	5,013	3,738	21,751
	<u>52,000</u>	<u>40,285</u>	<u>52,250</u>	<u>144,535</u>
At 31 August 2021	<u>52,000</u>	<u>40,285</u>	<u>52,250</u>	<u>144,535</u>
NET BOOK VALUE				
At 31 August 2021	<u>598,000</u>	<u>86,863</u>	<u>4,297</u>	<u>689,160</u>
At 31 August 2020	<u>611,000</u>	<u>85,246</u>	<u>4,057</u>	<u>700,303</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	40,729	44,081
Bad debt provision	(19,013)	(19,013)
Other debtors	5,194	6,859
Prepayments	11,690	16,898
	<u>38,600</u>	<u>48,825</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 18)	20,728	15,649
Trade creditors	13,461	10,595
Social security and other taxes	6,202	5,945
Other creditors	9,223	8,880
Accruals	5,070	7,272
Deferred income	21,200	17,600
	<u>75,884</u>	<u>65,941</u>

Deferred income comprises training and registration fees that have been received in advance of the forthcoming academic year.

	2021 £	2020 £
Balance as at 1 September 2020	17,600	35,815
Amount released to income earned from charitable activities	(17,600)	(35,815)
Amount deferred in year	21,200	17,600
	<u>21,200</u>	<u>17,600</u>
Balance as at 31 August 2021	<u>21,200</u>	<u>17,600</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 18)	<u>203,902</u>	<u>222,573</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>20,728</u>	<u>15,649</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>20,728</u>	<u>20,233</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>61,741</u>	<u>60,698</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	121,433	141,642

Bank loans comprise a 2.5% p.a. Bounce Back loan repayable in July 2026 and a 5 year fixed rate 3.67% p.a. over Base Rate bank loan repayable in October 2032.

The bank loan is secured by a first legal charge over the charity's freehold property.

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	7,213	2,508
Between one and five years	<u>9,959</u>	<u>1,237</u>
	<u>17,172</u>	<u>3,745</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

20. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	726,371	(27,635)	2,250	700,986
Property improvement grants	<u>32,093</u>	<u>(3,300)</u>	<u>-</u>	<u>28,793</u>
	758,464	(30,935)	2,250	729,779
Restricted funds				
Building fund	1,200	-	-	1,200
Bursary fund	1,486	-	-	1,486
Access all areas fund	<u>-</u>	<u>2,250</u>	<u>(2,250)</u>	<u>-</u>
	<u>2,686</u>	<u>2,250</u>	<u>(2,250)</u>	<u>2,686</u>
TOTAL FUNDS	<u><u>761,150</u></u>	<u><u>(28,685)</u></u>	<u><u>-</u></u>	<u><u>732,465</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	648,977	(676,612)	(27,635)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	648,977	(679,912)	(30,935)
Restricted funds			
Access all areas fund	<u>2,250</u>	<u>-</u>	<u>2,250</u>
TOTAL FUNDS	<u><u>651,227</u></u>	<u><u>(679,912)</u></u>	<u><u>(28,685)</u></u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	758,412	(32,041)	726,371
Property improvement grants	<u>35,393</u>	<u>(3,300)</u>	<u>32,093</u>
	793,805	(35,341)	758,464
Restricted funds			
Building fund	1,200	-	1,200
Bursary fund	<u>1,486</u>	<u>-</u>	<u>1,486</u>
	<u>2,686</u>	<u>-</u>	<u>2,686</u>
TOTAL FUNDS	<u><u>796,491</u></u>	<u><u>(35,341)</u></u>	<u><u>761,150</u></u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	677,169	(709,210)	(32,041)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	<u>677,169</u>	<u>(712,510)</u>	<u>(35,341)</u>
TOTAL FUNDS	<u><u>677,169</u></u>	<u><u>(712,510)</u></u>	<u><u>(35,341)</u></u>

The general fund represents the free funds which are not designated for particular purposes.

The property improvement grants fund represents monies set aside by the trustees in recognition of grants received to assist in financing the rebuilding of the front steps and the new heating and air conditioning installations. The improvement costs were capitalised and included within tangible fixed assets.

The building fund represents monies received to enable improvements to be made to the building.

The bursary fund has been set up to aid students in financial difficulty cover their fees.

The access all areas fund represents monies received to improve access to the building for users who are physically impaired.

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due to the scheme and amounted to £21,686 (2020: £15,020).

Included within creditors is a balance due to pension providers of £4,184 (2020: £2,431) representing contributions owed to the fund.

22. RELATED PARTY DISCLOSURES

Several trustees, and members of the senior management team, are regular supporters of the charity's activities. The regular donations made are less than £1,200 per contributor.

During the year remuneration was paid to D Silber, spouse of K S Silber, totalling £Nil (2020: £14,861). In addition, during the year consultancy fees were paid to D Silber totalling £14,280 (2020: £11,760).

Tuition fees totalling £6,165 were received from the son of M Ling in the year.

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and grants	28,974	29,228
Gift aid	2,831	4,678
Coronavirus Job Retention Scheme	<u>37,568</u>	<u>4,800</u>
	69,373	38,706
Other trading activities		
Fundraising events (Rag Week)	14,160	75
Investment income		
Deposit account interest	11	17
Charitable activities		
Training fees	562,148	611,688
Merchandise and tuck sales	267	30
Hall and equipment hire	3,624	15,409
Events income	-	8,519
Other income	<u>1,644</u>	<u>2,725</u>
	567,683	638,371
Total incoming resources	651,227	677,169
EXPENDITURE		
Charitable activities		
Salaries - training	201,506	205,648
Social security	13,706	13,742
Pensions	8,219	8,293
Merchandise and tuck costs of sale	336	20
Equipment costs	68	-
Events	4,814	10,091
Training and activities	44,430	57,856
Validation fees	107,400	114,150
CAS number fees	<u>42</u>	<u>-</u>
	380,521	409,800
Support costs		
Management		
Administration salary costs	179,786	185,589
Social security	7,980	7,452
Pensions	4,138	6,727
Water and rates	5,904	5,882
Insurance	4,370	4,169
Carried forward	202,178	209,819

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2021**

	2021 £	2020 £
Management		
Brought forward	202,178	209,819
Light and heat	9,829	11,805
Telephone	703	781
Printing, postage and stationery	170	1,221
Advertising	29,443	25,151
Child protection costs	515	381
Repairs, maintenance and security	7,705	8,543
Subscriptions	2,543	1,970
Depreciation of tangible fixed assets	<u>21,751</u>	<u>20,639</u>
	274,837	280,310
 Finance		
Finance charges	455	519
Loss/(profit) on disposal of tangible fixed assets	410	(300)
Bank loan interest	<u>10,123</u>	<u>10,542</u>
	10,988	10,761
 Governance costs		
Auditors' remuneration	4,653	3,933
Legal fees	4,796	4,160
Accountancy fees	<u>4,117</u>	<u>3,546</u>
	<u>13,566</u>	<u>11,639</u>
 Total resources expended	<u>679,912</u>	<u>712,510</u>
 Net expenditure	<u><u>(28,685)</u></u>	<u><u>(35,341)</u></u>

NEXUS INSTITUTE OF CREATIVE ARTS

England & Wales - Charity number 1121751

Accounts

REGISTERED COMPANY NUMBER: 05907385 (England and Wales)
REGISTERED CHARITY NUMBER: 1121751

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020
FOR
NEXUS INSTITUTE OF CREATIVE ARTS**

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

NEXUS INSTITUTE OF CREATIVE ARTS

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2020**

	Page
Report of the Trustees	1 to 11
Report of the Independent Auditors	12 to 13
Statement of Financial Activities	14
Balance Sheet	15 to 16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 27
Detailed Statement of Financial Activities	28 to 29

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Vision and objectives

To be Europe's leading Christian institute for vocational arts and technology training.

Nexus is called to be a premier, global Christian institute known for the integration of faith, discipleship and vocational training in the service of God's people, His church and society.

Our mission

Through excellent training programs and comprehensive discipleship, Nexus leads Christian musicians and technicians from diverse background into an understanding of the full gospel of Jesus Christ; builds spiritual and musical foundations into individuals, essential for realising their full potential in life; and releases students into active participation in the building of God's kingdom across the whole Earth.

Public benefit

The trustees of the charity have had due regard to the Charity Commission guidance concerning public benefit.

ACHIEVEMENTS AND PERFORMANCE

Student numbers

The total number of students for 2019-2020 was 85 Undergraduates and 10+2 Post Graduates, which represented an overall drop in numbers.

1st Year (Level 4) - 33

2nd Year (Level 5) - 19

3rd Year (Level 6) – 33

MMus (Level 7) – 10 full time with 2 withdrawals, 2 part-time.

The addition of the post graduate Masters in Popular Music Performance in September 2019 was realised and there was a good take up in the first year. This helped to reduce the impact of the low year group; in 2019-20 being carried by the Level 5 cohort.

Results

The pass rate continues to be good and above average compared to National statistics. Although there has been a downward trend in the amount of first class degrees being awarded, upper second class continues to be strong and remaining consistent within a few percent.

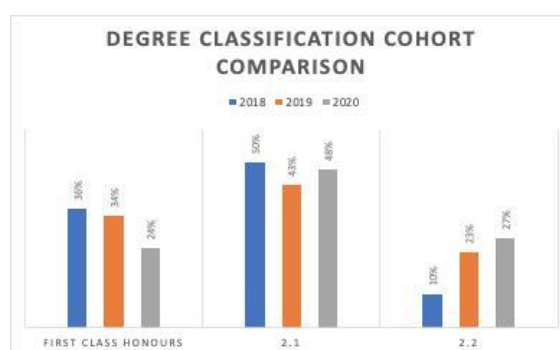
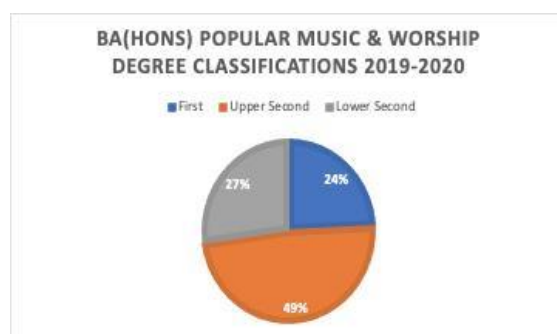
The Board remain happy with the results and the focus on the cohort rather than the numbers. Reporting a downward trend in first class degrees does not cause worry, and we have not required the Leadership Team to report an increase on that in the coming year. The broader focus and success of learning cannot be accurately displayed in results statistics.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Results (continued)



Graduation celebration

Due to the Pandemic, the large scale awards ceremony in the summer hosted by the University of West London was cancelled. Nexus students traditionally attend the November Graduation Ceremony; we are expecting that to also be cancelled. Nexus ICA hosted a pared back Commissioning Service and Third Year celebration in July, attended online by students. Given the circumstances, this was a success and well received by students and attending parents.

Recruitment

Having recognised this as an area of weakness in last year's report, the data shows a marked increase in the 2019-20 figures regarding attracting initial interest and completed applications. Financially, we achieved an ROI of 723% (up 22% from 2018-2019), with a CPA (cost per acquisition) of £611 (down 12% from 2018-2019).

We increased the amount of initial applications we received through more effective digital marketing, and a generally more efficient and effective comms team. This included retaining a 3rd party to manage our social media from January 2020.

The retaining of the 3rd party increased the effectiveness of our organic reach (non-paid). This has played a significant role in our efforts to increase digital marketing as a lead generation and conversion strategy.

In the 2019-2020 academic year, 45% of our students found out about Nexus ICA through digital channels. In 2018-2019 10% of our students found out about us through digital channels; a 35% increase which is partly due to the increased effectiveness of social media.

At end of August our total student intake stood at 45 students for the coming academic year, with 13 deferrals and 7 withdrawals. Deferrals and withdrawals were up overall, with an average in past years being 3 deferrals, and 2 withdrawals. In many cases, the Pandemic was given as a reason.

NEXUS INSTITUTE OF CREATIVE ARTS

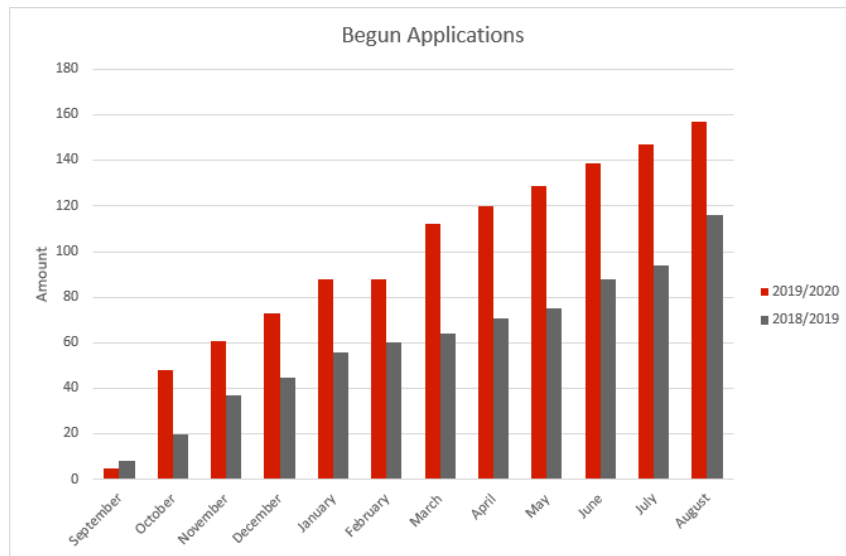
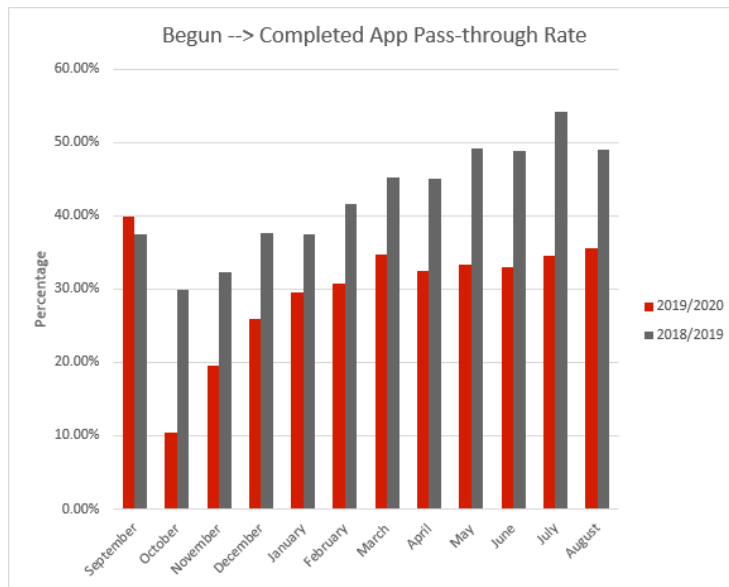
**REPORT OF THE TRUSTEES
for the year ended 31 August 2020**

ACHIEVEMENTS AND PERFORMANCE (continued)

Recruitment (continued)

Overall, we are on an upward trend regarding initial interest going through to applicants. Comparative figures here:

Socials: FB & IG 2019-2020 Target: 2018/2019 --> 2019/2020 growth of 25%				
		Instagram	Facebook	TOTAL
2018/2019	2018/2019	1443	3663	5106
	2017/2018	850	3473	4323
	Growth Rate (%)	70%	5%	18.11%

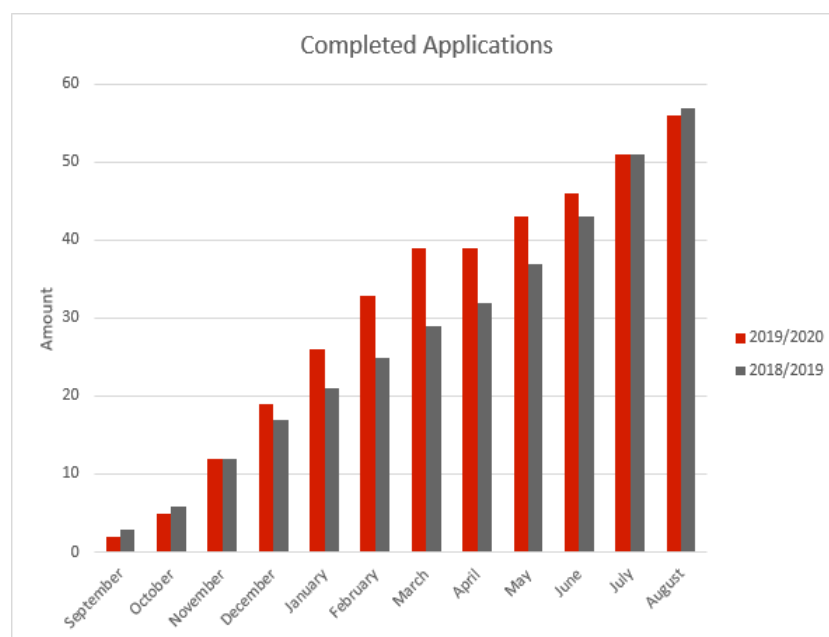


NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Recruitment (continued)



Despite encouraging figures, our intake in the coming years must increase to be able to sustain and maintain the costs of delivery. Target for 2019-20 was 62 incoming over all courses – this includes Level 4, any new students on Levels 5 -6 and new Level 7 students. This remains a goal we would like to achieve for future years.

Website

The target of 5,138 visitors for 2019-20 was achieved by April 2020 representing an increase of 548% on last year's figures. Cumulative figures for the year shown below:

Aug-20	Amount (Current Year)	2401	2401
	Cumulative (Current Year)	22160	22160
	Cumulative (Previous Year)	3420	3420
	Difference (%)	548%	548%

Fundraising and additional streams of income

Apart from usual fundraising activities being curtailed, the whole area of fundraising remains a challenge. The perception of an Institution entirely and very well funded by the Government is hard to overcome, though we continue to work hard to state our case.

Additional streams of income are to be found mainly from hiring the building out during weekends and evenings. This was obviously curtailed or stopped completely during the Pandemic.

Dave Silber left his employed position with Nexus ICA and moved to working on a consultancy basis. His work is focussed on Missional Development and Leadership and includes developing strategic connections and fundraising. This work grew in importance as usual streams of income became scarcer as the Pandemic took hold. The research and work of this role continues to target at grants and funding in the areas of Christian Higher Education and the Creative Arts.

In June of 2020 we applied for and were recipients of a Government Bounce Back Loan administered by Nat West Bank. The loan of £25,000 will be used to carry out updates and renovations to the facility that were due to be paid for by fundraising, although this work will commence in the following year, 2020-21.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Fundraising and additional streams of income (continued)

Individual gifts from stakeholders and supporters remain a crucial part of our financial strategy, although regular monthly income from these sources is still decreasing. Raising awareness of the work and the cost of delivery needs to remain high on our fundraising agenda, as does finding sources of income that will strengthen the income received from student fees. Individual donations continued on an irregular basis. Aside from regular partner giving, donations amounted to £11,493. Management of donations is a collaborative decision between Board and Senior Leadership Team.

The Board are considering a rise in student fees for September of 2021 for incoming students, and the Senior Leadership Team are engaged in conversation with the University regarding this change.

Staff and student development

TedX Coventry

Assistant Principal and Director of Education was accepted to present at TedX Coventry on the subject of Person Centred Education. The event itself was well attended and the talk was well received. It presented a further opportunity to put our beliefs and ethos around education on the public stage.

Church Sound Summit

Dan Meakin, Sound and Lighting Tutor took a group of Nexus ICA students to this new initiative to provide essential services to the event and to meet others from the Christian sector of the industry. Dan was involved in the delivery of the programme, and the event also served to strengthen our relationship with the SFL group with whom we are partnered.

NAMM show

The annual opportunity to partner with American Music and Sound was in January of 2020. AMS support 3 Nexus students by sponsoring their flights to the NAMM show and paying entrance fees. In return, the students provide services and support for AMM setting up and tearing down the exhibition, assisting with services within the exhibition space and setting up and running the tech for the Nord VIP evening.

The students go through a careful selection process led by the Nexus Senior Leadership Team and attending the show represents a significant development opportunity for them both personally and in view of a career in the industry.

Nord sponsors Assistant Principal and Director of Creative Arts Matthew Cossey to attend the event and demonstrate equipment on behalf of Nord.

Creative arts

Songs of Praise Gospel Choir of the Year Competition 2019

The whole experience of entering into this competition was hugely developmental for the choir. From the BBC visit to our site in Coventry to the final performance the choir experienced performing and competing against established gospel choirs from around the country and receiving feedback from the judges. In addition, the competition served as a point of national profile for Nexus ICA.

Nexus Christmas Musical

The 2019 Annual Christmas Musical took a large step forward with the decision being made to use a performance venue outside of our own performance hall. This gave students an excellent opportunity to experience and practice the various skills needed to execute this complex operation. Students and staff were involved in many creative and practical areas which included greeting and hosting invited guests at a VIP Reception, designing and building easily transported set, and maintaining the professional standard in a non-familiar setting. The usual opportunities for collaboration, creativity and expansion of skills were all available such as writing and producing, costume making, photography, filming, acting, sound and lights, stage managing and set building.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Further Creative opportunities and Covid 19

Like all organisations involved in creative arts, the Covid 19 Pandemic disrupted all further performance plans. These included:

- Taking part in the University Gospel Choir of the Year Competition, due to be held March 2020;
- Friday Night In events which support local and student artists;
- Guest performances and Masterclasses;
- End of Year Showcase due to be held in July 2020.

Although severely disrupted, the Leadership Team continued to encourage creativity within allowed boundaries, including:

- Staff and student online performances, including collaborative work;
- Staff leading the way in finding ways of being creative at home; for example 'Lockdown loops' which encouraged students to record a creative chord sequence or melody around a theme;
- Blog posts on topics such as; how to be creative at home; how to keep rehearsal routines going; creative ideas for study; how to read the Bible and gain insight from it during unprecedented times;
- Continued staff to student connection.

Impact of Covid-19 Pandemic

Along with the whole global community we have been affected by the Pandemic. Most obviously, the attention would be drawn to us being in the Creative Sector, and the Higher Education Sector, both of which have experienced challenge and change.

The Trustees were kept up to date throughout by the Principal and the Senior Leadership Team regarding emergency budgets, risk assessments and the health and wellbeing of staff and students.

The Senior Leadership Team were quick to respond to government updates and guidance and communicated changes swiftly and in detail to students as they happened. Updates to our protocols and changes to systems were posted on our website

We are an organisation that embraces change, and this embracing is not only a key foundation of our journey in faith, but also a necessary skill for the contexts in which we exist. Creativity is not stagnant; education must change and adapt to remain relevant. In that regard, we had a staff who were able, despite difficulties, to embrace online learning, digital contact with students, online meetings, worship services without singing and many other elements. We looked for the positives in the development we were forced to actualise. These included:

- The roll out of a significantly strengthened digital communication portal between staff, and between staff and students using Microsoft Teams;
- The first steps towards online and blending learning – which we have been considering for some years and being able to test its success and challenges in real time;
- Rewriting of modules and assessments - in partnership with the University – which address current issues in a more direct manner, for example, how to promote oneself as a performer through online platforms and social media. Some of these modules are set to be retained for the upcoming Academic Year;
- Spiritual proximity being tested and implemented where physical proximity was not possible;
- Being assured that no student was disadvantaged through lack of appropriate digital equipment at home. Since every student is already given an iPad at the start of their studies, Nexus was able to slip seamlessly into online provision and lectures, workshops and discussion groups were designed in such a way that they could be accessed via the iPads;
- The work of the Operations Staff Team on ensuring that policies, systems and regulations were in place to make any return to and use of the building, Covid secure;
- New initiatives and systems were developed to mitigate against the negative impact of Covid regarding recruitment, for example, transitioning to Virtual Open Days and developing a prospectus to strengthen our lead conversion strategy.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Impact of Covid-19 Pandemic (continued)

There have, of course, been challenges that we are still working to overcome. These include:

- Financial impact;
- Streams of income gained by hiring out the building were indefinitely paused;
- More students than average deferred for the upcoming year 2020/21 (see further report on student numbers);
- Giving in general was down across the charity sector, and financial support from stakeholders and other interested parties was down;
- Fundraising. All of our usual fundraising events, and in particular the yearly Rag Week fundraiser, were cancelled due to the Pandemic. Not only did this cause a drop in giving but meant that necessary work and refurbishment was under threat of not going ahead;
- Recruitment. Covid 19 resulted in high numbers of deferrals and withdrawals for this academic year's intake 2020/21;
- Teaching and Academic Quality. While we can be sure that the teaching remained of excellent quality, there were many challenges to overcome with the performance modules and assessments. Students had to work and rehearse in undesirable and extremely mixed circumstances. Staff remained diligent in supporting students through these difficulties. Student performances and recitals were necessarily modified to cope with the regulations of Lockdown and of the Pandemic in general, however, most of the practical assessments were achieved and we are proud of the way students and staff worked together;
- Teamwork and Collaboration. Our fundraising events, showcases and performances, and general ethos of education focus on building strength of character through collaboration and teamwork. This produces perseverance, determination, compassion, kindness, ability to see beyond one's own preferences, real time experience of following or leading, creative thinking, and development of skills outside one's personal field of experience. Without being physically able to encourage and build those life elements, we had to, and are continuing to have to find ways of developing character and the necessary life skills that studying within Higher Education has the possibility and opportunity to produce.

Mental wellbeing of staff

Mental Wellbeing of students. Although contact remained officially the same, and attendance was monitored, this was much harder to track for reasons such as;

- Inability to meet face to face;
- Students, despite guidance, choosing to keep their screens turned off;
- Pressures of the Pandemic and associated worries causing anxiety that students often delayed sharing.

Staff had to find new and creative ways to engage with students, especially concerning issues such anxiety around work and changes to assessments, feeling isolated, and having access to academic support. This was led by the Senior Leadership Team and outworked in conjunction with the Head of Wellbeing. Changes made to account for this have remained as strategies and systems as we go into the new academic year, examples being:

- Migrating all students to a Nexus ICA email address;
- Giving students access to staff via Microsoft Teams;
- Clarifying the role of the Head of Wellbeing;
- Changing emails signatures and automatic replies to indicate staff working hours.

Extra-Curricular Activity. While its title assumes activity that is not regarded as core, our person centred education approach relies on the strength of these activities to build essential qualities for life. Activity that was curtailed or cancelled completely included:

- Nexus ICA Gospel Choir;
- Student Placements in local churches and charities;
- Nexus Teams; an initiative which seeks to promote inter-disciplinary learning and cross collaborative teaching among Operations and Teaching staff members;
- Student societies and clubs.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Updates to facility

Updates planned for the year 2019-20 were delayed due to delays in funding. A larger project is now planned for September 2020 which will see the facility's accessibility arrangements significantly improved. Much of the work to the facility over the summer period was put towards reorganisation, cleaning and creating space for a Covid Secure environment.

In addition to the usual upkeep, updates that took place were the repainting of the front stairs and replacing of the lights in the main hall.

FINANCIAL REVIEW

Reserves policy

In line with Charities Commission guidelines, Nexus ICA keep a minimum of 3 months operating costs in strategic reserve. Funds in excess of three months operating costs have been held to mitigate against delays in the receipt of student fees payment from The University of West London for Quarter 1 of the financial year where cash flow is historically at its lowest point. At 31 August 2020 general funds were £758,464 (2019: £793,805) and restricted funds were £2,686 (2019: £2,686).

Principal risks and uncertainties

General considerations of risk and student numbers:

The main risk to sustainability is student numbers not hitting target or a number of students dropping out. The risk analysis factors in a 10% shortfall in student recruitment year on year plus a small percentage of students who leave the course early. It also includes a consideration for bad debt.

This can be mitigated by monitoring student numbers and staying on target with business plans to ensure targets are hit. The recruitment process involves reporting back on levels of applications, interviews and acceptances throughout the year as well as tracking it in relation to previous years.

As part of the management process, reports are prepared and presented to the Board ahead of each meeting throughout the year where adherence to the budget is monitored. These reports include historical data as well as forward cash flow projections which enable the board to make decisions on expenditure and, where necessary, instruct revised budgets to be drawn up.

Insufficient fund raising

After staffing costs, the biggest expenditures are facilities upgrades and updates. The Board's Fundraising Strategy addresses the need to raise funds for such expenditure; however the Board reserve the right to recommend a delay in facilities expenditure except where necessary upgrades or repair are unavoidable.

Unable to secure additional facilities

Space is an issue in terms of being able to deliver multiples programmes and timetabling. Additional space is currently being hired. If for any reason this becomes unavailable, Nexus ICA will extend the timetable day to facilitate it. Currently the timetable operates from 9am to 4:30pm Monday to Friday. There is scope to start at 8am and run till 10pm if required. Saturday operations would also be considered until additional premises may be secured.

If CAS allocation is withdrawn or Tier 4 license revoked

Currently, levels of international students are low enough not to impact the budget in an unmanageable way should Tier 4 be removed. Since Nexus ICA is a franchised partner of UWL, the students are UWL students and transfer onto a UWL course would be available within the 60-day time frame. This is low risk because we have successfully operated our license for several years. The small number of international students' currently attending means the impact is relatively low and investment decisions can be deferred.

In the event of other business interruptions or financial difficulties

As part of the provision within the franchise agreement, UWL receives the fees from the Student Loan Company. Since 50% of fees are not paid out till May of the academic year it allows them to make provision for continuation should Nexus ICA cease trading for any reason. UWL would then deliver the course from London or transfer students onto one of their other courses. Nexus ICA's insurance policy also includes Business Interruption cover in the event of Force Majeure.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2019

PLANS FOR FUTURE PERIODS

Nexus ICA exists within a context that is continuing to experience difficulty, challenge and opposition. Our belief is that the education we offer is excellent, necessary and relevant. Recruitment is up, which is a good sign. However, with students being our main source of income – and our main priority – it is absolutely imperative that we attract significantly more interest than we currently are. The value of Higher Education has been in question for some time among school leavers, parents and national leaders and now, with the added pressures of Covid 19, its reputation seems to be falling further with applications to Higher Education down across the sector. At Nexus we are proud to have continued to offer excellent education and student contact in all circumstances, despite the rising cost of delivering that education. Although the sector has been a recipient of a good deal of negative press, we are confident that to study with us remains a positive and plausible option, particularly in view of being a smaller provider and being able to continue with student support and face to face lectures as we intend to do.

To try to combat the reality of the context we find ourselves in, with applicants' hesitancy over beginning study at this time, Nexus ICA is already beginning to explore an increase in blended learning opportunities and distance learning. In addition to the two new courses introduced this year, a business case is underway for a new Postgraduate Degree in Contemporary Worship Studies which we hope will commence in 2021-2022.

We remain dedicated to the lives, futures and transformation of each of our individual students. The Board, our hard working Senior Leadership Team, our creative staff, and our committed student body will continue to work together to achieve the mission and vision of Nexus ICA into the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is a company limited by guarantee, incorporated on 16 August 2006, governed by its Memorandum and Articles of Association and became registered as a charity on 29 November 2007. The charity was formerly known as 'Nexus Trust' before officially changing its name to 'Nexus Institute of Creative Arts' on 19 February 2014.

Organisation and structure

The trustees who have served during the year and since the year end are shown on page 10. The trustees are appointed by the existing board of trustees and meet on a regular basis in order to oversee the work of the charity. The trustees delegate the day to day running of the organisation to a senior leadership team who are in turn responsible to the body of trustees. The trustees have the power to invest the resources of the organisation in such assets as they see fit.

Recruitment of trustees

Although efforts have been made to recruit new members, they have so far been unsuccessful. The Executive Chair is currently able to take much of the workload, and robust policies and guidelines remain in place to ensure that the work is collaborative, transparent, managed accurately by the Board as a whole and done in conjunction with the Senior Leadership Team. Due to this working pattern, the Board though small, continues to function effectively.

Jane Moffat took up an Advisory role to the Board in November 2019 in the area of Safeguarding.

Induction and training of new trustees

New trustees are appointed by the existing trustees. The trustees are given an introduction to the Charity and are given the guidance from the Charity Commission on the roles and responsibilities of trustees. All trustees are reminded to monitor the Charity Commission's website for any updates of these responsibilities on a regular basis.

Key management remuneration

Remuneration for key management personnel is set as part of the annual budget process with reference to benchmarking of pay and benefits for similar organisations.

NEXUS INSTITUTE OF CREATIVE ARTS

REPORT OF THE TRUSTEES for the year ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governance responsibilities – notable developments

Safeguarding

Under the guidance of the Safeguarding advisor to the Board, policies have been significantly improved in this area and the DSL role was clarified and reappointed.

Health and Safety

Risk assessments, facility management, policies and protocols were under constant review due to the Pandemic, and monitored by the Board. Changes made remain in place until further notice.

Student Wellbeing

The role of Head of Student Wellbeing was created and appointed in January 2020. This role incorporates many areas for which the Senior Leadership Team hold responsibility including but not limited to; pastoral care, oversight for Personal Tutors, physical and mental health of students, connection with NHS and other local provision. The Head of Student Wellbeing reports directly to the Principal.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05907385 (England and Wales)

Registered Charity number

1121751

Registered office

Astoria House
71 Albany Road
Coventry
West Midlands
CV5 6JR

Auditors

Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Bankers

National Westminster Bank
118 Walsgrave Road
Coventry
West Midlands
CV5 6JR

Trustees

Kate Silber (Executive Chair)
David Bertram
Jet Jones
Matthew Ling

Senior Leadership Team

David Ashworth (Principal)
Hannah Proudfoot
Matthew Cossey
Matthew Donald

NEXUS INSTITUTE OF CREATIVE ARTS

**REPORT OF THE TRUSTEES
for the year ended 31 August 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nexus Institute Of Creative Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 29 March 2021 and signed on its behalf by:

.....
D Bertram - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Opinion

We have audited the financial statements of Nexus Institute Of Creative Arts (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its 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.

Basis for opinion

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However not all future events or conditions can be foreseen. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charitable company and the wider economy. The trustee's views on the impact of COVID-19 are disclosed in note 2 of the notes to the financial statements.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF NEXUS INSTITUTE OF CREATIVE ARTS

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

29 March 2021

NEXUS INSTITUTE OF CREATIVE ARTS

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	33,906	-	33,906	37,735
Charitable activities					
Tuition and performance	6	643,171	-	643,171	590,386
Other trading activities	4	75	-	75	13,285
Investment income	5	<u>17</u>	<u>-</u>	<u>17</u>	<u>31</u>
Total		677,169	-	677,169	641,437
 EXPENDITURE ON					
Charitable activities					
Tuition and performance	7	712,510	-	712,510	716,621
		<u>712,510</u>	<u>-</u>	<u>712,510</u>	<u>716,621</u>
NET INCOME/(EXPENDITURE)		(35,341)	-	(35,341)	(75,184)
 RECONCILIATION OF FUNDS					
Total funds brought forward		793,805	2,686	796,491	871,675
		<u>793,805</u>	<u>2,686</u>	<u>796,491</u>	<u>871,675</u>
TOTAL FUNDS CARRIED FORWARD		<u>758,464</u>	<u>2,686</u>	<u>761,150</u>	<u>796,491</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET
31 August 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	14	700,303	-	700,303	708,606
CURRENT ASSETS					
Debtors	15	48,825	-	48,825	16,368
Cash at bank and in hand		<u>297,850</u>	<u>2,686</u>	<u>300,536</u>	<u>355,688</u>
		346,675	2,686	349,361	372,056
CREDITORS					
Amounts falling due within one year	16	<u>(65,941)</u>	-	<u>(65,941)</u>	<u>(72,002)</u>
NET CURRENT ASSETS		<u>280,734</u>	<u>2,686</u>	<u>283,420</u>	<u>300,054</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		981,037	2,686	983,723	1,008,660
CREDITORS					
Amounts falling due after more than one year	17	<u>(222,573)</u>	-	<u>(222,573)</u>	<u>(212,169)</u>
NET ASSETS		<u><u>758,464</u></u>	<u><u>2,686</u></u>	<u><u>761,150</u></u>	<u><u>796,491</u></u>
FUNDS					
Unrestricted funds	20			758,464	793,805
Restricted funds				<u>2,686</u>	<u>2,686</u>
TOTAL FUNDS				<u><u>761,150</u></u>	<u><u>796,491</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

BALANCE SHEET - continued
31 August 2020

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29 March 2021 and were signed on its behalf by:

.....
D Bertram - Trustee

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**CASH FLOW STATEMENT
for the year ended 31 August 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(44,862)	(34,495)
Interest paid		<u>(10,542)</u>	<u>(11,123)</u>
Net cash used in operating activities		<u>(55,404)</u>	<u>(45,618)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,336)	(17,414)
Sale of tangible fixed assets		300	135
Interest received		<u>17</u>	<u>31</u>
Net cash used in investing activities		<u>(12,019)</u>	<u>(17,248)</u>
Cash flows from financing activities			
New loans in year		25,000	-
Loan repayments in year		<u>(12,729)</u>	<u>(12,148)</u>
Net cash provided by/(used in) financing activities		<u>12,271</u>	<u>(12,148)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		(55,152)	(75,014)
Cash and cash equivalents at the beginning of the reporting period		<u>355,688</u>	<u>430,702</u>
Cash and cash equivalents at the end of the reporting period		<u>300,536</u>	<u>355,688</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2020**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(35,341)	(75,184)
Adjustments for:		
Depreciation charges	20,639	23,026
Profit on disposal of fixed assets	(300)	(135)
Interest received	(17)	(31)
Interest paid	10,542	11,123
(Increase)/decrease in debtors	(32,457)	1,886
(Decrease)/increase in creditors	<u>(7,928)</u>	<u>4,820</u>
Net cash used in operations	<u>(44,862)</u>	<u>(34,495)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank and in hand	<u>355,688</u>	<u>(55,152)</u>	<u>300,536</u>
	<u>355,688</u>	<u>(55,152)</u>	<u>300,536</u>
Debt			
Debts falling due within 1 year	(13,781)	(1,868)	(15,649)
Debts falling due after 1 year	<u>(212,169)</u>	<u>(10,404)</u>	<u>(222,573)</u>
	<u>(225,950)</u>	<u>(12,272)</u>	<u>(238,222)</u>
Total	<u>129,738</u>	<u>(67,424)</u>	<u>62,314</u>

The notes form part of these financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2020

1. GENERAL INFORMATION

Nexus Institute of Creative Arts is a company limited by guarantee and is incorporated in England. It is also a registered charity as regulated by the Charity Commission for England and Wales. The address of the registered office is given in the administrative information on page 10 of these financial statements.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The trustees are aware of the possible impact of COVID-19 and are confident sufficient steps have been taken to mitigate these impacts. The trustees believe that the charity can meet its liabilities as they fall due and the charity shall remain a going concern. As such the financial statements have been prepared on this basis

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. Costs which contribute to more than one activity are apportioned on the basis of staff time incurred on each activity. Support costs which are not attributable to a single activity are apportioned between the activities being supported on the basis of staff time incurred on each activity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- straight line over 50 years
Improvements to property	- 4% on cost
Equipment	- 25% on cost

Assets are capitalised when they cost £1,000 or more and have a useful life of more than one year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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 particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Company status

The charity is a company limited by guarantee, which was incorporated on 16 August 2006. The members of the company are the trustees named on page 10. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	29,228	37,735
Gift aid	<u>4,678</u>	<u>-</u>
	<u>33,906</u>	<u>37,735</u>

4. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Fundraising events (Rag Week)	<u>75</u>	<u>13,285</u>

5. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>17</u>	<u>31</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		2020	2019
	Activity	£	£
Training fees	Tuition and performance	611,688	539,536
Merchandise and tuck sales	Tuition and performance	30	3,390
Hall and equipment hire	Tuition and performance	15,409	27,003
Events income	Tuition and performance	8,519	16,943
Other income	Tuition and performance	2,725	3,514
Income received under the furlough scheme	Tuition and performance	<u>4,800</u>	<u>-</u>
		<u>643,171</u>	<u>590,386</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Tuition and performance	<u>409,800</u>	<u>302,710</u>	<u>712,510</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff costs	227,683	213,896
Merchandise and tuck costs of sale	20	1,288
Events	10,091	15,607
Training and activities	57,856	71,340
Donations	-	4,405
Validation fees	<u>114,150</u>	<u>104,400</u>
	<u>409,800</u>	<u>410,936</u>

9. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Tuition and performance	<u>280,310</u>	<u>10,761</u>	<u>11,639</u>	<u>302,710</u>

Support costs, included in the above, are as follows:

	2020 Tuition and performance £	2019 Total activities £
Administration salary costs	185,589	162,025
Social security	7,452	4,063
Pensions	6,727	9,315
Water and rates	5,882	6,500
Insurance	4,169	4,126
Light and heat	11,805	14,968
Telephone	781	813
Printing, postage and stationery	1,221	1,540
Advertising	25,151	24,816
Bad debts	-	1,073
Child protection costs	381	289
Repairs, maintenance and security	8,543	14,683
Subscriptions	1,970	3,758
Depreciation of tangible fixed assets	20,639	23,026
Finance charges	519	838
Profit on disposal of tangible fixed assets	(300)	(135)
Interest payable and similar charges	10,542	11,123
Auditors' remuneration	3,933	4,820
Legal fees	4,160	6,954
Accountancy fees	<u>3,546</u>	<u>11,090</u>
	<u>302,710</u>	<u>305,685</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	3,933	4,820
Depreciation - owned assets	20,639	23,026
Surplus on disposal of fixed assets	<u>(300)</u>	<u>(135)</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

K S Silber, an employee of the charity, was appointed as a trustee on 1 March 2019. £13,084 remuneration was paid to K S Silber, in her occupational capacity in the year (2019: £11,345). The remuneration was paid under the legal authority of the charity's Memorandum and Articles of Association. K S Silber resigned as an employee of the charity on 30 September 2020.

There were no other trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

The key management personnel of the charity comprise the trustees and the senior leadership team. The total employee benefits of the key management personnel of the charity were £134,370 (2019: £105,888).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

12. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	391,237	358,009
Social security costs	21,194	11,316
Other pension costs	<u>15,020</u>	<u>19,974</u>
	<u>427,451</u>	<u>389,299</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Training	9	9
Administration	<u>19</u>	<u>16</u>
	<u>28</u>	<u>25</u>

No employees received emoluments in excess of £60,000.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	36,735	1,000	37,735
Charitable activities			
Tuition and performance	590,386	-	590,386
Other trading activities	13,285	-	13,285
Investment income	<u>31</u>	<u>-</u>	<u>31</u>
Total	640,437	1,000	641,437
 EXPENDITURE ON			
Charitable activities			
Tuition and performance	715,621	1,000	716,621
	<u> </u>	<u> </u>	<u> </u>
NET INCOME/(EXPENDITURE)	(75,184)	-	(75,184)
 RECONCILIATION OF FUNDS			
Total funds brought forward	868,989	2,686	871,675
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u><u>793,805</u></u>	<u><u>2,686</u></u>	<u><u>796,491</u></u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Equipment £	Totals £
COST				
At 1 September 2019	650,000	109,032	55,519	814,551
Additions	-	11,486	850	12,336
Disposals	<u>-</u>	<u>-</u>	<u>(3,800)</u>	<u>(3,800)</u>
At 31 August 2020	<u>650,000</u>	<u>120,518</u>	<u>52,569</u>	<u>823,087</u>
 DEPRECIATION				
At 1 September 2019	26,000	30,738	49,207	105,945
Charge for year	13,000	4,534	3,105	20,639
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(3,800)</u>	<u>(3,800)</u>
At 31 August 2020	<u>39,000</u>	<u>35,272</u>	<u>48,512</u>	<u>122,784</u>
 NET BOOK VALUE				
At 31 August 2020	<u><u>611,000</u></u>	<u><u>85,246</u></u>	<u><u>4,057</u></u>	<u><u>700,303</u></u>
At 31 August 2019	<u>624,000</u>	<u>78,294</u>	<u>6,312</u>	<u>708,606</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Trade debtors	44,081	32,780
Bad debt provision	(19,013)	(19,013)
Other debtors	6,859	1,454
Prepayments	<u>16,898</u>	<u>1,147</u>
	<u>48,825</u>	<u>16,368</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Bank loans and overdrafts (see note 18)	15,649	13,781
Trade creditors	10,595	5,435
Social security and other taxes	5,945	5,999
Other creditors	8,880	6,291
Accruals	7,272	4,681
Deferred income	<u>17,600</u>	<u>35,815</u>
	<u>65,941</u>	<u>72,002</u>

Deferred income comprises training and registration fees that have been received in advance of the forthcoming academic year.

	2020	2019
	£	£
Balance as at 1 September 2019	35,815	32,910
Amount released to income earned from charitable activities	(35,815)	(32,910)
Amount deferred in year	<u>17,600</u>	<u>35,815</u>
	<u>17,600</u>	<u>35,815</u>

Balance as at 31 August 2020

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2020	2019
	£	£
Bank loans (see note 18)	<u>222,573</u>	<u>212,169</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>15,649</u>	<u>13,781</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>20,233</u>	<u>13,781</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>60,698</u>	<u>41,343</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

18. LOANS - continued

	2020	2019
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more than 5 years	141,642	157,045

Bank loans comprise a 2.5% p.a. Bounce Back loan repayable in July 2026 and a 5 year fixed rate 3.67% p.a. over Base Rate bank loan repayable in October 2032.

The bank loan is secured by a first legal charge over the charity's freehold property.

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	1,271	8,470
Between one and five years	-	1,271
	<u>1,271</u>	<u>9,741</u>

20. MOVEMENT IN FUNDS

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
General fund	758,412	(32,041)	726,371
Property improvement grants	<u>35,393</u>	<u>(3,300)</u>	<u>32,093</u>
	793,805	(35,341)	758,464
Restricted funds			
Building fund	1,200	-	1,200
Bursary fund	<u>1,486</u>	<u>-</u>	<u>1,486</u>
	2,686	-	2,686
TOTAL FUNDS	<u>796,491</u>	<u>(35,341)</u>	<u>761,150</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	677,169	(709,210)	(32,041)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	677,169	(712,510)	(35,341)
TOTAL FUNDS	<u>677,169</u>	<u>(712,510)</u>	<u>(35,341)</u>

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
Unrestricted funds			
General fund	830,296	(71,884)	758,412
Property improvement grants	<u>38,693</u>	<u>(3,300)</u>	<u>35,393</u>
	868,989	(75,184)	793,805
Restricted funds			
Building fund	1,200	-	1,200
Bursary fund	<u>1,486</u>	<u>-</u>	<u>1,486</u>
	<u>2,686</u>	<u>-</u>	<u>2,686</u>
TOTAL FUNDS	<u><u>871,675</u></u>	<u><u>(75,184)</u></u>	<u><u>796,491</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	640,437	(712,321)	(71,884)
Property improvement grants	<u>-</u>	<u>(3,300)</u>	<u>(3,300)</u>
	640,437	(715,621)	(75,184)
Restricted funds			
Building fund	1,000	(1,000)	-
	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>
TOTAL FUNDS	<u><u>641,437</u></u>	<u><u>(716,621)</u></u>	<u><u>(75,184)</u></u>

The general fund represents the free funds which are not designated for particular purposes.

The property improvement grants fund represents monies set aside by the trustees in recognition of grants received to assist in financing the rebuilding of the front steps and the new heating and air conditioning installations. The improvement costs were capitalised and included within tangible fixed assets.

The building fund represents monies received to enable improvements to be made to the building.

The bursary fund has been set up to aid students in financial difficulty cover their fees.

NEXUS INSTITUTE OF CREATIVE ARTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due to the scheme and amounted to £15,020 (2019: £19,974).

Included within creditors is a balance due to pension providers of £2,431 (2019: £2,346) representing contributions owed to the fund.

22. RELATED PARTY DISCLOSURES

Several trustees, and members of the senior management team, are regular supporters of the charity's activities. The regular donations made are less than £1,200 per contributor.

During the year remuneration was paid to D Silber, spouse of K S Silber, totalling £14,861 (2019: £36,427). In addition, during the year consultancy fees were paid to D Silber, spouse of K S Silber, totalling £11,760 (2019: £nil).

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	29,228	37,735
Gift aid	<u>4,678</u>	<u>-</u>
	33,906	37,735
Other trading activities		
Fundraising events (Rag Week)	75	13,285
Investment income		
Deposit account interest	17	31
Charitable activities		
Training fees	611,688	539,536
Merchandise and tuck sales	30	3,390
Hall and equipment hire	15,409	27,003
Events income	8,519	16,943
Other income	2,725	3,514
Income received under the furlough scheme	<u>4,800</u>	<u>-</u>
	<u>643,171</u>	<u>590,386</u>
Total incoming resources	677,169	641,437
EXPENDITURE		
Charitable activities		
Salaries - training	205,648	195,984
Social security	13,742	7,253
Pensions	8,293	10,659
Merchandise and tuck costs of sale	20	1,288
Events	10,091	15,607
Training and activities	57,856	71,340
Donations	-	4,405
Validation fees	<u>114,150</u>	<u>104,400</u>
	409,800	410,936
Support costs		
Management		
Administration salary costs	185,589	162,025
Social security	7,452	4,063
Pensions	6,727	9,315
Water and rates	5,882	6,500
Insurance	4,169	4,126
Light and heat	11,805	14,968
Carried forward	<u>221,624</u>	<u>200,997</u>

This page does not form part of the statutory financial statements

NEXUS INSTITUTE OF CREATIVE ARTS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2020**

	2020	2019
	£	£
Management		
Brought forward	221,624	200,997
Telephone	781	813
Printing, postage and stationery	1,221	1,540
Advertising	25,151	24,816
Bad debts	-	1,073
Child protection costs	381	289
Repairs, maintenance and security	8,543	14,683
Subscriptions	1,970	3,758
Depreciation of tangible fixed assets	<u>20,639</u>	<u>23,026</u>
	280,310	270,995
Finance		
Finance charges	519	838
Profit on disposal of tangible fixed assets	(300)	(135)
Bank loan interest	<u>10,542</u>	<u>11,123</u>
	10,761	11,826
Governance costs		
Auditors' remuneration	3,933	4,820
Legal fees	4,160	6,954
Accountancy fees	<u>3,546</u>	<u>11,090</u>
	<u>11,639</u>	<u>22,864</u>
Total resources expended	<u>712,510</u>	<u>716,621</u>
Net expenditure	<u>(35,341)</u>	<u>(75,184)</u>

This page does not form part of the statutory financial statements