

ROYAL ACADEMY OF DANCE

England & Wales · Charity number 312826

Details

Other names	ROYAL ACADEMY OF DANCING, RAD
Status	Registered
Legal form	Other
Company number	RC000436
Registered	1963-02-12
Register	View on the Charity Commission register

Contact

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Activities

Objects: (1)TO ELEVATE AND ADVANCE THE ART OF THE DANCE BY PROMOTING THE CORRECT TUITION OF DANCE IN ITS HIGHEST FORMS;(2) TO ADVANCE EDUCATION IN THE ART OF DANCE, IN PARTICULAR:(A) BY PROVIDING FACILITIES FOR DANCE, DANCE EDUCATION AND TRAINING;(B) BY SETTING UP AND MAINTAINING PROGRAMMES OF STUDY FOR THE EDUCATION AND TRAINING OF DANCERS, TEACHERS AND NOTATORS OF DANCE (SUCH PROGRAMMES TO INCLUDE, BUT NOT BE LIMITED TO, THE STUDY OF BENESH MOVEMENT NOTATION, WHENEVER APPROPRIATE);(C) BY SETTING AND CONDUCTING EXAMINATIONS IN DANCE AND THE TEACHING OF DANCE;(D) BY EDUCATING, TRAINING, ASSESSING, REGISTERING, LICENSING AND CHARTERING TEACHERS OF DANCE WHO MEET STANDARDS DETERMINED BY THE BOARD FROM TIME TO TIME; AND(E) BY PROMOTING TEACHING OF DANCE.

Activities: The Royal Academy of Dance is a registration organisation for dance teachers, a Higher Education provider for aspiring dance teachers, an Awarding Organisation leading to proficiency in dance at a high level; and the owner of Benesh Movement Notation; and through these provides dance training, dance teacher education, and dance assessment services to students and teachers. :

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Other Defined Groups

Geography

- Aruba
- Australia
- Barbados
- Belgium
- Bermuda
- Brazil
- Brunei
- Canada
- Chile
- China
- Costa Rica
- Cyprus
- Denmark
- El Salvador
- Finland
- France
- Germany
- Greece
- Guatemala
- Guernsey
- Honduras
- Hong Kong
- India
- Indonesia
- Ireland
- Isle Of Man
- Israel
- Italy
- Jamaica
- Japan
- Jersey
- Jordan
- Kuwait
- Laos

- Luxembourg
- Macau
- Malaysia
- Malta
- Mexico
- Netherlands
- New Zealand
- Northern Ireland
- Norway
- Peru
- Philippines
- Portugal
- Scotland
- Serbia
- Singapore
- South Africa
- South Korea
- Spain
- Sri Lanka
- St Lucia
- Sweden
- Switzerland
- Taiwan
- Thailand
- The Bahamas
- Trinidad And Tobago
- Turkey
- United Arab Emirates
- United States
- Venezuela
- Vietnam

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£22,397,000	£24,155,000	£26,899,000	248
2024-07-31	£21,726,000	£22,971,000	£28,484,000	216
2023-07-31	£22,004,000	£22,113,000	£29,091,000	215
2022-07-31	£20,626,000	£20,278,000	£29,693,000	214
2021-07-31	£18,695,000	£16,858,000	£23,420,000	236

Trustees

Name	Role	Appointed
Stephen Moss CBE	Chair	2023-04-18
Amy Giancarlo		2021-05-11
Beverly Dorothy Barbara Payne		2025-06-26
Catherine Ward Quinn		2024-04-21
Chi Cao		2021-05-11
Grace Anne Margaret Buskell		2025-12-11
IMOGEN KNIGHT		2017-04-27
James Cane		2021-05-11
Jane Karczewski		2024-04-21
Justine Anthea Hampsheir		2025-05-11
Mark Colin Bramwell		2026-03-26
Mark John Carawan		2025-12-11
Prof Peter Flew		2019-04-25
Rachel Jackson-Weingartner		2021-05-11
Sarah Georgina Robbins		2024-12-12
Sarah Margaret Haslock		2025-09-25
Sonia Greco		2025-09-25
Stephen Sacks		2022-05-11
Victoria Allport		2021-05-11

Linked charities

- DAME MARGOT FONTEYN TRIBUTE FUND (312826-1)

ROYAL ACADEMY OF DANCE

England & Wales - Charity number 312826

Accounts

ROYAL ACADEMY OF DANCE



Annual Report and
Financial Statements
For the year ended 31 July 2025



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Welcome from our Chair



The RAD has continued its valuable work in ensuring a future stream of teachers, with almost 360 students graduating this year and an increasing number now studying via distance learning, which is an exciting development for the RAD.

I am pleased to present the Annual Report and Financial Statements for the Royal Academy of Dance for the year ended 31 July 2025; my third as chair.

I continue to find so much that is genuinely inspiring in what we do together at the RAD. From the enthusiasm of staff and colleagues to the way that our dancers, teachers, members, and communities everywhere embrace the joy and wellbeing that dance offers, I am proud of our mission to inspire the world to dance.

Elizabeth Honer, who was appointed as chief executive in January, has already made a substantial contribution to the organisation. She has refreshed our strategic vision and refined the management structure to secure a sustainable future of artistic and educational excellence through what continues to be a challenging financial time for the RAD, as indeed it is for so many charities.

I am also delighted that our Artistic Director, Alexander Cambell, has established a creative vision for his area of responsibility which has been expanded to bring together the Artistic and Faculty of Education department, along with the Continuing Professional Development and Library & Archive teams into a new Education and Participation Department. This will ensure greater artistic input in the education area and more joined up thinking between the teams.

Our annual flagship event, The Margot Fonteyn International Ballet Competition, was another big success in 2024. This spectacular event, drawing dancers from 13 different countries, was broadcast live online to an audience of 210,000 people around the globe.

The RAD has continued its valuable work in ensuring a future stream of teachers, with almost 360 students graduating this year, and an increasing number now studying via distance learning, which is an exciting development for the RAD. At the same time, we delivered over 210,000 exams and, despite some countries struggling due to demographic changes, we did see growth in some key territories.

At the end of the year, we had a broadly stable figure of nearly 12,000 valued members and our Membership team continue to innovate to attract an even larger audience in future years through new benefits and incentives. During the year we held another hugely successful Members' Day where we were delighted to welcome over 800 members both in person and online.

The year finished with an astoundingly successful 'Midsummer Night' fundraising event at the Mandarin Oriental hotel in London. With the help of our President, Dame Darcey Bussell, and a great committee and RAD team, our audience of some 180 RAD supporters enjoyed six exhilarating star-studded performances and the event raised almost £300,000 to support dance teacher training around the world.

Finally, I would like once again to pay tribute to all our employees, trustees and subcommittee co-optees, as well as our members, supporters, friends, and donors. All their contributions are so vital to what we do and for that I offer them great thanks and appreciation.

A handwritten signature in black ink, appearing to be 'S Moss', written in a cursive style.

Stephen Moss CBE

Chair, Board of Trustees

Message from our Chief Executive



There are exciting times ahead, as we continue to inspire the world to dance, empowering individuals, and building communities.

I took up my role as chief executive half-way through the year in review and have spent much of this time meeting a wide range of members, examiners and staff across the globe, as well as donors and partners. This has helped me to understand what we do well, what we need to improve and to identify new opportunities.

I have been so struck by the enthusiasm, commitment and passion for the RAD of all those whom I have met across the world in the past year. Their energy is infectious, and I feel greatly privileged to be the custodian of the RAD for the coming years. I look forward to honouring our rich and long history as a leader in dance education and learning, while embracing future opportunities.

When I started, I observed that we seemed to be trying to do too much at once. We have therefore been working hard on prioritisation, which will be reflected in our revised strategy and business plan, with clear priorities agreed through our subcommittees and the board. These priorities will see us enhancing our offer, with refreshed teacher education programmes and new syllabi, placing excellence and joy at the core of what we do. We know we must move with the times as the expectations of our members and participants change, along with the demands of the dance teaching profession.

Like many arts and education institutions, we operate in challenging financial times. Demographic changes are triggering a fall in the take-up of classes and exams in some countries, with the competition for people's time and money increasing. To address these, we are researching such changes in our major markets and exploring potential new markets too, so that we can develop a comprehensive response.

There is much to do. Our new 'Vision 2030' (what we want the RAD to look and feel like in five years' time) will be implemented through our refreshed strategy and business plan starting in 2025/26. There are exciting times ahead, as we continue to inspire the world to dance, empowering individuals, and building communities.

I extend my sincere thanks to all our people across the world, to our teachers, members, examiners, and to our students and dancers everywhere, for their hard work and commitment. Thanks to them, we are a world leader in dance education, as well as champions of wellbeing, inclusion and inspiration.

A handwritten signature in black ink, appearing to read 'Elizabeth Honer'.

Elizabeth Honer CB

Chief Executive

Highlights of our Year

Over
360
students graduated from our
Faculty of Education.

We delivered a total of over
210,000
exams in **65** countries

Step into Dance
reached over
4,100
young people across
London and Essex

Our Members' Day attracted
166 **and** **665**
in-person **and** online attendees
and generated over
£16,000 in ticket sales

We raised almost
£1m
for dance engagement
projects

1.16bn
people reached by our
'Hometown Hero' campaign,
designed to celebrate Fonteyn
candidates' local successes

Continuing Professional
Development saw
1985
bookings across 84
activities in the UK, and
2,314 bookings in total by
international offices.

Globally, we have nearly
12,000
members

The 'A Midsummer Night'
event raised
£450,000
to support dance teacher training

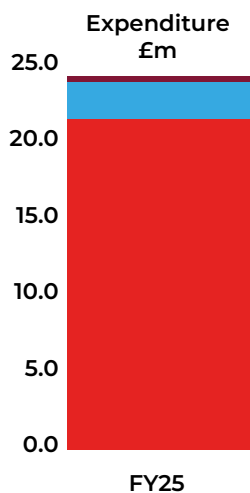
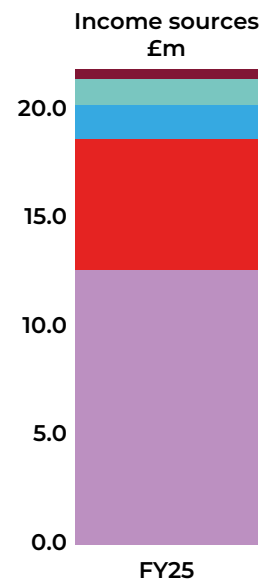
The Fonteyn livestream
was viewed by over
210,000
people globally

Our Benesh International Congress saw
participants from Australia, Canada, China,
Czech Republic, France, Germany, Japan,
the Netherlands, New Zealand, Singapore,
South Africa, Switzerland, Türkiye,
the United Kingdom, and USA

Overview of Financial Performance

The RAD's income comes from offering examinations to students around the world, from educating dance teachers, from our members, from donations, and from sales and licensing.

	Income sources £m	
	FY25	FY24
Examinations	12.7	12.3
Education and training	6	5.8
Trading, investments, and other	1.6	1.6
Membership	1.3	1.2
Donations and legacies	0.8	0.7
	22.4	21.6



The majority of the RAD's expenditure goes on carrying out our charitable activities (see below).

The remainder is spent on the costs of fundraising and on general administration.

	Expenditure £m	
	FY25	FY24
Charitable activities	21.5	20.7
Fundraising	2.2	2.1
Other	0.4	0.2
	24.1	23

The RAD's main charitable activities include carrying out examinations worldwide, training the next generation of dance teachers, providing continuing professional development to maintain and grow the skills of existing teachers, and providing services to our members.

	Expenditure on charitable activities £m	
	FY25	FY24
Examinations	11.6	11.2
Education and training	4.8	4.9
Continuing professional education	3.8	3.4
Membership	1.3	1.2
	21.5	20.7



Note: excludes revaluation adjustments and foreign exchange movements.

Patron, President, Board of Trustees, and Vice Presidents

Patron

Her Majesty The Queen

President

Dame Darcey Bussell DBE

Board of Trustees

List A Trustees (Full members of the RAD)

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS

Chi Cao PDTD

Imogen Knight ARAD BA (Hons) DDE, RAD TD, RAD RTS

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip

Vikki Allport RAD RTS TDIP (Dist)

Justine Berry PDTD RAD RTS ARAD PGCE MA (appointed May 2025)

List B Trustees

Stephen Moss CBE, LLB (Hons), MSc (Chair of the Board of Trustees)

Ida Levine BA Juris Doctor JD (vice chair) (until May 2025)

Catherine Quinn BA (Hons) MA, MBA

Deborah Cornelius MA (Cantab) (until September 2025)

Esther Chesterman LLM LLB Dip Ed

James Cane FCA

Jane Karczewski BA (Hons)

Professor Peter Flew BSc (Hons), MA, NPQH, SFHEA, FCCT

Stephen Sacks

Georgina Robbins Cert-IOD

Co-opted trustees

Beverly Payne BA, MSC

Sarah Haslock RAD T Dip, LRAD, ARAD, RTS (RAD), AISTD

Sonia Greco RAD T Dip

Vice Presidents

Sir David Bintley CBE

David McAllister AC

Li Cunxin AO

Dame Monica Mason DBE

Sir Peter Wright CBE DMus DLitt FBSM

Wayne Sleep OBE

Trustees' Report

Our Work

At the Royal Academy of Dance, we've inspired dancers and teachers for over a century, reaching more than 80 countries. Our vibrant global network connects over 400,000 students and dancers of every age and ability, fostering a true sense of community.

As a prestigious British institution with a Royal Charter and deep roots in the dance world, our alumni span the globe. Through dedicated outreach, we champion inclusion and wellbeing, living our values and making a positive impact wherever we go.

- Exceptional together: working collaboratively to achieve exceptional outcomes,
- Creative innovators: staying at the forefront of new artistic ideas and approaches,
- Open to all: removing barriers to participation,
- Happy to help: providing excellent customer service and being supportive and friendly, and
- Champions of wellbeing: promoting and supporting the wellbeing of the dance community and of our people,

Here, we go into some detail about our work over the period in review and the role that each department has played in achieving our aims.

A dance educator focused on excellence and inclusion

Dance teacher education

As a leading dance educator committed to excellence and inclusion, our teacher-education programmes open doors to rewarding careers in dance teaching. Guided by a distinguished faculty of experienced dance professionals and educators, we offer a diverse range of qualifications—from assistant teacher to postgraduate degrees—tailored for individuals from various professional and academic backgrounds. Last year, 360 dedicated students graduated from our courses, celebrated at the renowned Cadogan Hall in London. The ceremony, attended by 150 graduates, featured an inspiring keynote speech from Sir Wayne McGregor.

We also welcomed the second Certificate in Dance Teaching cohort of 372 students, with 333 continuing into their second year. This programme caters for a diverse student body from 39 different countries. Recruitment to the second cohort of our new Professional Dancers' Graduate Teaching Diploma met our target for Australia and exceeded its target in the UK.

Access Routes

Our Access Routes offer dance students or recent graduates studying with another provider, eligibility to gain RAD Registered Teacher Status (RAD RTS). This year saw the introduction of a new vocational track along with the degree track. These saw an intake of 55 new students, an increase of 29 on last

year. Despite this, recruitment to our undergraduate programmes continued to be challenging, with 18 students starting the BA Ballet Education and just 7 starting the BA Dance Education in September 2024. However, improved visibility of our degree programmes since the spring of 2025 has seen a greater number of applications, especially for our distance-learning options. We hope that this greater visibility will positively impact recruitment in future.

Recruitment to our Master of Arts in Education (Dance Teaching) exceeded its target. This programme serves the needs of practising dance teachers with valuable learning and professional development opportunities.

Dance education outreach

For the second year, the Dance Education Company delivered a half-day event for local primary schools. This consisted of a performance of the work Trust Tag along with creative dance workshops. Over 100 children from three state schools attended the event at the RAD, with positive feedback from the schools, students, and colleagues.

The collaboration with the Francis Crick Institute established last year continued with students and staff delivering practical dance workshops at the Centre for the Cell (Queen Mary University) in May and at the Francis Crick Institute's Discover Day in June 2025.

Continuing Professional Development (CPD)

The RAD's CPD team curates dynamic training courses and events that empower participants to expand their skills and knowledge—whether you're a dancer, an independent dance teacher, a choreographer, an arts administrator, or simply passionate about dance. Every event is designed to inspire growth and foster a vibrant, inclusive dance community.

We are continually developing what we offer, and the pilot of a new product offering CPD points for teachers has just been successfully completed. At our headquarters, we ended the year with a 52% increase in ticket sales compared to our budget. The strongest selling type of content has been non-syllabus online/virtual with over 1,000 tickets sold, and nearly 300 tickets over budget. This was followed by syllabus online/virtual and non-syllabus in-person.

Ticket sales show that there is more appetite for online CPD over in-person events, with online now making up three quarters of sales. Syllabus in-person are the weakest-selling activity. These findings will shape our approach as we develop our CPD offer in the coming year. Pleasing post-evaluation data shows that 95% of our attendees would recommend the activity they attended to others.

July saw an event 'Movement Matters: Nurturing community, connections, and teaching innovations' with participants attending from 12 different countries. This took place online and in-person at RAD headquarters and featured nine activities, with

185 tickets sold. 57% of activities either reached or exceeded our budget, and overall numbers exceeded our target by 10%. We continue to work on providing accessible CPD to as many teachers as possible, offering activities in different time zones and in languages other than English, including online and virtual sessions.

Good progress has also been made on exam trials for our new Musical Theatre syllabus, and Ofqual has approved our submission for Musical Theatre and Creative Training exams.

Our library services

The Wolfson Library at our headquarters in Battersea houses one of the largest specialist dance collections in the UK. It welcomes researchers, educators and practitioners from around the world as well as RAD members, students and staff.

Over the past year, notable work has included:

- assisting choreographers in the creation of new dance works,
- supporting authors producing studies on the founders of arts education schools and the composer Arthur Bliss,
- enabling RAD students to access resources for assignments, and
- helping individuals explore family connections within the dance world.

In 2024/25, the library curated a range of physical displays, talks and online content to support key events, including:

- Karsavina at Seventy,
- Silver Swans Celebration,
- Benesh Congress 2025,
- Spotlight on RAD Dance Scholarship Scheme Scholars,
- A Midsummer Night's Gala,
- Step Into Dance Battle, and
- the LGBTQIA+ Working Group's Pride Display.

Our archive collections have enriched the experience for visitors through a range of displays. Highlights include the 'Kenneth MacMillan's Romeo & Juliet: Celebrating 60 years' display in the foyer and a newly installed display cabinet outside the theatre further increasing public engagement with our history.

Curated library displays—such as Pride Month features in the Library & Archive windows—offered opportunities for staff and student contributions. BABE students also presented their coursework alongside the library resources that supported their research, highlighting the value of our collections in academic and creative work.

We implemented an Integrated Pest Management (IPM) strategy to protect our library and archive collections. Through regular housekeeping, monitoring, environmental control, and preventive

measures, IPM helps prevent pest-related damage, ensuring the long-term care and stability of materials.

The Library and Archive were awarded a £49,352 Archives Revealed grant from The National Archives, the Wolfson Foundation, Pilgrim Trust, and NLHF to catalogue the Kenneth MacMillan Archive, which we acquired in 2024. This recognised our collections development strategy, public accessibility, audience engagement and reputation as a leading archive. It enabled us to improve cataloguing infrastructure by acquiring a new system, commissioning a cataloguing policy manual, and appointing a dedicated cataloguer for the project.

The year in review saw a continuing increase in donations of significant material to our collections as donors increasingly choose us as a trusted repository for the long-term care of their items.

Our syllabi and exams

As well as educating dance teachers to the highest standards, we also set the benchmark for excellence in dance instruction worldwide. Our expertly crafted syllabi and exams, regulated by Ofqual, give dancers, teachers, and parents the confidence to trust our programmes. This year alone, we delivered 210,144 exams across 65 countries, marking a global increase in participation. Thanks to a 58% rise in exam bursaries, even more students around the world were empowered to continue their dance journeys.

Although planned projects caused some temporary reduction in operational services, such as the time taken to issue exam certificates, we are now back on track and, reassuringly, we still saw an increase in our teacher Net Promoter Score (a way to measure customer satisfaction and loyalty by asking how likely respondents are to recommend a company, product, or service) to 84.8%.

We are the world's leading organisation for ballet, certifying more dancers in this single genre each year than any other awarding body. Exams are a cornerstone of the RAD's work and a vital part of our sustainability, contributing around 57% of our annual income.

Exams also play a key role in supporting the RAD's charitable mission to make high-quality dance training accessible to all. Looking to the future we are developing new syllabi that expand beyond ballet and creating opportunities designed to engage a broader adult audience.

An extensive global community Membership

Our members are at the heart of our mission, spanning the globe and driving our success. This year, we celebrated 11,921 active members—demonstrating our enduring strength, with only a slight dip among non-professional members. Thanks to dynamic recruitment at our headquarters and the innovative awarding society route, we've not only

offset membership losses but also welcomed new teachers into our vibrant community.

Our online members' area is flourishing, connecting over 10,000 active users worldwide. Engagement is especially high in key areas like exams, events and safeguarding, ensuring every member enjoys maximum value and support from their RAD experience.

In May, our annual Members' Day attracted 166 in-person and 665 online attendees, generating over £16,000 in subsidised ticket sales and exhibitor sponsorship. The day also featured our 88th AGM and concluded with the RAD Awards to celebrate the achievements of our teachers and alumni. These saw a Fellow of the Institute of Choreology (FIChor) awarded to Diana Curry, a President's Award presented to Ida Levine, and Lucia Millas, Thérèse Cantine, and the late Dr. Susan (Susie) Cooper receiving Fellowships of the RAD (FRAD). Participants joined these events online from over 40 countries.

The year also saw 13 member events garnering nearly 1,700 registrations. The most popular of these were 'Enhancing dynamics, space awareness, and coordination for success in RAD examinations', which attracted over 400 registrations. These events showcase current and relevant topics designed to support dance teachers' professional growth and feature leading speakers from across the industry.

To make dance more accessible, enhance our community and support the development of dance education around the world, we also widened eligibility for Registered Teacher Status (RAD RTS) via an awarding societies route. This means that those studying with other awarding societies in the UK, Germany and Australia can achieve RAD RTS status. This initiative resulted in the recruitment of 68 new teachers across 6 countries. The group also reported an excellent Net Promoter Score of 63%, marking this recruitment as our most significant achievement of the year.

Learning and participation

Over 1000 people participated in our learning and participation programmes throughout the year including:

- Silver Swans Celebration with 415 online and in person attendees,
- Intensive courses designed to support participants ahead of upcoming examinations, and
- Summer and Easter courses for children through to adults, demonstrating our commitment to lifelong learning and engagement.

In addition to this, over 2,000 enrolments across over 130 classes were delivered at our headquarters, including RADiate (for children with special educational needs and disabilities) and Ballet for the Cancer Community.

Ballet for the Cancer Community attendees were asked to think about the impact the session had on them. The vast majority felt improved wellbeing, had learned a new skill, had grown in confidence, and had met new friends and forged new connections.

Our Step into Dance programme, run with The Jack Petchey Foundation, is one of the largest inclusive dance programmes in the UK. In the last year it reached over 4,100 young people across London and Essex with 90% of participants reporting an increase in self-confidence, and 83% citing an improvement in their mental wellbeing after participation.

An international RAD

We work closely with our national offices to ensure our offer reflects local needs and, in turn, they can inspire our members in their country. Every two months our national directors come together, in four virtual regional hub meetings, to discuss new developments and to share ideas, experiences and challenges. We have now introduced all-staff meetings, around three times a year, to connect our people from across the world.

Our international offices have reported back on some of their achievements and landmarks during the year under review:

Canada held the SunDance summer intensive, the only RAD summer school in the world that combines RAD ballet with Limón modern dance. They also held their Solo Seal, the highest level of examination open to students who achieve Distinction on their RAD Advanced 2, with 29 candidates across the 3 exams, in front of more than 700 audience members.

Brazil held bursary and 'Challenge' events created for students who achieved a Distinction in their exams. These were a great success, with almost 500 participants.

RAD Germany marked the 50th anniversary of the RAD in Germany, Austria and Switzerland - with Switzerland celebrating 55 years. This included a special programme and celebrations attended by the British Ambassador, Andrew Mitchell, the first RAD representative in the area, Ulrich Roehm, as well as our Chief Executive, Elizabeth Honer, and our artistic director, Alexander Campbell.

In China they held a highly successful Annual Youth Ballet Challenge where a distinguished panel of judges saw close to 350 candidates age 7-14 over the course of three days.

The Japan Summer School, a long-running initiative and a key driver in expanding RAD's reach and reputation in the region, was held in August 2024, bringing together 270 participants from across the country.

RAD Hong Kong & Macau SAR (China) continued to offer Access route in collaboration with the Hong Kong Academy of Performing Arts.

This year, RAD Australia celebrated its 90th anniversary. Since their first exams in 1935, there are now 40 Australian examiners delivering around 20,000 exams each year. In 2024/25, participation rates increased across their student events programme, with over 4,150 dancers taking part, including 12 awards events, a Summer School, masterclasses, and workshops.

RAD New Zealand celebrated International Day of Older Persons, with two Silver Swans Days in Auckland and Christchurch, with more than 60 dancers taking part. They also introduced 'Tiaho', meaning 'to shine' a two-day course specifically for students with disabilities.

In Singapore, we provided a total of over 10,000 exams, and our Malaysia office held its first Summer School for teachers.

In the UK, we celebrated Antonia Cramb, a Royal Conservatoire of Scotland (RCS) dance student, who was a winner at last year's Fonteyn in London. Studying with her RAD teacher (Trisha Meenaghan-Wackrow) in a tiny church hall in rural Perthshire, Antonia leapt into a role with Scottish Ballet.

This period also saw lunches held around the UK for RAD teachers, encouraging dialogue on our future direction, and strengthening regional engagement and teacher retention.

In collaboration with the Sports and Recreation Alliance, we supported the 'Let's Dance' Campaign to promote access to dance across the UK, culminating in a National Day of Dance in March 2025. This was spearheaded by our Silver Swans Ambassador, Angela Rippon CBE. Partners also included the National Health Service, and Parkinson's UK, and activities included dance classes, YouTube sessions, free community open days, and live performances.

A cohort of Silver Swans from the Judith Florey School of Dance successfully completed the Grade 4 Class Award, marking a six-year progression in adult ballet education. A partially sighted member completed the award through tailored modifications, demonstrating the effectiveness and inclusive teaching of our syllabus.

In May, our annual Members' Day attracted 166 in-person and 665 online attendees, generating over £16,000 in subsidised ticket sales and exhibitor sponsorship. The day also featured our 88th AGM and concluded with the RAD Awards to celebrate the achievements of our teachers and alumni.



The Wolfson Library at our headquarters in Battersea houses one of the largest specialist dance collections in the UK. It welcomes researchers, educators and practitioners from around the world as well as RAD members, students and staff.



Our Global and Inclusive Impact

RAD Germany

Marked the 50th anniversary of the RAD in Germany, Austria and Switzerland – with Switzerland celebrating 55 years – with a special programme and celebrations attended by the British Ambassador, Andrew Mitchell, the first RAD representative in the area, Ulrich Roehm as well as our Chief Executive and Artistic Director.

RAD Canada

• SunDance Summer Intensive

The only RAD summer school in the world that combines RAD ballet with Limon modern dance

• Solo Seal

29 candidates participated across the three exams in front of more than 700 audience members

RAD Brazil

Held the Bursary and Challenge events created for students who achieved distinction in their exams and which were a great success gathering almost 500 participants

RAD Australia

90 Stories Across 90 Years

In 2025, RAD Australia celebrated its 90th year. Since the first exams conducted in Australia in 1935, there are now 44 Australian examiners delivering around 20,000 exams each year. In 2024/2025 participation rates increased across student event programmes with over 4,150 dancers taking part – including 12 Awards events, Summer School, Masterclasses and workshops.



RAD Malaysia

Held its first Summer School designed for teachers

RAD China

Ran a highly successful Annual Youth Ballet Challenge, where a distinguished panel of judges saw close to 350 candidates aged 7-14 over the course of 3 days.

RAD Japan

The Japan Summer School, a long-running initiative and a key driver in expanding RAD's reach and reputation in the region, was held in August 2024, bringing together 270 participants from across Japan

RAD Hong Kong & Macau SAR (China)

Continued to offer access routes in collaboration with Hong Kong Academy of Performing Arts.

RAD Singapore

Provided a total of over 10,000 exams

RAD New Zealand

- In celebration of International Day of Older Persons, organised two Silver Swans® days in Auckland and Christchurch with over 60 dancers taking part
- Introduced Tiaho, a two-day course specifically for students with disabilities and differ-abilities

RAD UK Regional Highlights 2024-2025

National Engagement and Participation

We celebrate success

We celebrate Antonia Cramb, a Royal Conservatoire of Scotland (RCS) student who was this year's winner of the **Margot Fonteyn International Ballet Competition** in London.

Studying with her RAD teacher (Trishia Meenaghan-Wackrow) in a tiny church hall in rural Perthshire, Antonia leapt into a role with Scottish Ballet.

Ballet and beyond – dance genres and wellness for all

Let's Dance

- On 2 March 2025, RAD launched the inaugural Let's Dance initiative, spearheaded by Silver Swans Ambassador Angela Rippon CBE.
- Key partners included the Sport and Recreation Alliance, NHS, and Parkinson's UK.
- Activities included structured dance classes, digital sessions via YouTube, free community open days, and live performances.
- From the picturesque Orkney Isles and the historic Dumfries House in Scotland to the Eden Project in Cornwall, participants of all ages, from Silver Swans to teens and tiny tots, came together to celebrate the joy of dance.

Regional networking

We held lunches throughout the UK for RAD teachers, supporting strategic dialogue around RAD's future direction, strengthening regional engagement and teacher retention through direct interaction with RAD.

Silver Swans (for over 55 yr olds)

A cohort of Silver Swans from the Judith Florey School of Dance successfully completed the Grade 4 Class Award, marking a six-year progression in adult ballet education. A partially sighted member completed the award through tailored modifications, demonstrating the effectiveness and inclusive teaching strategies of the RAD syllabus.

Connected to the Profession

Deeply rooted in the dance profession, the RAD has a rich legacy from its visionary founders to today's leadership. With Dame Darcey Bussell, the celebrated former principal of the Royal Ballet, as our President, we continue to inspire and shape the future of dance

Our vice presidents are drawn from across the dance sector: Dame Monica Mason, David McAllister AC, Li Cunxin, Sir David Bintley CBE, Sir Peter Wright CBE, and Wayne Sleep OBE. To add to this list, we were particularly pleased this past year to announce the appointment of ex-Royal Ballet principal, Alexander Campbell, as our new artistic director, reinforcing our links to the dance profession. He brings the perfect combination of excellence and joy in dance, of tradition and innovation, that will secure our position for the future.

The Fonteyn

Our flagship annual event, The Margot Fonteyn International Ballet Competition, is dedicated to promoting and rewarding standards of excellence in young ballet dancers internationally by offering aspiring dancers the unique opportunity to work with world-renowned choreographers and professionals, as well as the chance to perform on an international stage. In 2024 it returned to a successful staging in London. This was supported by a 'Hometown Hero' campaign designed to celebrate candidates' local successes. Over the semi-finals and finals, 66 candidates from 13 countries performed in front of a judging panel including Dame Darcey Bussell DBE, Alessandra Ferri, Kevin O'Hare CBE, José Alves, Dame Monica Mason DBE, and Ashley Page OBE at the Aud Jebson Studio Theatre and His Majesty's Theatre. This celebrated cast list reinforces the connection of the RAD to the wider dance profession.

The competition reached over 1.16 billion people between July and September via various channels of media exposure, with one BBC article reaching over 162 million people. High-profile regional press was secured across BBC and ITV outlets, and international colleagues ran similar campaigns to increase press coverage around the world. A live stream of the event, broadcast via medici.tv, was viewed by 210,000 viewers globally. The Gold Medal winner, Antonia Cramb, went on to join Scottish Ballet. We were also very proud to see 2023 Fonteyn gold medallist, Jakob Wheway Hughes, continue his progress as a winner at the Prix de Lausanne in 2025, ahead of accepting his first professional contract with English National Ballet. The 2025 competition launched with a new Brazilian-inspired creative concept and new microsites in English, Portuguese, and Spanish, as we looked forward to taking the competition to Sao Paulo, Brazil in October .



Top: Alexander Campbell joined as our new Artistic Director.



Above: The Margot Fonteyn International Ballet Competition reached over 1.16 billion people via various channels of media exposure.

A British Brand with a Royal Charter and long legacy

We have a long and proud history, over 105 years. We are eager to remain rooted in our core purpose, established by our founders, of excellence in the teaching and learning of dance, while harnessing modern methods and approaches. This history is recognised through our Royal Charter, and we were honoured that Her Majesty, Queen Camilla, last year agreed to become our Patron.



Branding and products

During the year we developed a new global brand identity which was rolled out to all departments and global offices. In addition to this, sub-brand identities were created for specific products and programmes:

- Step into Dance has a new, vibrant brand identity created using bold typography and movement illustrations.
- A new Silver Swans sub-brand was created and applied to new range of dancewear and teaching resources.
- A Midsummers Night saw a striking identity for this high-profile fundraising event.
- Academy Pantry is the new name for the café at our headquarters in Battersea.

To engage better with our hugely successful audience of Silver Swans® (ballet classes aimed at dancers over 55 years-old) we launched our Taking Flight newsletter. This has so far attracted over 2,200 subscribers.

A new strand of our work has seen us become more involved in advocacy. Working with an external advisor, we are taking opportunities to raise awareness of the physical, mental health and social benefits of dance, for all ages, and lobby the government to include dance in education and social programmes.

As part of the new website launch, extensive support was provided to develop the 'Find a Teacher' map and Professional Register. The updated map now integrates Silver Swans Licensees and includes enhanced functionality, such as improved search and filtering options. This tool strengthens the visibility of our teaching community and provide.

In May, RAD Enterprises soft-launched the first members-only affiliate programme, allowing participants to earn commission by promoting RAD products sold through the RAD shop website.

We conducted a review of our product lines and pricing structure to complement the diverse customer profiles across the shop and online which demonstrated very different shopping patterns. As a result, we feel closer to being a one-stop shop destination for all dancewear and exam needs.

A brand refresh with its various iterations of the RAD logo and marques was rolled out across our product lines. This enhanced the range review and presented opportunities to experiment with our brand identity, selecting the version most relevant to the product type.

We have expanded our products to welcome various customers from external hires, and Silver Swans Licensees and dancers have embraced our new apparel collections.

Freed of London released its new RAD approved uniform under license. We also worked with our other licensees globally (IDS, Mondor, Bloch, Little Ballerina) on the release of their updated uniforms.

Online sales showed continued growth whereas the shop was more susceptible to economic factors; growth remains driven by digital syllabus resources, and Silver Swans apparel. At the end of the financial year, we were close to achieving 10,000 e-newsletter subscribers and achieving close to 200 sign-ups per month.

The year ended on a high with a positive start to our Summer School season and shop sales achieving a 30% growth on last year.

Effective Organisation

For any organisation to be effective, it needs to have strong connections to the communities in which it operates as well as firm foundations, in its people development and its IT infrastructure. This section explains developments in these areas and showcases awards that recognise our professional standing.

Community connections

Our extraordinary roster of community engagement projects, including the flagship Step into Dance, which, supported by the Jack Petchey Foundation, goes from strength to strength, with 50,000 young people given free dance lessons since 2006.

We also run an engagement initiative in Wandsworth which includes a 'Good Neighbours' programme where we aim to expand access to dance to people living in the borough, ensuring that our work reflects community voices, and offers fair and equitable opportunities to everyone. This incorporates an Arts Action Group, a collective of stakeholders, partners, and community representatives, who work alongside us to shape and how we engage with our community. Past events have included a Tea Dance for older people, a celebration of Black British ballet, various workshops for local groups, including arts and crafts, and the establishment of an annual Community Day.

Other events held in this reporting year include:

- 'Reclaiming Narratives: Exploring the Soul of Samba'. This was held as a part of marking Black History Month and included a talk, a performance, and an introductory lesson.
- A Community Christmas Celebration featuring a line dancing workshop, a performance from the Battersea Power Station Community Choir, and performances from three scholar groups from the RAD Dance School.
- 'Love of Dance', an event for children aged 7–9 living in Wandsworth with introductory classes in ballet, jazz, creative contemporary, and Hip Hop.

The Aud Jebesen Studio Theatre generated £70,000 in gross income through a diverse range of hires, including dance and arts sector events, reflecting its growing role as a vibrant hub within the RAD and the local and communities. We also saw a commercial studio hire income of £93,000 in this period, exceeding our budget of £85,000.

This year we undertook a successful café refurbishment. This provides an income stream as well as offering a meeting venue for visitors to classes and residents of the local community.

Education connections

We have continued to share good practice in dance education, and our research, both internally and externally, and have contributed to a number of conferences and symposia at different institutions,

including: the Royal Central School of Speech and Drama, NIDMS, University of Wolverhampton, IADMS, University of Colorado Boulder, Westminster Education Forum, and Independent Higher Education.

Two INSET (In-service Education and Training) days were held for staff, with contributions from senior colleagues and a speaker from Papyrus (a UK charity dedicated to the prevention of suicide, and the promotion of positive mental health and wellbeing in young people).

Our fourth virtual Postgraduate Research Symposium, *Imagining the Future of Dance Education* was held in February 2025. This provided an opportunity for our Master of Arts in Education (Dance Teaching) graduates to present their research to a supportive audience from the RAD community.

RAD staff also contributed to the development of UK national higher education guidance materials, most notably the revised Quality Assurance Agency (QAA) UK Quality Code Advice and Guidance: Principle 8: Operating partnerships with other organisations.

Colleagues also regularly took up training and development opportunities offered by the QAA, Independent Higher Education (IHE) and the Higher Education Statistics Agency. We continue to keep up to date with higher education compliance and development. Our academic staff also continued to work as external examiners at other dance, arts or education-focused higher education providers.

This period also saw the rolling out of a new policy on Harassment and Sexual Misconduct alongside corresponding student and staff training, to provide a safe and respectful environment for everyone.

In November 2024, our Faculty of Education was awarded the Independent Higher Education (IHE) Outstanding Contribution to the Community Award in recognition that: "Over the past six years, the Royal Academy of Dance has helped shape IHE's community of practice. The institution has contributed Co-chairs to two formal networks and has had team members representing independent providers on national committees and sector working groups. The Royal Academy of Dance has also been a steadfast supporter of IHE's lobbying efforts, providing evidence, speaking directly to policymakers, and helping to make the case for change in key areas."

Our People

Supporting our people

Our 'People Plan' provides objectives aligned with our strategic plan to provide a clear direction for staff, who we communicate with regularly and encourage feedback. The plan also considers new employment legislation, financial changes, and workforce trends, allowing us to anticipate and manage any challenges.

We are reviewing all our employment policies as these are essential for maintaining trust and morale, and we are working to make sure that we are legally compliant and fair, providing consistent advice and treatment to our staff to create a respectful and positive culture.

We are also reviewing our pay and compensation to make sure salaries are consistent with the role and with market benchmarks so that we continue to be able to attract top talent. The success of our People Plan depends upon the passion, dedication and hard work of our staff.

Continuous learning is vital, and so our staff have access to a range of learning including mandatory, role specific, and compliance training.

Our Child Protection and Safeguarding Policy was rewritten to ensure greater clarity, accessibility, and flexibility. Key updates include stronger provision on safer recruitment, online safety, visual media, and managing low-level concerns. These are alongside new, user-friendly appendices designed to provide immediate guidance for staff. The policy clearly defines roles and responsibilities, incorporates international safeguarding considerations, and has been structured to remain consistent while adaptable to local and evolving legal requirements.

We have also put maintenance contracts in place and continue to carry out remedial works to ensure a safe and healthy environment for all staff and visitors. We also worked to promote sustainable practises and to improve our environmental initiatives.

Wellbeing and inclusion

Throughout the past year, we have continued to embed Equality, Diversity and Inclusion (EDI) in our activities, with particular attention to accessibility, representation and inclusive practice.

Our new Creative Training: Ballet and Musical Theatre syllabi, have been developed with key principles of flexibility and adaptability. These allow teachers to tailor classes to learners' needs, for a more

individualised approach to teaching and learning. The syllabi are now being trialled across a range of schools and settings to help us understand how they can better support inclusive and accessible practice.

We have reviewed the language and choice within our main competitions, including The Fonteyn and the Bedells Bursary, to ensure they are more inclusive and impartial. This includes broadening repertoire options and allowing candidates greater freedom in their performance choices. Our uniform range has also been expanded to support this approach, offering greater flexibility of style and fit to promote comfort, individuality and self-expression.

EDI considerations have also been reinforced within our Continuing Professional Development and Member Events programmes. These now include sessions on inclusive language and fostering belonging in the dance studio.

Staff wellbeing is also more important than ever, and we want to ensure that everyone feels supported to be their best at work and to better deliver on our objectives and values. This includes having access to mental health first aiders, dance and movement classes, a comprehensive employee assistance programme, and a health cash plan.

We continue to attend the Pride march annually to show solidarity with our LGBTQIA+ colleagues and to connect with the community. We celebrate progress and advocate for equality, and a more inclusive and welcoming environment.

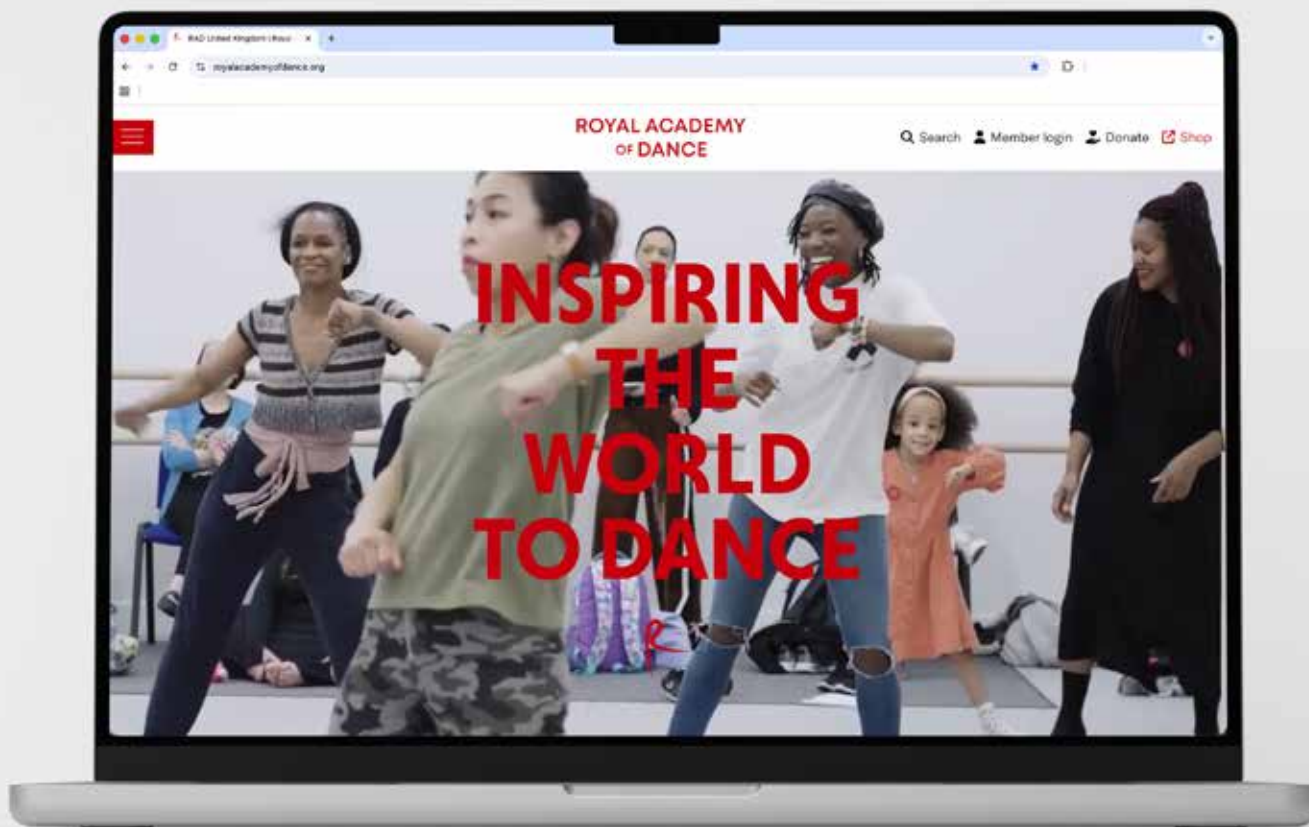
People data and people information system

We continue to develop our People Information System to provide data to staff. Knowing how well we are doing and where we need to improve is important, so the collection and analysis of our people data and key performance indicators is vital.

We improve our employment data by ensuring its quality, collection and analysis is rigorous and transparent while addressing challenges like inaccuracies. We use data to inform future workforce planning, staffing decisions, recruitment strategies, and talent-mapping.

In addition, we are working to improve our People Information System to ensure our processes are efficient and enable a better experience for staff. We are reviewing integration with other business tools to continue to improve accuracy and consistency.

Our new global website launched in December 2024. This combines multiple international sites into a single platform with interchangeable, country-specific content, and a consistent look and feel from wherever it is accessed



Technology

Improvements to our IT systems are critical to enhancing the accuracy of our data and providing a better experience for our members and other customers. In the past year we started work to develop a new sync tool to improve the way our membership and exams system work together.

During the reporting period, we also initiated a project to explore the use of service SMS messaging to support our member renewal process. This aims to improve engagement and timely communication with members, enhancing the efficiency and effectiveness of the renewal process.

We worked with our colleagues in IT to integrate new software (planet e-stream) to enhance and streamline processes for submitting filmed assessments in our virtual learning environment (VLE). This has resulted in a better student experience and greatly improved efficiency in our marking and moderation processes.

Our new global website launched in December 2024. This combines multiple international sites into a single platform with interchangeable, country-specific content, and a consistent look and feel from wherever it is accessed. It features improved navigation and user experience, making content easy to find. It is designed to deliver localised content for multiple countries, regions, and languages, that can

easily be managed, customised, avoiding duplication. This avoids separate country websites competing for the same traffic and is compatible with Google's SEO (Search Engine Optimisation) guidelines. Alongside this development a new SEO strategy has proved effective, resulting in top ten rankings for most targeted keywords (e.g., 'Study Dance', 'Find a Dance Teacher').

Due to a protracted period of stretched resources, the marketing and communications department implemented a new triage process for incoming requests for support. All requests are now assessed against revenue, budget, reach, target, and brand impact. This allows us to prioritise projects and resources according to organisational needs.

With limited budget for expenditure, efficiencies have mostly been confined to internal process improvements, streamlining software usage, and reducing any points of failure.

A large outsourcing project was completed, meaning production and distribution of certificates, transcripts and medals is now wholly with one supplier rather than a mix of office staff and a third party. This has increased efficiency, bringing us well within our advertised KPIs. In addition, it enabled cost savings by allowing print straight from RAD systems so we can cancel third-party software.



Fundraising & Development

Putting dance teacher training at the heart of our fundraising

We ended the year in style with A Midsummer Night, returning to the RAD's grand tradition of fundraising balls that goes back to the presidency of Margot Fonteyn. The event raised a spectacular £450,000 to support dance teacher training around the world.

We are focused on growing a community of support for teacher training bursaries in the UK and around the world. The RAD bursary fund is growing thanks to endowed gifts, such as from the Iris Truscott Trust, and generous ongoing donations from individuals, trusts and foundations.

"As the primary provider for my family, it [would be] impossible for me to pursue this career change without financial support". – PDGTD student and bursary recipient

"The financial assistance has enabled me to invest in essential study materials, dedicate more time to refining my teaching skills, and fully engage with the programme without the constant worry of financial strain". – CDT(Ballet) student and bursary recipient

"This support will ease financial pressures, enabling me to focus on my diploma and gain the training needed for a lasting impact in dance education". – PDGDT student and bursary recipient."

This year, 20 dance teacher training students received bursaries – a number we can now keep growing thanks to the generosity of our donors. We

are eternally grateful to the generous individuals and organisations who support us in this work. To raise further funding, we are quickly growing our Patrons' Circle, which meets around six times a year at special, invite-only events where Patrons mingle with the best and brightest from the ballet world, gain exclusive insights, and watch amazing performances and coaching.

We are also proud of our roster of community engagement projects, including the flagship programme for London and Essex, Step into Dance, which, supported by the Jack Petchey Foundation, goes from strength to strength. 50,000 young people were given free dance lessons through Step into Dance since 2006.

£991,000 was raised this year for dance engagement projects, including Step into Dance, RADiate, events for our local community in Wandsworth, access to our archive, and Ballet for the Cancer Community.

The Margot Fonteyn International Ballet Competition is the highlight of the RAD's year. It depends entirely on the generosity of donors. Our competition entrants – many supported by bursaries – continue their extraordinary record of professional success.

In the year ahead we are looking towards exciting new fundraising opportunities, including attracting international donor support, attracting regular, lower level giving from the wider community and looking at ways of thanking those who make the gift of remembering the RAD in their wills.



Opposite page:
 The 'A Midsummer Night' event raised a spectacular £450,000 to support dance teacher training around the world.

Left:
 The Aud Jebsen Studio Theatre is a highly versatile space with top-end facilities, making it ideal for hosting performances, award ceremonies, conferences, launches, workshops, presentations, and other events

Below:
 The Margot Fonteyn International Ballet Competition depends entirely on the generosity of donors. Our competition entrants – many supported by bursaries – continue their extraordinary record of professional success.

How we fundraise

The RAD is registered with the Fundraising Regulator. The fundraising and development department follows the rules of the Fundraising Regulator's Code of Fundraising Practice, the Chartered Institute of Fundraising guidance and the Charities Commission guidance on Charitable Law, including fundraising.

The objectives of the department include raising funds for the organisation and its charitable purposes through individual gifts, grants from trusts and foundations, legacies, corporate sponsorship and support, including from the public sector. This year, our aim was to grow unrestricted income to support our charitable purposes, and in particular grow support for dance teacher bursaries.

Research and vetting of potential supporters are key parts of fundraising, and the processing and storing of biographical information is necessary. All departmental staff are GDPR trained and we follow a strict procedure for storing and maintaining such data. All data is stored and protected, with limited access to details allowed within the wider team. Briefing of the chief executive and trustees is also overseen by the team.

We develop strong personal relationships with our funders and listen to their preferences and requirements. We consider the needs of any possible donor who may be in vulnerable circumstances and ensure that all communication is clear and does not place any pressure on them to donate. For trusts and foundations, there are strict guidelines for applying to and reporting on grants. Personal correspondence, relationship management and donor engagement help us to build trust with our supporters. We make every effort to ensure that our fundraising does not intrude on people's privacy, that it is not unreasonably persistent and that it does not place pressure on anyone to donate.

We also consider the ethical impacts of our fundraising. We seek to ensure that the RAD does



not accept gifts or donations from organisations or individuals where to do so would represent a conflict of interest, a reputational risk or would impact adversely on our ability to fulfil our mission.

We do not engage external fundraisers other than consultants who are vetted, selected and contracted to deliver specific strategies, following rigorous due diligence and conflict-of-interest guidelines. We do not engage in face-to-face solicitation through third parties.

The Director of Fundraising and Development reports directly to the Chief Executive and takes advice from the Fundraising and Development subcommittee and the trustees.

There have been no fundraising complaints to date, but any arising would be handled swiftly and interrogated thoroughly, being referred to the Chief Executive. We also respond appropriately to all Freedom of Information requests from individuals.

<https://www.frc.org.uk/auditorsresponsibilities>

A full list of our donors can be found on page 78.

Our Future Strategy and Areas of Focus

As an organisation, this has been a transitional year with the previous chief executive, Tim Arthur, leaving midway through, and our new chief executive, Elizabeth Honer, taking over the role in January 2025.

Looking to our future, the first half of 2025 has seen a refresh of our vision, strategy and business plan, into five key areas:

1. Increase our impact in dance and in society

We need to build on our reputation worldwide for excellence and joy in dance teaching and learning, empowering people and building communities. As leaders in the dance world, we are changing the image of ballet to be recognised as a modern and inclusive art form. The difference we make will be evident in our track record of inspiring governments and donors to get involved with our work. People are turning to us above our competitors because of the excellence of our brand, legacy, and reputation.

2. Elevate dance teacher education

We have become the place of choice, across the world, for students and professionals who want to teach. We celebrate being an academy, a place of distinguished dance artists and educators, where students get access to top tutors and mentors, along with the big names in dance. They will leave equipped to teach the 'RAD Way'. We will be working in partnership with others worldwide to expand our reach and what we can offer.

3. Expand ballet and going beyond

We will expand take-up of ballet, while extending our offer into other dance styles, starting with a broader creative ballet syllabus and with musical theatre, both launching in 2026. We will have something to offer participants through all stages of their life, from early years to retirement. We recognise participation and progression in different ways to suit national preferences

4. Enhance value to members

We need to segment and differentiate our members effectively, getting them the right information at the right time, with the right opportunities to engage, participate and develop. We have explored tiers of membership mapped to suit different career stages and ambitions to make our members feel valued and connected, bringing them together to strengthen our global community.

5. Build strong global foundations

We must have the rigour, discipline, and controls expected of a well-managed organisation, with resilient finances and effective governance around the world. Our UK and international offices will be seen to operate as 'One RAD', with the hub structure having matured into regional service centres. We must also nurture and develop our people to deliver.

Financial health

The elements of this strategy that see us building our financial health and resilience most significantly are listed below:

Our products and services:

- Redesigned teacher education, attracting higher numbers of students from around the world.
- New and refreshed syllabi and exams, differentiated to meet the preferences of the countries in which we operate.
- International growth, with an initial focus on exploring new markets in India and the Middle East.

Our infrastructure:

- Maximising use of our headquarters in London, including sub-letting office space.
- Driving further efficiencies in our processes and delivery, harnessing technology in particular.

Our funding:

- Developing additional commercial opportunities, by enhancing our existing retail offer, licensing products, and through technology.
- Developing new fundraising streams from new levels of supporter, legacies and international funding.



Statement of Internal Control and Risk Management

The trustees are responsible for the RAD's systems of internal control and risk management and for reviewing their effectiveness, as well as for ensuring that the systems contribute to the achievement of the RAD's strategy.

Each subcommittee receives relevant papers and provides assurances to the board on issues covered by its terms of reference. The trustees review the effectiveness of the RAD's governance, risk management and internal control through this reporting mechanism. The trustees also identify areas of improvement in the system of internal control based on reports and internal reviews that are presented to them. Additionally, they review management concerns raised by the external auditor through its interactions with the finance, audit and risk subcommittee.

The trustees approach this responsibility from the perspective of discharging their duties, as specified by the Charity Commission for England and Wales and in the document 'Regulatory framework for higher education in England' published by the Office for Students in February 2018 and last updated in November 2022.

The RAD assesses and manages the risks that would inhibit it from achieving its strategy and seeks to ensure that it is also protecting those stakeholders to which it owes responsibilities, such as its students, staff, members, funding bodies, partners and suppliers. This risk-management approach forms part of the RAD's control and governance structure. It is designed to provide summary guidance for those parts of the RAD that are responsible for managing risk and for ensuring that the decisions of trustees and management are implemented.

The current risk-management objectives of the RAD are to:

- embed an awareness of informed risk-taking and effective risk management into the culture of the RAD
- align risk management with best practice operational management processes
- consider legal compliance as a minimum standard
- anticipate and respond to changing economic, social, environmental and legislative requirements
- safeguard the health, safety and wellbeing of those it employs, and
- minimise the cost and impact of risk.

These objectives will be achieved by:

- maintaining and updating a corporate risk register and related operational risk registers that identify and track those risks which, in the view of senior management and the board, pose the greatest challenges and impact to the achievement of the RAD's strategy and to its ongoing operations
- assessing the likelihood of these risks occurring and the likely impact of an occurrence

- implementing controls and mitigation actions to manage and monitor risk
- actively involving staff in identifying, reporting and managing risk through clear communication and engagement
- developing contingency plans to respond effectively to identified risks should they materialise
- monitoring and reviewing risk management processes on an ongoing basis, and
- using insurance selectively against risk where this is deemed to be cost-effective.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, a system of delegation and accountability, and independent scrutiny. These are captured in a finance manual, which is reviewed periodically. Internal financial control includes:

- comprehensive budget setting and monitoring systems
- regular reviews of periodic financial reports that measure financial performance against budgets and forecasts
- access by finance staff and appropriate departmental staff to systems providing information and reports to facilitate effective financial management on an ongoing basis
- regular review of risks and mitigation measures by the finance, audit and risk subcommittee
- clearly defined expenditure and approval guidelines, and
- scrutiny by trustees, the Office for Students, other inspectorates, external auditors and other stakeholders.

The trustees have ultimate responsibility for the total risk exposure of the RAD by:

- setting the tone and influence of the culture of risk management across the RAD
- determining the extent to which the RAD is 'risk-taking' or 'risk averse' as a whole and setting the RAD's 'risk appetite'
- determining what types of risk are acceptable and unacceptable using a clear set of tolerances, monitoring material risks and monitoring control improvements to mitigate risks
- approving major decisions affecting the RAD's risk profile or exposure
- reviewing twice-yearly the RAD's approach to risk management and approving changes or improvements to key elements of the risk management processes and procedures
- having particular focus on the financial risks that could impact the RAD and its provision of world-class dance education and training.

Principal Risks and Uncertainties

Operational risk management

The chief executive and members of the executive board regularly review the corporate risk register and the business continuity plan, with directors and relevant sub-committees reviewing relevant operational risk registers.

Exposure to risk

The RAD faces several risks and uncertainties, which are listed below (in no order of likelihood of occurrence or of materiality):

- **Market**

The RAD currently focuses primarily on one dance genre, ballet, although it is now developing syllabi for other dance styles. Other awarding organisations, some of which offer examinations across multiple dance genres, occasionally at a lower cost, and higher-education bodies that can sometimes offer places funded by government, compete against the RAD. We operate in a competitive market.

- **Cyber risk**

Cyber risk has been recognised as being of the highest priority by the trustees, and a plan to mitigate it will be pursued in the coming year.

- **Products**

Members may decide that they no longer wish to retain membership of the RAD or to use its products and services.

Any change in syllabus can have an adverse effect on the ability of teachers to continue to provide candidates for examination at previous levels due to the challenges of acquiring new knowledge and passing it on to candidates. On the other hand, new syllabi are intended to broaden the appeal of the RAD's courses and provide members with additional opportunities to provide RAD-based tuition and examinations.

In mitigation of these risks, we regularly consult members to ensure product relevance and help shape future initiatives and we use social media and other channels to publicise, promote and sell the RAD's products and services.

- **World events**

The RAD is an international organisation that operates in over 80 territories.

Like any other global business, we are vulnerable to a wide range of natural phenomena, such as pandemics and changes in weather patterns, as well as to geo-political change, conflict and terrorism. One or many of these may impede or prevent RAD activities from taking place, thereby reducing business and income.

International travel, whether by exam candidates, course attendees or RAD staff such as examiners and tutors, is particularly susceptible to these events. We have developed policies and procedures that seek to ensure the safety of all

participants and, where possible, to minimise the loss of income caused by such events, including through comprehensive insurance cover.

- **Economic climate**

In common with most organisations, we are vulnerable to changes in the global economic climate as well as conditions in specific countries in which we operate. The RAD's core business depends on the purchasing power of our customers, and we have no control over their financial circumstances – be they a member, teacher, exam candidate, higher-education student or dance-class attendee. To mitigate this risk, our aim is to diversify our offer, maintain and enhance the quality of our products and explore new markets.

One of the strategic risks for the RAD, given that our main source of income is from examinations for young people, relates to demographic shifts and an aging population in some parts of the world, along with increased competition for young people's time and money. To assess more fully the implications of this, we are carrying out a review of such changes and possible opportunities in our main markets. This will enable us to refine our strategy to address changing conditions.

- **Statutory and regulatory compliance**

The complexity of the group structure could lead to non-compliance with statutory and regulatory requirements, through lack of oversight, knowledge or training, at both local and group level. Non-compliance can lead to loss of status, recognition, reputation, public confidence and/or customers, as well as the imposition of penalties. To mitigate this risk, subject to considerations around cost and benefit, we employ qualified personnel at group and local levels, as well as using external professionals, to advise and manage our compliance activities.

We also work with regulatory or statutory authorities to ensure compliance by obtaining, and then implementing, their guidance and instruction.

- **People**

Working with young people brings heavy safeguarding responsibilities. For this reason, we have a safeguarding committee comprising designated senior safeguarding officers and highly trained staff. We review our safeguarding policies annually and a comprehensive safeguarding report is a standing item at each meeting of the board of trustees. Training needs are identified and addressed, and we work with lawyers or other professionals to ensure that our policies are fit for purpose.

Poor behaviour or lack of care by some members and organisations associated with the RAD could lead to reputational loss. We perform due diligence before entering into partnerships, ensure legally sound contracts are in place and operate and monitor detailed codes of conduct and professional practice for our teaching members.

We seek to attract and retain high-quality employees and to manage them so that they contribute to the RAD while furthering their careers. We are introducing more comprehensive people policies and development opportunities to ensure that staff are motivated and retained. The RAD seeks to offer competitive remuneration as well as offering a range of benefits, such as a health cash plan and a pension scheme. However, as in most organisations, high staff turnover could expose the RAD to lack of continuity and loss of knowledge.

It is the RAD's policy to invest in the right people needed to support its operations. We provide internal training, as well as external training where that is relevant to specialisms. We are working hard to improve our approach to people management and to update our policies to help guide employees to improve fairness and safety both in the workplace and for our customers, to ensure compliance with legal and operational responsibilities, and to ensure that people respect one another.

We are in the process of developing a comprehensive policy register so that all policies and procedures can be reviewed and approved regularly by the trustees and to ensure that employees are informed of any changes.

- **Financial risk management**

Our risk-management process is overseen by the finance, audit and risk subcommittee. In controlling and mitigating financial risk, the following are key control procedures:

- **Operating unit financial controls**

The finance manual is updated regularly and sets out the key financial disciplines expected of staff in managing their role, responsibility, operation and/or entity. The finance manual forms part of an employee's induction and is available on the RAD's internal HR folder.

The central finance function performs quarterly reviews of the results of the international offices. The RAD provides monthly finance clinics for all international finance staff at which best practice is shared; regular finance training is also delivered when required.

- **Information and computer systems**

Our financial and management information is

processed and stored on several platforms. This can lead to concerns about integrity, duplication, security and other data issues. We currently mitigate this risk by controlling who has access to our finance systems and through manual checks. In the coming year, we will be exploring how best to streamline our processes and systems around the world to mitigate these risks further. We have a disaster recovery plan, with cloud-based back-up systems to provide additional resilience.

The RAD sets out data-protection compliance in a framework of policies and procedures. We also monitor compliance with data-protection policies and regularly review the effectiveness of data handling/processing activities and security controls. The RAD operates a General Data Protection Regulation (GDPR) training programme for all staff, supplemented by a needs-based data-protection training programme for employees across different functions and at different levels.

- The RAD does not meet the legal criteria for appointing a Data Protection Officer. However, we are committed to compliance with GDPR and the Data Protection Act 2018. The RAD therefore employs an external, qualified data-protection services firm to advise us and monitor our compliance framework.

- **Foreign exchange**

The RAD operates in many jurisdictions. Fees are set and country costs are incurred in local currencies, while the RAD incurs UK central costs in sterling. The financial results of the RAD are therefore affected by currency gains and losses.

While it is not possible to forecast movements in foreign exchange, we track movements in those currencies that might adversely affect RAD's performance. We take account of these movements when making decisions about the timing of moving funds between countries.

The risks outlined above form the basis of our corporate risk register. We aim to mitigate risks in a timely and cost-effective way in all that we do, employ focused strategies for assessing and reducing risk, and monitor emerging risks and how best to deal with them. In the coming year we will be reviewing our risks, risk appetite and mitigation plans in the light of the refreshed strategy.

Governance

Report of the Trustees

The Trustees of the Royal Academy of Dance (RAD) present their report and audited financial statements for the year ended 31 July 2025. This contains information to satisfy the requirements of trustees' reports under the Charities Act 2011, and to comply with current statutory requirements, the RAD's Royal Charter ("the charter"), the Statement of Recommended Practice for Accounting and Reporting by Charities (2019), and Financial Reporting Standard FRS 102.

This report contains information about the group and charity. In the context of these financial statements, the group accounts include the audited accounts of the charity and its subsidiaries, and the charity accounts include the audited accounts of the RAD in the United Kingdom and its branches for the year to 31 July 2025. The entities comprising the group, and the charity are shown on page 40.

Our registered and head office is 188 York Road, London SW11 3JZ. The RAD has 29 international offices which manage branches, representative offices and subsidiary companies, in which the RAD holds, either in trust or outright, 100 percent of the issued share capital.

The RAD is recognised to award regulated qualifications in England, Wales and Northern Ireland and is required, through our board of trustees, to issue an annual Statement of Compliance to the Office of Qualifications and Examinations Regulation (Ofqual), Qualifications Wales and the Council for the Curriculum, Examinations and Assessment (CCEA). We are also recognised as an approved awarding body in Scotland by SQA Accreditation, part of the Scottish Qualifications Authority.

Through our Faculty of Education, the RAD is registered with the Office for Students (OfS) as a provider of higher education and is designated by the Office for Standards in Education, Children's Services and Skills (Ofsted) as an 'outstanding provider of initial teacher training'.

The RAD is required to report any safeguarding (including Prevent) incidents to the Charity Commission and to the OfS, Ofqual, Qualifications Wales and CCEA, where there is an event which could lead to a loss of standards, integrity or public confidence in qualifications, and to Ofsted. We follow the Charity Governance Code.

Corporate Governance

Our Board of Trustees is responsible for governance and provides leadership by setting the strategic direction of RAD.

We are driven by our charitable purpose, and we are governed by our Royal Charter, Supplemental Charters and Bye-laws (last amended on 10 July 2019).

We exist to make sure that we are best in inspiring the world to dance, promoting excellence and joy in dance teaching and learning for all. Through dance we empower people and build communities. We regularly review how we operate under the guidance of our chair, Stephen Moss, our trustees and our chief executive officer.

We monitor our ways of working against each of the seven principles of the Charity Governance Code (the 'Code'). This is how we make sure we use current best practice and the highest standards of governance.

Supporting our strategic objectives, our governance framework makes sure that we achieve our aims.

Our Board of Trustees – Leadership

We have listed our trustees on page 77. The board meets four times a year and occasionally when necessary.

The trustees are collectively responsible for the long-term success of the RAD. Central to their decision making are the charitable objects. In accordance with the Supplemental Charter and Bye-laws, the Board of Trustees ensures accountability at all levels of the RAD by overseeing delegation of responsibilities of all the strategic, financial and operational areas of the RAD's activities to subcommittees, directors and the management of the RAD. This includes setting the strategy, approving major transactions and annual budgets.

Being a trustee is a voluntary position – trustees receive no remuneration or financial benefits for their services. They get involved because they believe in what we do and want to make a real difference. You can find all expenses claimed and any related parties' disclosures by the trustees in our financial statements. The average attendance figure (at meetings) of trustees in post last year was 83%.

Recruitment of trustees and training of trustees

The board shall consist of such trustees, with such qualifications and appointed or elected in such manner and will hold office for such periods and on such terms as may be prescribed by the bye-laws.

The training of the trustees varies depending on everyone's area of expertise, but common areas of training would be carried out as part of the board meeting process.

Board effectiveness

We appoint every trustee based on their skills and experience, helping us achieve our strategic objectives. In accordance with the Charter and Bye-Laws, we appoint two different types of trustees: full members of the RAD (List A) and trustees who can bring skills and experience to the board other than dance or education (List B).

We try to attract diverse candidates who can bring a variety of different perspectives to enhance decision making. We follow a rigorous appointment process, due diligence checks, and the involvement of the board's Governance and People Subcommittee (G&P S-C).

We always aim to reflect diversity in trustee recruitment – including the nine protected characteristics of the Equality Act 2010, as well as different backgrounds, life experiences, career paths and diversity of thought.

We are actively looking at new and diverse ways of trustee recruitment resulting in new appointments. We are working hard to create and maintain a more inclusive culture.

All trustees are appointed for a renewable three-year term, by ballot, at the Annual General meeting ('AGM'). The co-option of a new trustee is the formal process for a new trustee joining the Board between AGMs and their appointment by ballot is ratified at the next AGM. We are working hard to strengthen our induction processes, and all trustees and committee members will go through an induction programme to make sure they understand their roles under charity and company law.

Academic Authority

The board is the academic authority of the RAD and draws its membership from across dance and business specialists. One of its roles is to direct and regulate the education work of the Faculty of Education.

For the purposes of academic governance and oversight, the board delegates certain specific functions, powers and duties to the Education Subcommittee (which is the equivalent institution to a senate or academic board) and the Finance, Audit and Risk Subcommittee, which together act on the board's behalf. The Education Sub-committee has responsibilities for regulating and directing the academic work of the RAD, including teaching (undergraduate and postgraduate degrees as well as degree apprenticeship programmes) and research.

The Faculty of Education has responsibility for internal quality assurance, standards and enhancement procedures and exercises its responsibilities through its policies and procedures, and its committee structure. These mechanisms are designed to meet the expectations of the Quality Assurance Agency (QAA) as well as other national frameworks, Professional, Statutory and Regulatory Bodies (PSRBs) and benchmarks.

For the purposes of the Companies Act 2006, our trustees sometimes are also company directors of the various subsidiary companies of RAD.

Every year the board self-evaluates, reviewing the skills of our trustees and its own – and the chair's – performance. The board was seen as a highly committed, hardworking team with the trustees bringing valuable experience, expertise and skills.

Board Subcommittees

The board's standing committees report on specific issues. Each committee has agreed terms of reference and includes specialist co-opted members, as well as trustees. The Board delegates the day-to-day running of RAD to the chief executive officer and the executive board (listed on page 88) and some areas of its work to subcommittees:

Finance, Audit and Risk

- Oversees our finances and maintains the short and long-term viability of RAD
- Advises the board on appropriate financial strategy.
- Meet our statutory accounting obligations.
- Helps us to ensure effective systems of internal control, audit function and risk management.

Governance and People

- Helps us effectively to ensure that the RAD maintains high standards of corporate governance which comply with Charity Commission regulations and align with best practice in the charity sector.

- Considers nominations for board and committee membership, and for the highest offices and awards of the RAD.
- Takes a leading role on HR's People policy, and on remuneration.

Examinations and Regulatory

- Helps us to ensure regulatory compliance and the integrity of RAD's examinations processes.
- Supports the accountability of the awarding organisation and ensures that all programmes remain educationally relevant, operationally robust and financially sustainable.

Artistic

Supports and advises the artistic director to ensure that the purpose and objectives of the RAD's mission are promoted through the design and delivery of all our programmes and activities, including that of the Benesh Institute; and that the artistic initiatives developed as part of the strategic plan are artistically, practically and financially viable.

Education

- Helps us to ensure that all RAD awards and university-validated programmes of study are developed and delivered to the highest standards.
- Advises on advances and changes in education that may have an impact on the work and policies of the Faculty of Education and the RAD more broadly

Global Membership and Marketing

Advises and supports the senior executive responsible for global membership services on matters related to the RAD's membership programme and strategies, including Continuous Professional Development (CPD) and business development.

Fundraising and Development

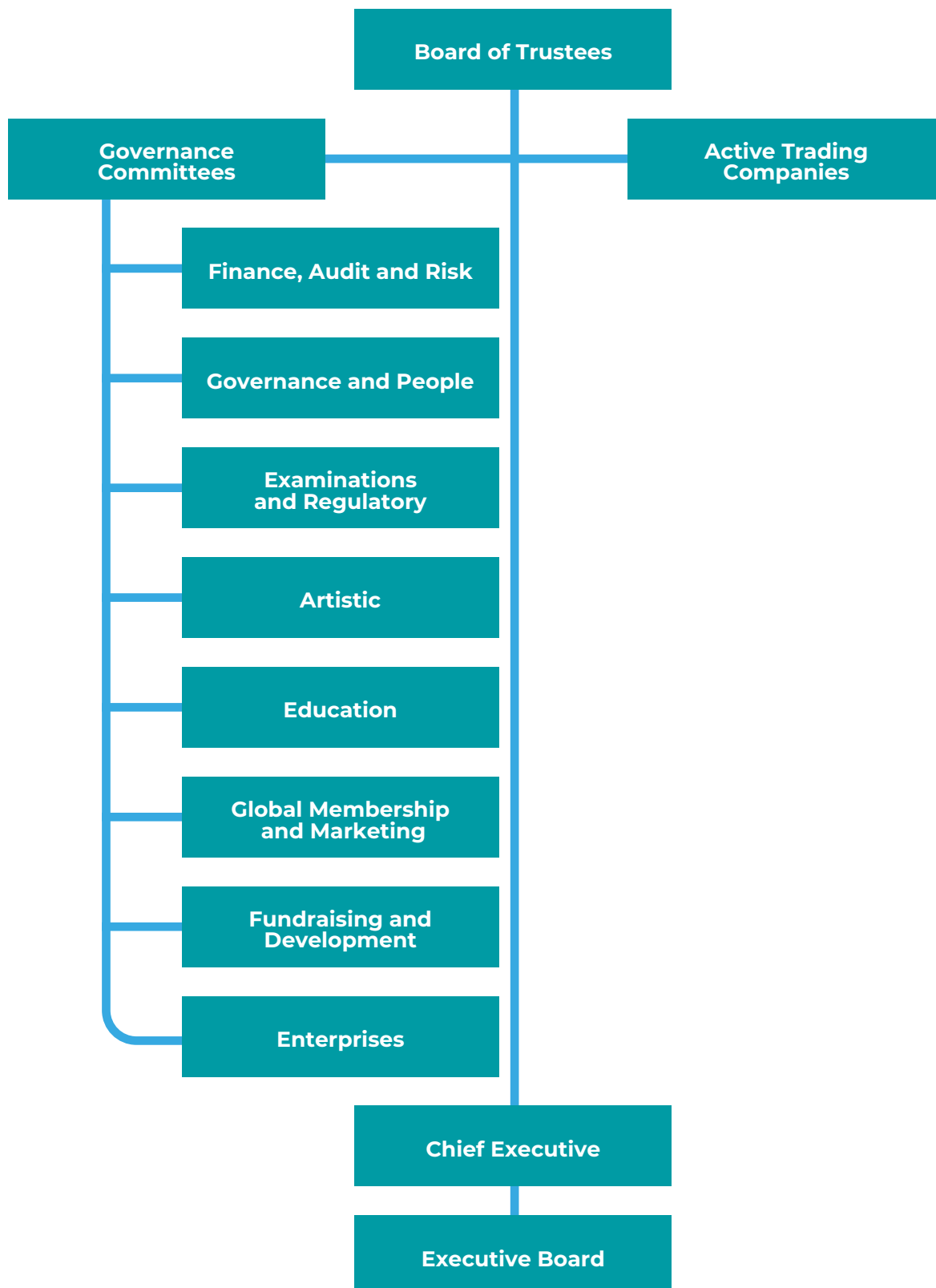
Advises on fundraising and development efforts that support the charitable purposes of the RAD, such as dance education bursaries and awards including the annual Margot Fonteyn International Ballet Competition, social benefits to the wider community, and on matters relating to the development of fundable programmes, fundraising strategy and fundraising events.

Enterprises

Provides entrepreneurial leadership and oversees the development, performance and profitability of all of the UK and international "trading activities" of RAD.

Royal Academy of Dance, charitable company limited by guarantee registered in England and Wales (charity number 312826)

Governance Framework



RAD Corporate Structure

RAD

Subsidiary companies

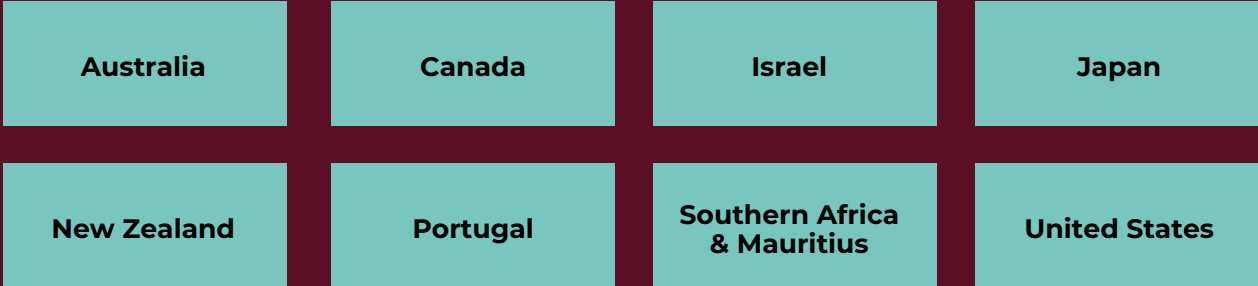
The results of the subsidiary companies are consolidated with the results of the Charity (Branch offices and UK Group) to form the Group.



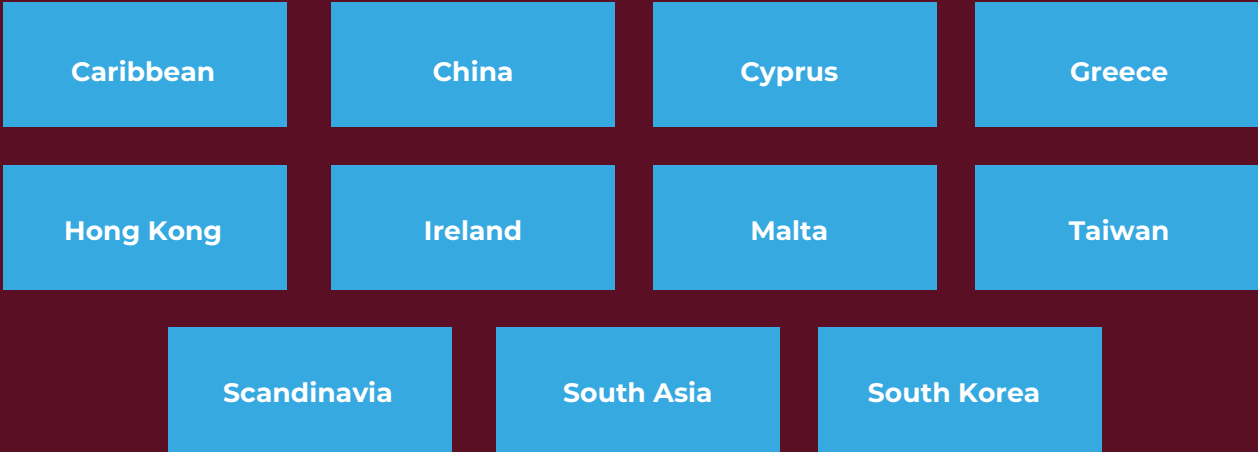
Charity

RAD

Branch offices



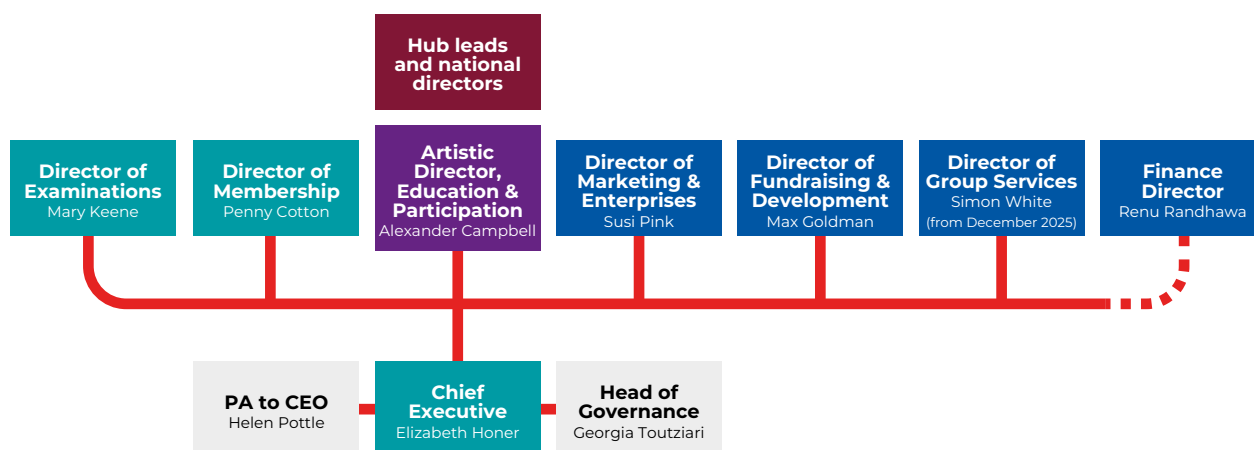
Representative offices



The results of the representative offices are included in the results of the UK to form the UK Group.

How we Organise our Work

The Chief Executive is supported by our Executive Board who work closely with the Board of Trustees to support our vision, mission and values and deliver our strategy. Our board and department structure are detailed in full on page 77. A high-level organisation chart is provided below:



Public benefit

The RAD is a charity registered in England and Wales. Our trustees are required to ensure that they carry out the charity's aims for the public benefit.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the RAD and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which are set.

The charitable objectives as set out in our charter are to:

1. elevate and advance the art of dance by promoting the correct tuition of dance in its highest forms

2. advance education in the art of dance, by:

- promoting the teaching of dance
- providing facilities for dance, dance education and training
- setting up and maintaining programmes of study for the education and training of dancers, teachers and notators (such programmes to include, but not be limited to, the study of Benesh Movement Notation)
- setting and conducting exams in dance and the teaching of dance by educating, training, assessing, registering, licensing and chartering teachers of dance who meet standards determined by the board from time to time.

The trustees have reviewed these aims and consider that our activities meet the main principles of public benefit: that they are identifiable and are related to the aims of the RAD, that the public are the beneficiaries and that there is no significant exclusion as to who can benefit.



Financial Review

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (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).

Unrestricted activities

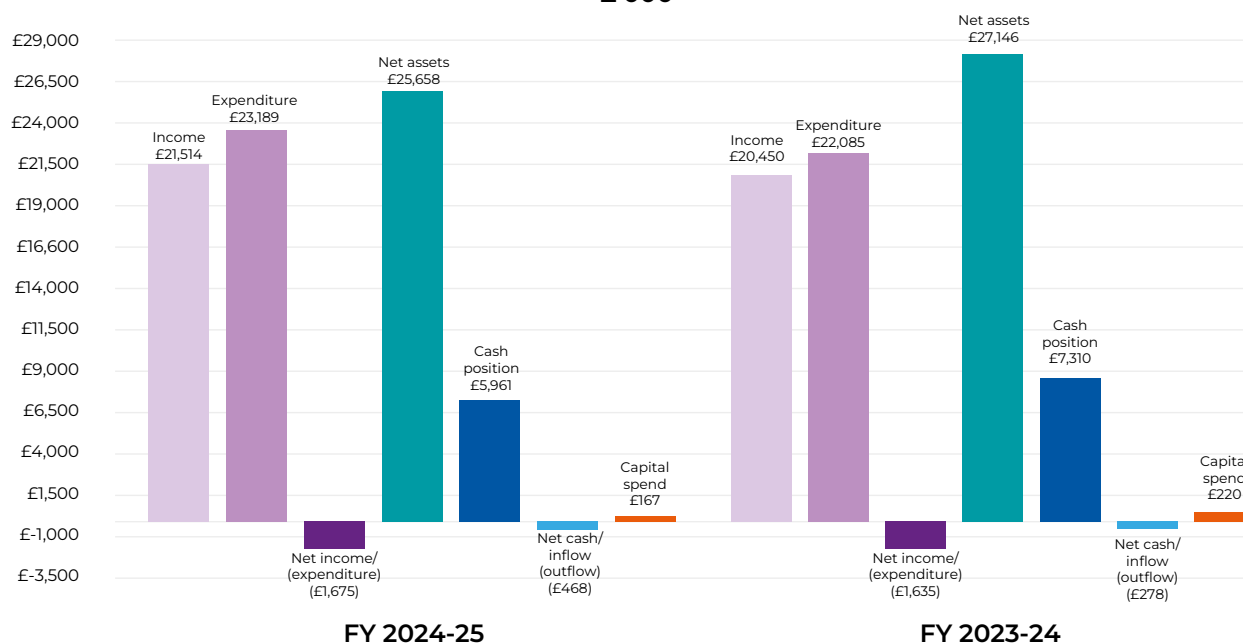
The group net loss before transfers and other recognised gains and losses was £1,675,000 (FY24: £1,635,000). This outcome reflects the adverse impact of a modest increase in turnover being outweighed by a proportionally higher rise in costs. The main reasons for these shifts are outlined in this report. Our refreshed five-year strategy aims to return the RAD to a surplus position, by providing new products and services, by investing in our infrastructure to improve efficiency and by expanding our commercial and fundraising activities.

During the year ending 31 July 2025 (FY25), the group reported worldwide income of £21,514,000, an increase

of 5% compared to FY24 (FY24: £20,450,000). This is due mainly to a 2% increase in the number of examinations taken during the year, a 4% rise in the number of students participating in our degree programmes and higher donation income.

Expenditure rose by 5% to £23,189,000 (FY24: £22,085,000). This is partly driven by a return to in-person delivery of activities in most countries. While this brings considerable benefits for students, most RAD offices have found that the post-pandemic increases in costs, particularly travel and accommodation for examiners and tutors, has adversely affected their financial position.

Group unrestricted results
£'000



There was a gain in the value of tangible fixed assets of £355,000 (FY24: £779,000 gain) and an exchange loss of £168,000 (FY24: £143,000 loss) on consolidation. The value of RAD's unrestricted net assets decreased by 5% to £25,658,000 (FY24: £27,146,000).

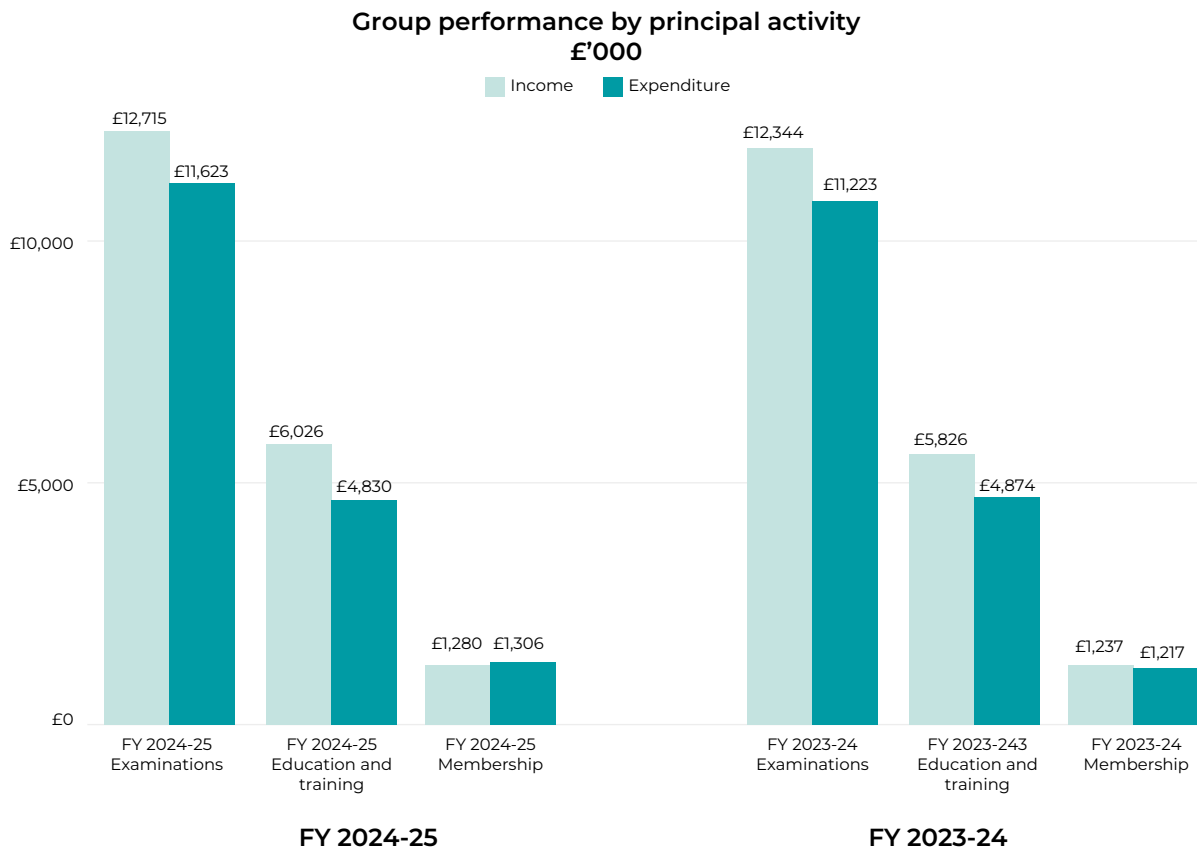
The group's overall cash position at 31 July 2025 stood at £5,961,000 (FY24: £7,310,000). There was a net cash outflow from operations of £444,000 (FY24: £278,000). Capital expenditure decreased from £347,000 to £194,000, because we completed the development of the new RAD website and the significant upgrade to headquarters IT, migrating to Office 365 in FY24.

Restricted activities

The RAD has several funds which have been built up from donations, legacies, trusts, grants, fundraising events and appeals. There was a net expenditure of £83,000 before transfers and other recognised gains and losses (FY24: £390,000 net income (Note 27)). This decrease in funds is primarily due to an exceptional receipt of £185,000 in Australia in the prior year and reduced income for the Margot Fonteyn International Ballet Competition.

The RAD was in receipt of a funding grant from the Jack Petchey Foundation to run the 'Step into Dance' programme (a fully inclusive, community dance programme in every London borough and in some Essex schools) as well as using its own funds. All monies received from the foundation were spent in accordance with the programme's aims.

Bursaries, awards and scholarships were awarded through various scholarship funds, trusts, Jubilee Award and regional schemes.



Examinations

Exam fees income increased by 3% to £12,715,000 (FY24: £12,344,000) with direct expenditure increasing by 3% to £7,096,000 (FY24: £6,858,000), resulting in an increase in net income to £5,619,000 (FY24: £5,486,000). Total exam entries increased by 2% to 211,010 (FY24: 207,593). During the year the RAD continued to offer both in-person and filmed exams. Although many countries returned to in-person exams, filmed options proved to be more efficient for some countries and were also popular amongst their customers. To offer more flexibility, filmed exams are now a part of the RAD's product offer, affording teachers and learners the ability to film at a time and venue suitable to them.

During FY25, 42,658 examinations (FY24: 50,798) were assessed by video, 20% of total entries (FY24: 24%). That 20% of examinations were filmed highlights the continued importance of that option. This is particularly the case in key markets such as China, which mostly carried out filmed exams during FY25, as well as growth in this area in the UK (15% of total filmed assessments).

Membership

Subscription income increased by 3% to £1,280,000 (FY24: £1,237,000) and direct expenditure at £405,000 also increased (FY24: £374,000). Net income not including indirect costs increased slightly to £875,000 (FY24: £863,000). The total number of members decreased from 12,193 to 11,921. The number of registered teachers increased from 8,008 to 8,143. The number of all other members decreased from 4,185 to 3,778. There were 11,921 members globally on 31 July 2025, achieving 93% of the total target. The team focused mostly on enhancing benefits for members.

Education and training income

Initial Education income increased by £83,000 compared to the prior year to £2,972,000, with net income increasing from £521,000 to £803,000. The number of teacher education students increased from 953 to 994.

Income from Continuing Education increased by 4% to £3,054,000 (FY24: £2,937,000) as more courses were offered by the international offices during the year. These initiatives increased expenditure by 4%, with overall net income at £742,000 (FY24: £763,000).

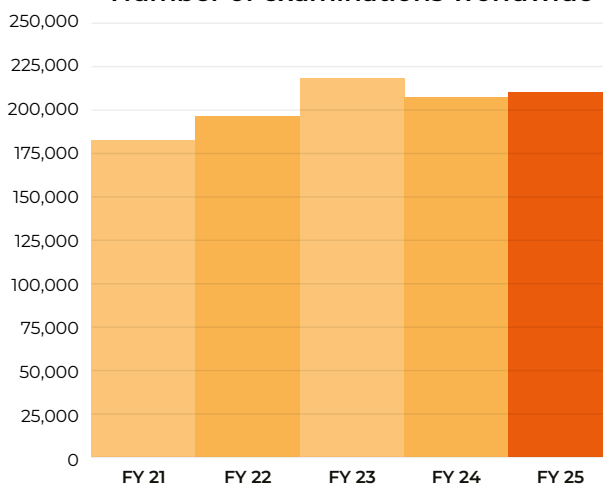
Trading income (retail, licensing and royalties)

Income generated by the UK trading subsidiary, together with licensing and royalty income, decreased to £1,394,000 (FY24: £1,428,000). Overall net income decreased slightly to £1,028,000 (FY24: £1,095,000). The RAD is looking to expand its product range and increase the profitability of its operations.

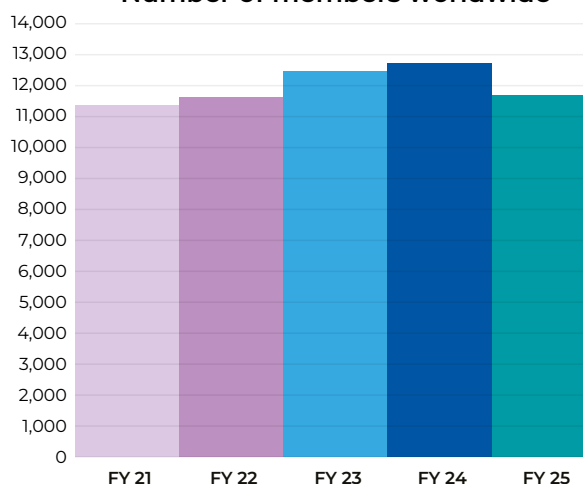
Fundraising

Fundraising income increased by 12% to £800,000 (FY24: £716,000) and direct expenditure increased by 15% to £938,000 (FY24: £819,000), resulting in net expenditure excluding indirect costs of £138,000

Number of examinations worldwide



Number of members worldwide



(FY24: £103,000 net expenditure). The increase in expenditure is partly the result of holding the Fonteyn, which took place in September 2024, although the RAD received £66,000 in sponsorship towards its cost.

Other income

Other income is derived from advertising, property rental, sundry income offset by associated expenditure and taxation on subsidiary company profits.

Indirect costs increased by 6% from £9,877,000 to £10,493,000. This increase was primarily the result of higher IT spend, higher running costs of the headquarters building and higher bank charges.

Reserves policy

The RAD's current pattern of activities provides fluctuating peaks in income and expenditure. It needs to build up reserves not only to cover these

periods but also to ensure that its core activities can be financed in the event of unforeseen and unbudgeted changes in income and expenditure. The RAD reviews its reserves policy annually.

At 31 July 2025, the RAD had total funds of £26,899,000, of which unrestricted funds were £25,658,000 and restricted funds £1,241,000. Of the unrestricted funds, the designated funds total was £23,951,000. £23,744,000 represented the net book value of fixed assets less associated loans and £207,000 other designated funds (see note 28).

The target for group free reserves is £3,555,000, with £3,112,000 being within charity reserves. Actual free reserves at 31 July 2025 for the group were £1,914,000 (including other designated reserves) (FY24: £3,422,000). For the charity only, free reserves at 31 July 2025 were £1,079,000 (FY24: £2,665,000). This reduction is partly explained by the loss for the year. Our refreshed strategy aims to build our reserves to the target level over the five-year period to 2030, as we introduce enhanced teaching programmes, new syllabi and assessments, as well as invest in technology to improve our efficiency.

The RAD reserves policy recognises that free reserves are only one indicator of financial health. We particularly focus on the group and UK cash position. For FY25, cash balances remained healthy due to tighter cash management across the group.

Key Management Personnel

The charity considers its trustees and senior staff responsible for directing and controlling activities as Key Management Personnel. The total employee benefits for this group are disclosed in the financial statements in accordance with the Charities SORP (FRS 102).

The remuneration of key management personnel is determined by the trustees using a formal process. Pay levels are reviewed annually and set with reference to external benchmarks for comparable roles within the charity sector, taking into account the size, complexity, and geographic location of the charity. The trustees also consider internal pay structures, affordability, and market data to ensure remuneration is fair and appropriate.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate when preparing these financial statements. The trustees have reviewed the 2026 budget forecast together with a review of an updated financial projection to 2030. This has included a consideration of the free reserves position and cash flow.

During FY25, the RAD breached a covenant associated with the term loan due to a decline in income, which resulted in an operating group loss. Since the year end the RAD has renegotiated the terms of the loan to extend for one year to 19 July 2027 and following this the bank issued a waiver after the year end. As a result, the carrying amount of the term loan (£2.3m) must be classified as a short-term liability in the financial statements.

This reclassification does not affect the organisation's ability to meet its financial obligations and the charity is forecast to meet its liabilities as they fall due. The loan repayments have been calculated over 25 years, but the agreement has to be re-negotiated every five years. The current agreement expires in July 2027, and the charity intends to apply and secure renewal before 31 July 2026 to maintain continuity of the facility.

Scenario stress testing has been undertaken considering the key risks the Charity faces, including the changing external environment and the mitigating actions the Charity can deploy to reduce the negative impact caused by these risks. Possible mitigating actions include implementing further cost reductions and being able to raise additional financing if required, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties. New product offerings are also under development. Ongoing review of cash balances in the UK and overseas ensures active cash management across the group as well as ensuring bank facilities are in place that are sufficient to meet projected funding requirements.

Our five-year financial plan forecasts a continued deficit in FY26 and FY27 as we invest in our growth, before we return to a surplus position as those investments start generating additional income and efficiencies. Due to uncertainties in the timing of receipt this does not take into account forecast income from the legacy pipeline which stood at £1.4m at the year end. Nevertheless, free reserves are forecast to reduce over this period. The RAD's five-year strategy includes a number of artistic and commercial initiatives to enhance its financial and operational performance. These will take time to show through in the financial figures but will build a more resilient and diversified organisation with a plan to rebuild free reserves from FY28.

Our new global headquarters offers many exciting opportunities to expand our product offerings, as well as generate income from hiring out our studios and theatre within the dance and performing arts community and for corporate events, which have already attracted valuable clients. We will also manage our cash balances so that we can provide funds for expansion and new projects.

The RAD has agreed a business plan for FY26 to start to deliver its refreshed strategy and enhance its performance alongside a five year forecast. These include elevating its teacher education programmes, developing and testing new syllabi, improving exam operations, streamlining processes, maximising use of our London headquarters and developing new fundraising streams.

After considering these factors the trustees have concluded that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements and have not identified any material uncertainties relating to events or conditions that, individually or collectively, cast significant doubt on the charity's ability to continue as a going concern.

Statement of the Trustees' Responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed, Royal Charter, Supplemental Charters and Bye-laws. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

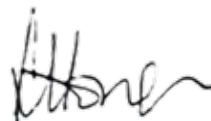
Crowe U.K. LLP has indicated its willingness to continue in office and in accordance with the provisions of the Companies Act. This Annual Report of the Trustees, under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Trustees on 11 December 2025 and is signed as authorised on its behalf by:



Stephen Moss CBE
Chair, Board of Trustees



James Cane FCA
Trustee, Chair of Finance,
Audit and Risk subcommittee



Elizabeth Honer CB
Chief Executive

Independent Auditor's Report to the Trustees of the Royal Academy of Dance

Opinion

We have audited the financial statements of The Royal Academy of Dance ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2025 which comprise the group consolidated statement of financial activities, group and charity balance sheets, group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2025 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011; and
- have been prepared in accordance with the requirements of the OfS Accounts Direction (issued October 2019) ("the OfS Accounts Direction")

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

Opinion on other matters prescribed by the OfS accounts direction

No funds have been provided to the charity by the OfS.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; 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 trustees' responsibilities statement set out on page 51, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we



considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Office for Students regulation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Audit and Risk subcommittee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Office for Students and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the

financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

Date: 16 December 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Group Consolidated Statement of Financial Activities

For the year ended 31 July 2025

	2025			2024			
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	
Notes							
Income from							
2	Donations and legacies	616	184	800	184	532	716
3	Trading	834	-	834	809	-	809
4	Other trading activities	449	111	560	457	162	619
5	Investments	59	4	63	59	4	63
Income from charitable activities							
	Examination fees	12,715	-	12,715	12,344	-	12,344
6	Education and training fees	5,440	586	6,026	5,248	578	5,826
	Subscription income	1,280	-	1,280	1,237	-	1,237
7	Other income	121	(2)	119	112	-	112
	Total income	21,514	883	22,397	20,450	1,276	21,726
Expenditure							
8	Expenditure on raising funds	(1,919)	(313)	(2,232)	(1,737)	(323)	(2,060)
9	Expenditure on charitable activities	(20,890)	(657)	(21,547)	(20,180)	(563)	(20,743)
11	Other expenditure	(380)	4	(376)	(168)	-	(168)
	Total expenditure	(23,189)	(966)	(24,155)	(22,085)	(886)	(22,971)
	Net income/(expenditure)	(1,675)	(83)	(1,758)	(1,635)	390	(1,245)
Transfers							
	Transfers between funds	-	-	-	50	(50)	-
Other recognised gains/losses							
	On revaluation of tangible fixed assets	355	-	355	779	-	779
	Movement on exchange arising from the consolidation of branches and subsidiaries	(168)	(14)	(182)	(143)	2	(141)
	Net movement in funds	(1,488)	(97)	(1,585)	(949)	342	(607)
	Fund balances brought forward at 1 August	27,146	1,338	28,484	28,095	996	29,091
	Total funds carried forward at 31 July	25,658	1,241	26,899	27,146	1,338	28,484

There were no recognised gains and losses other than those listed above and the expenditure/income for the year. All income relates to continuing operations.

Group and Charity Balance Sheets

At 31 July 2025

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Notes				
Fixed assets				
19 Intangible assets	160	140	160	139
20 Tangible assets	26,196	26,497	26,028	26,315
21 Investments	188	171	330	282
	26,544	26,808	26,518	26,736
Current assets				
22 Stocks	348	372	120	132
23 Debtors	1,433	2,043	3,694	3,829
Cash at bank and in hand	5,961	7,310	3,639	5,340
	7,742	9,725	7,453	9,301
24 Creditors – amounts falling due within one year	(7,263)	(7,771)	(7,951)	(8,205)
Net current assets	479	1,954	(498)	1,096
Total assets less current liabilities	27,023	28,762	26,020	27,832
25 Creditors – amounts falling due after more than one year	(124)	(278)	(124)	(278)
Net assets	26,899	28,484	25,896	27,554
FUNDS				
27 Restricted funds	1,241	1,338	1,241	1,338
28 Unrestricted funds	25,658	27,146	24,655	26,216
Total funds	26,899	28,484	25,896	27,554

The accompanying notes form part of these accounts.

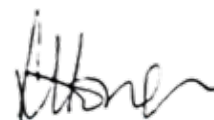
These financial statements were approved and signed on behalf of the Board of Trustees on 11 December 2025 by:



Stephen Moss CBE
Chair, Board of Trustees



James Cane FCA
Trustee, Chair of Finance,
Audit and Risk subcommittee



Elizabeth Honer CB
Chief Executive

Group Cash Flow Statement

For the year ended 31 July 2025

a. STATEMENT OF CASH FLOWS

Restricted and unrestricted funds	Notes	2025 £'000	2024 £'000
Cash flows from operating activities:			
Net cash (used in) operating activities	b.	(468)	(278)
Cash flows from investing activities:			
Interest receivable		62	63
Interest payable		(440)	(573)
Purchase of tangible fixed assets		(167)	(220)
Disposal of tangible fixed assets		17	12
Purchase of intangible fixed assets and work-in-progress		(44)	(139)
Net cash (used in) investing activities		(572)	(857)
Cash flows from financing activities:			
Amounts (repaid) to banks		(214)	(96)
Net cash (used in) financing activities		(214)	(96)
Change in cash and cash equivalents in the reporting period		(1,252)	(1,231)
Cash and cash equivalents at the beginning of the reporting period		7,310	8,584
Change in cash and cash equivalents due to exchange rate moments		(97)	(43)
Cash and cash equivalents at the end of the reporting period	c.	5,961	7,310

b. Reconciliation of net (expenditure) to net cash flow from operating activities

Net income for the reporting period (as per the statement of financial activities)	(1,758)	(1,245)
Adjustments for:		
(Gain)/loss on revaluation of investments	(5)	(5)
Interest receivable	(62)	(63)
Interest payable	440	573
Amortisation of intangible fixed assets	24	6
Depreciation - tangible fixed assets	706	745
Decrease in stocks	24	(96)
(Decrease)/increase in debtors	676	(276)
(Decrease)/increase in creditors	(513)	83
Net cash provided by operating activities	(468)	(278)

Group Cash Flow Statement

For the year ended 31 July 2025

	2025 £'000	2024 £'000
c. Analysis of cash and cash equivalents		
Cash in hand	5,961	7,310
Total cash and cash equivalents	5,961	7,310

	2024 £'000	Cash flow movement £'000	2025 £'000
Analysis of changes in net cash			
Cash at bank and in hand	7,310	(1,349)	5,961
Total cash and cash equivalents	7,310	(1,349)	5,961
Debt due within one year	(2,560)	55	(2,505)
Debt due after one year	(267)	160	(107)
Total	4,483	(1,134)	3,349

Accounting Policies

For the year ended 31 July 2025

The RAD is a non-statutory body incorporated by Royal Charter and a charity registered in England and Wales (number RC000436). The address of the registered office is 188 York Road, London SW11 3JZ.

Notes

1(a) Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Charities Act 2011 and UK Generally Accepted Accounting Principles as they apply from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the SORP applicable to charities preparing their accounts in accordance with FRS 102 issued on 16 July 2014 rather than the previous SORP: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. The RAD meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value except for investments and certain fixed assets, which have been included at revalued amounts. The charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the parent entity.

1(b) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate when preparing these financial statements. The trustees have reviewed the 2026 budget forecast together with a review of an updated financial projection to 2030. This has included a consideration of the free reserves position and cash flow.

During FY25, the RAD breached a covenant associated with the term loan due to a decline in income, which resulted in an operating group loss. Since the year end the RAD has renegotiated the terms of the loan to extend for one year to 19 July 2027 and following this the bank issued a waiver after the year end. As a result, the carrying amount of the term loan (£2.3m) must be classified as a short-term liability in the financial statements. This reclassification does not affect the organisation's ability to meet its financial obligations and the charity is forecast to meet its liabilities as they fall due. The loan repayments have been calculated over 25 years, but the agreement has to be re-negotiated every five years. The current agreement expires in July 2027, and the charity intends to apply and secure renewal before 31 July 2026 to maintain continuity of the facility.

Scenario stress testing has been undertaken considering the key risks the Charity faces, including the changing external environment and the mitigating actions the Charity can deploy to reduce the negative impact caused by these risks. Possible mitigating actions include implementing further cost reductions and being able to raise additional financing if required, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties. New product offerings are also under development. Ongoing review of cash balances in the UK and overseas ensures active cash management across the group as well as ensuring bank facilities are in place that are sufficient to meet projected funding requirements.

Our five-year financial plan forecasts a continued deficit in FY26 and FY27 as we invest in our growth, before we return to a surplus position as those investments start generating additional income and efficiencies. Due to uncertainties in the timing of receipt this does not take into account forecast income from the legacy pipeline which stood at £1.4m at the year end. Nevertheless, free reserves are forecast to reduce over this period. The RAD's five-year strategy includes a number of artistic and commercial initiatives to enhance its financial and operational performance. These will take time to show through in the financial figures but will build a more resilient and diversified organisation with a plan to rebuild free reserves from FY28.

Our new global headquarters offers many exciting opportunities to expand our product offerings, as well as generate income from hiring out our studios and theatre within the dance and performing arts community and for corporate events, which have already attracted valuable clients. We will also manage our cash balances so that we can provide funds for expansion and new projects.

The RAD has agreed a business plan for FY26 to start to deliver its refreshed strategy and enhance its performance alongside a five year forecast. These include elevating its teacher education programmes, developing and testing new syllabi, improving exam operations, streamlining processes, maximising use of our London headquarters and developing new fundraising streams.

After considering these factors the trustees have concluded that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements and have not identified any material uncertainties relating to events or conditions that, individually or collectively, cast significant doubt on the charity's ability to continue as a going concern.

1(c) Basis of consolidation

The charity accounts include the audited accounts of the RAD in the United Kingdom and its branches for the year to 31 July 2025, and the consolidated Group accounts include the audited accounts of the charity and its subsidiaries. All activities derive from continuing operations.

1(d) Stocks and work-in-progress

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate. Costs relating to the development of examination syllabi and teaching aids are treated as work-in-progress until the product is ready for sale.

1(e) Tangible fixed assets

All tangible fixed assets, other than freehold land, are stated at historical cost or valuation net of depreciation and any provision for impairment. Depreciation is provided on cost using the straight-line method over the estimated useful lives of the assets. Impairment reviews are conducted when events and changes in circumstances indicate that impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, its value is written down accordingly. Freehold land is not depreciated. Tangible fixed assets under £500 are not capitalised. The rates of depreciation are as follows:

Freehold buildings	2%	Furniture and office equipment	10%
Computer equipment	20%	Motor vehicles	25%

1(f) Intangible fixed assets

Intangible fixed assets consist of computer software and telephone subscription rights of subsidiary companies which are included at cost and amortised in equal instalments over a period of years estimated to be their useful economic life. Provision is made for any impairment.

Software	20%
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1(g) Investments

Listed investments are included in the balance sheet at market value. Investments in subsidiaries and joint ventures are included in the charity's accounts at cost less any provision for impairment.

1(h) Revaluation of assets

Investments and land and buildings held by the group for restricted and unrestricted use are revalued annually to fair value where material. The gain or loss is reflected in the statement of financial activities and, for land and buildings, includes the amount of depreciation provided in that year.

1(i) Overseas currencies

Assets and liabilities of overseas branches and subsidiaries are translated into sterling at the exchange rates ruling at the balance sheet date. Transactions in the period are translated at the rate of exchange ruling at the time of the transaction. The exchange gains or losses arising from the retranslating of opening net assets of the overseas branches and subsidiaries are shown under 'Other recognised gains or losses' in the SoFA. All other exchange gains or losses are dealt with through expenditure within the SoFA.

1(j) Recognition of income

Income is recognised in the SoFA on a receivable basis, namely when the RAD has entitlement to the income, receipt is probable and the amount can be reliably measured. If there are conditions that must be fulfilled before entitlement to income received is confirmed, the income is deferred and included under creditors.

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the economic benefit from the use by the charity of the item is probable and can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have had to pay for an equivalent service on the open market.

Income received in advance for examinations or short courses where the activity does not complete until after the year-end is apportioned to the relevant financial year; or for a longer period in the case of fees for programmes such as the Faculty of Education's 'Certificate in Ballet Teaching Studies' and 'Certificate in Dance Teaching', which are two-year programmes that fall across three financial periods.

All income from grants and donations income is accounted for gross when the charity has entitlement to the funds, the amount can be quantified, and receipt of the funds is probable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants which have been specified for use in future periods are recognised in deferred income and released in the relevant accounting period.

Legacy income is recognised in the SOFA when the charity has entitlement to the income, the receipt is considered probable and amounts receivable can be measured with sufficient reliability. Income from pecuniary legacies is recognised when probate has been granted and we have been advised of the amount stipulated in the will. Income from residuary legacies is recognised when probate has been granted and we have received the approved estate accounts or where notification of an impending distribution has been received.

1(k) Recognition of expenditure

Unrestricted expenditure is accounted for on an accruals basis. Expenditure is allocated directly to the activity to which it relates, including support costs that can be identified as being an integral part of direct charitable expenditure.

- **Costs of raising funds:** costs of raising funds include expenditure related to support departments and staff members engaged in or contributing to those activities.
- **Costs of charitable activities:** charitable expenditure includes all expenditure related to the objects of the charity and includes expenditure related to support departments and staff members engaged in or contributing to charitable activities.
- **Governance costs:** these are costs associated with the constitutional and statutory requirements of the Group, and include expenditure related to the trustees and senior staff members engaged in or contributing to the governance of the group. These are allocated within support costs as per the requirements of the Charities SORP.
- **Indirect support costs** have been allocated on the following bases:
 - Salaries and pensions staff numbers per department
 - General administration staff numbers per department
 - Information technology staff numbers per department
 - Rent and property departmental use for office space and income generated for studio space
 - Depreciation estimated use
 - Governance staff numbers per department
 - Finance charges Income-to-cost ratio

1(l) Pension costs

Retirement benefits for employees are provided by defined-contribution pension schemes and for teachers by the Teachers' Pension Scheme (TPS), a defined-benefit scheme. The TPS is a multi-employer scheme where the RAD cannot identify its individual share of assets and is therefore accounted for as a defined-contribution scheme. Contributions (see note 17) payable to the pension schemes in respect of each accounting period are charged to the SoFA.

1(m) Fund accounting

Funds can be classified as general, designated or restricted.

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

Designated funds are funds that have been set aside by the Trustees for particular purposes. The purpose and use of each designated fund is set out in note 28.

Restricted funds represent funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised for particular purposes. The purpose and use of each restricted fund is set out in note 27.

1(n) Regional advisory committees

The charity carries out some activities through a network of regional advisory committees that include the name of the charity in their title and are located in only some of the countries in which the Charity operates. All regional advisory panel and committee transactions are accounted for gross in the accounts of the Charity, and all assets and liabilities are included in the Charity's balance sheet.

1(o) Treatment of VAT

The RAD is registered as partially exempt for VAT in the UK and is either exempt or liable for VAT or applicable taxes in other parts of the world. Irrecoverable VAT is charged to the activity to which it relates or otherwise forms part of the support costs and is then apportioned as per note 1(k).

1 (p) Financial instruments

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad-debt provision. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1 (q) Operating leases

Operating lease rentals are charged and credited to the SOFA on a straight-line basis over the length of the lease.

1 (r) Critical accounting judgments and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described above, the trustees are required to make judgments (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the opinion of the trustees, there are no key assumptions concerning the future, and no other key sources of estimation uncertainty at the balance sheet date, that would carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Accounts

For the year ended 31 July 2025

	2025			2024		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
2 Income from:						
Donations, gifts and legacies	575	96	671	163	383	546
Funding grants	41	88	129	21	149	170
	616	184	800	184	532	716

Legacy income

The estimated value of legacies notified but neither received nor included in income is £1.4m (FY24: nil)

3 Retail trading

Retail trading consists of sales made by Royal Academy of Dance Enterprises Limited and branch outlets of the RAD.

	2025 £'000	2024 £'000
Turnover net of taxes and discounts	834	809
Cost of sales and other costs	(366)	(333)
Net income from retail trading	468	476

	2025			2024		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
4 Other trading activities						
Fundraising activities	-	111	111	1	162	163
Licensing and royalty income	270	-	270	254	-	254
Property and studio hire	179	-	179	202	-	202
	449	111	560	457	162	619

5 Investment income

Interest received	59	4	63	59	4	63
	59	4	63	59	4	63

6 Education and training fees

Initial education	2,972	-	2,972	2,889	-	2,889
Continuing education	2,468	586	3,054	2,359	578	2,937
	5,440	586	6,026	5,248	578	5,826

7 Other income

Advertising income	17	-	17	23	-	23
All other income	104	(2)	102	89	-	89
	121	(2)	119	112	-	112

	2025				2024			
	Unrestricted funds	Restricted funds			Unrestricted funds	Restricted funds		
	Direct costs	Direct costs	Support costs	Total funds	Direct costs	Direct costs	Support costs	Total funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure								
8 Costs of raising funds								
Fundraising activities	625	313	25	963	496	323	82	901
Retail trading	366	-	903	1,269	333	-	826	1,159
	991	313	928	2,232	829	323	908	2,060

	2025				2024			
	Unrestricted funds	Restricted funds			Unrestricted funds	Restricted funds		
	Direct costs	Direct costs	Support costs	Total funds	Direct costs	Direct costs	Support costs	Total funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
9 Costs of charitable activities								
Examinations	7,096	-	4,527	11,623	6,858	-	4,365	11,223
Initial education	2,127	42	2,661	4,830	2,347	21	2,506	4,874
Continuing education	1,697	615	1,476	3,788	1,632	542	1,255	3,429
Subscription	405	-	901	1,306	374	-	843	1,217
	11,325	657	9,565	21,547	11,211	563	8,969	20,743

	2025			2024		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
10 Auditor fees payable						
Fees payable to the group's auditor and its associates for the audit of the group's annual accounts						
Audit fees	109	-	109	123	-	123
Other services	25	-	25	29	-	29
Fees payable to the group's auditor and its associates for the audit of the group's subsidiaries and branches						
Audit fees	87	-	87	30	-	30
Other services	29	-	29	13	-	13
Fees payable to other auditors for the audit of the group's branches and subsidiaries						
Audit fees	50	-	50	61	-	61
Other services	15	-	15	10	-	10
Total	315	-	315	266	-	266
	2025			2024		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
11 Other expenditure						
All other expenditure	235	-	235	(87)	-	(87)
Taxation	145	(4)	141	255	-	255
	380	(4)	376	168	-	168

12 Analysis of indirect support costs¹

Unrestricted funds 2025

	Examinations	Initial education	Continuing education	Subscription	Retail Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,770	916	623	411	521	10	4,251
General administration	1,057	646	328	169	122	10	2,332
Information technology	395	331	125	104	86	-	1,041
Financing charges	194	121	62	35	28	-	440
Depreciation	304	210	112	55	47	-	728
Rent and property	534	324	167	89	71	4	1,189
Governance	272	113	60	38	29	-	512
	4,526	2,661	1,477	901	904	24	10,493

Unrestricted funds 2024

	Examinations	Initial education	Continuing education	Subscription	Retail Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,596	680	355	258	364	24	3,277
General administration	1,034	640	344	240	195	32	2,485
Information technology	359	319	118	102	81	2	981
Financing charges	243	169	81	44	35	-	572
Depreciation	317	227	122	64	50	4	784
Rent and property	573	361	184	99	76	3	1,296
Governance	243	110	50	37	26	16	482
	4,365	2,506	1,254	844	827	81	9,877

13 Related-party transactions

During the financial year, 6 trustees (FY24: 3 trustees) received remuneration for providing services to the RAD. Payments to trustees who are also examiners, tutors and mentors were made in accordance with Articles 6.5 and 10 of the Charter.

- Amy Giancarlo received £2,290 in tuition fees and associated expenses
- Victoria Allport received £31,718 in examining and tuition fees and associated expenses
- Rachel Jackson-Weingärtner received £10,646 in examining fees and associated expenses
- Joshua Tuifua received £14,722 in tuition fees and associated expenses
- Justine Berry received £594 in tuition fees and associated expenses
- Sonia Greco received £10,358 in examining fees and associated expenses

These payments were made at market rates and were solely for the provision of examining, tutoring or mentoring, not for their services as trustees.

Trustees were reimbursed for expenses incurred in the performance of their duties as trustees. The total amount reimbursed to two trustees during the year was £464; £225 for travelling and £239 for subsistence (FY24: four trustees - £1,899). All expenses were reimbursed upon submission of valid receipts and were in accordance with the RAD's expenses policy. Trustees received no remuneration for volunteering their time.

Donations were received from five trustees (£64,550) during the year (FY24: three trustees - £36,750).

The following related-party transactions took place during the year:

Related party: Ulrich Stiehm Filmproduktion (owned by husband of National Director – Germany)

Transaction: Backup and server upload of 10 CBTS videos and video edit for first representative of RAD in Germany and Austria

Cost of transaction: £nil (€nil) (FY24: £153 (€179))

Amount due at 31 July 2025: £nil (€nil) (FY 24: £nil (€nil))

Related party: Manny Lume (husband of National Director – South Africa)

Transaction: Property Repairs and Maintenance, General Admin, Consulting fees

Cost of transaction: £nil (Rnil) (FY24: £1,234 (R29,037))

Amount due at 31 July 2025: £nil (R nil) (FY23: £nil (R nil))

Related party: Nicole Lume (daughter of National Director – South Africa)

Transaction: Stock take

Cost of transaction: £77 (R1,174) (FY24: £97 (R2,273))

Amount due at 31 July 2025: £nil (R nil) (FY24: £nil (R nil))

Related party: Ross Alexander (son of National Director – USA) as owner of Viabold

Transaction: Website Management services

Cost of transaction: £3,486 (US\$4,530) (FY24: £4,479 (US\$5,640))

Amount due at 31 July 2025: £nil (US\$ nil) (FY24: £nil, (US\$ nil))

Related party: Ferrell Alexander (daughter of National Director – USA) as part-time employee

Transaction: payroll costs

Cost of transaction: £10,942 (US\$14,219) (FY24: £8,723 (US\$ 10,984))

Amount due at 31 July 2025: £nil (US\$ nil) (FY24: £nil, (US\$ nil))

Related party: Noriko Kobayashi (National Director – Japan) as owner of Kobayashi Ballet Studios

Transaction: Hire of dance studios, office space and seconded staff for exams, courses, summer school and administration

Cost of transaction: £57,272 (¥11,058,729) (FY24: £49,393 (¥9,363,029))

Amount due at 31 July 2025: £nil (¥ nil) (FY24: £ nil (¥ nil))

Related party: Dance Etc (National Director – Portugal)

Transaction: Office and studio hire

Cost of transaction: £8,394 (€9,963) (FY24: £3,680 (€4,290))

Amount due at 31 July 2025: £nil (€nil) (FY24: £nil (€nil))

Related party: Pilar Monteiro (niece of National Director) – as employee of RAD Portugal

Transaction: payroll costs

Cost of transaction: £15,499 (€18,396) (FY24: £15,310 (€17,849))

Amount due at 31 July 2025: £nil (€nil) (FY24: £nil (€nil))

Related party: Blanca Cortes (daughter of National Director – Spain)

Transaction: Annual office rent

Cost of transaction: £5,813 (€ 6,900) (FY24: £5,730 (€ 6,681))

Amount due at 31 July 2025: £nil (€nil) (FY24: £nil (€nil))

Related party: Family members (National Director – Malaysia)

Transaction: Office rental and salaries

Cost of transaction: £14,566 (MYR 82,501) (FY24: £8,316 (MYR 49,200))

Amount due at 31 July 2025: £nil (MYR nil) (FY24: £nil (MYR nil))

Related party: Family member (National Director – Italy)

Transaction: Payroll costs

Cost of transaction: £46,235 (€54,878.59) (FY24: £47,071 (€54,878.59))

Amount due at 31 July 2025: £nil (€nil) (FY25: £nil (€nil))

Related party: Cambridge Dance Studios Ltd (owned by Imogen Knight (trustee))

Transaction: Studio hire for CPD course

Cost of transaction: £343 (FY24: £93)

Amount due at 31 July 2025: £nil (FY24: £nil)

The related-party transactions and intercompany balances of the charity with subsidiaries and branches are:

		2025					2024				
		Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Royal Academy of Dance	UK	161	-	(589)	-	-	94	-	(531)	-	-
Royal Academy of Dance Enterprises Limited	UK	-	589	-	-	-	-	531	-	-	-
Royal Academy of Dance S/C Ltda	Brazil	-	203	-	-	-	-	87	-	-	-
Royal Academy of Dance gGmbH	Germany	-	79	-	-	-	-	127	-	-	-
Yayasan Royal Academy of Dance Indonesia	Indonesia	-	16	-	-	-	-	24	-	-	-
Royal Academy of Dance Srl	Italy	-	102	-	-	-	-	105	-	-	-
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	-	58	-	-	-	-	82	-	-	-
Royal Academy of Dance de Mexico AC	Mexico	-	93	-	-	-	-	56	-	-	-
Royal Academy of Dance Singapore Pte Ltd	Singapore	-	134	-	-	-	-	6	-	-	-
Royal Academy of Dance s21 Company	South Africa	-	-	-	-	-	-	-	-	-	-
Royal Academy of Dance SL	Spain	-	66	-	-	-	-	83	-	-	-
RAD Dancing (Thailand) Sdn Bhd	Thailand	-	30	-	-	-	-	32	-	-	-
Royal Academy of Dance (Australia Branch)	Australia	-	430	-	-	-	-	236	8	-	-
Royal Academy of Dance - Canadian Branch	Canada	-	(72)	46	(206)	-	-	(61)	26	(206)	-
Royal Academy of Dance (Israeli Branch)	Israel	-	-	-	-	-	-	85	-	-	-
Royal Academy of Dance	Japan	-	31	1	-	-	-	38	1	-	-
Royal Academy of Dance - New Zealand Branch	New Zealand	-	(324)	-	-	-	-	(346)	-	-	-
Royal Academy of Dance	Portugal	-	70	-	-	-	-	65	-	-	-
Royal Academy of Dance	South Africa	-	135	5	22	-	-	114	5	22	-
Royal Academy of Dance	USA	-	(39)	-	-	-	-	(33)	-	-	-

14 Funds held as custodian trustees

At the year end, the group held monies totalling £7,519 (FY24: £7,519) on behalf of its clients and the charity held monies totalling £7,519 (FY24: £7,519). These monies are not included within the balance sheet and are held separately in a clearly identifiable bank account.

15 Indemnity insurance

Indemnity insurance was included as part of the RAD's global policy to indemnify it from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part, in accordance with Article 6(h) of the RAD charter. The cost for the year to 31 July 2025 was £23,609 (FY24: £22,899).

16 Costs of employees

a) The RAD employed 247.9 (FY24: 241.1) average headcount for administrative staff and 27.0 (FY24: 8.0) commission-based staff worldwide, as well as contracting the services of examiners, teachers, tutors and musicians. Employment costs account for 58% (FY24: 54%) of total expenditure (excluding other expenditure):

	2025			2024		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Employee gross salaries	12,275	-	12,275	11,191	-	11,191
Employee payroll taxes	814	-	814	666	-	666
Employer pension contribution	524	-	524	470	-	470
Employees on commission	330	-	330	521	-	521
Total employment costs	13,943	-	13,943	12,848	-	12,848

Redundancy payments made during the year were £143,074 (FY24: £63,336) with £30,393 owed as at 31 July 2025 (FY24: nil).

The RAD has several Regional Advisory Committees (RAC) in Australia, Greece, South Africa and the UK. These RACs operate through teams consisting of up to ten volunteer members and hold student events and activities throughout the year. Many of these activities are carried out by volunteers who are entitled to reimbursement of their expenses.

b) Employees earning over £60,000 including benefits in kind:

Basic salary including benefits-in-kind	2025	2024
Number of group employees earning:		
Between £190,001 - £200,000*	1	-
Between £120,001 - £130,000	-	1
Between £110,001 - £120,000	-	1
Between £100,001 - £110,000*	1	-
Between £90,001 - £100,000	1	-
Between £70,001 - £80,000	8	8
Between £60,001 - £70,000	10	9

*The figures include gross remuneration and termination payments.

The total employee benefits for the key management personnel of the charity (as listed on page 88), including employer's pension contributions and national insurance, were £1,086,000 (FY24: £864,000).

Costs of employees (continued)**c) Employees earning over £100,000:**

	2025	2024
Basic salary		
Between £115,001 - £120,000	-	1
Between £110,001 - £115,000	-	1

This disclosure does not include individuals who joined or left in the year in line with the OFS Regulatory advice 9: Accounts direction, point 12.a.

Chief executive – ratios

Basic salary: Average staff salary ratio	3:1	4:1
Total remuneration: Average staff total remuneration	4:1	4:1

Accounts paid during FY25

Former chief executive (resigned 31 December 2024)	£	£
Basic salary	50,799	120,000
Pension contributions	5,256	13,579
Occupational health insurance	474	1,083
Total remuneration	56,529	134,662

Incumbent chief executive (started 21 January 2025)	£	£
Basic salary	74,846	-
Pension contributions	8,470	-
Occupational health insurance	-	-
Total remuneration	83,316	-

17 Pension costs

The pensions charge for the year to 31 July 2025 was £524,000 (FY24: £470,000).

In the UK, the RAD currently operates two schemes, representing in total 142 (FY24: 143) employees.

Aegon Scottish Equitable (126 employees- £305,000)

Defined-contribution scheme

Teachers' Pension Scheme (TPS) (16 employees-£219,000)

The RAD participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £219,000 (FY24: £215,000) and at the year-end £nil (2024 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Outside the UK, RAD operates or contributes to a variety of defined-contribution schemes, money-purchase schemes or statutory schemes, representing 56 (FY24: 58) employees in nine (FY24: 11) countries.

18 Taxation

The RAD is a charitable organisation and is entitled to UK tax exemptions available to charities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards). Royal Academy of Dance Enterprises Limited gift aids its "annual profits", as defined by a deed of covenant entered into with the RAD. Provision for UK taxation has only been made in respect of any residual profit of Royal Academy of Dance Enterprises Limited. Subject to the availability of similar charitable exemptions overseas, provision has been made for overseas taxation on the profits of overseas subsidiaries and branches.

19 Intangible fixed assets

	Intangible assets	Intangible assets under construction	Total
Group	£'000	£'000	£'000
Cost or valuation			
At 1 August 2024	71	139	210
Exchange-rate movements	(10)	-	(10)
Additions	44		44
Transfers	139	(139)	-
At 31 July 2025	244	(-)	244
Accumulated depreciation			
At 1 August 2024	(70)	-	(70)
Exchange-rate movements	10	-	10
Charge for the year	(24)	-	(24)
Eliminated on disposals	-	-	-
At 31 July 2025	(84)	-	(84)
Net book value			
At 31 July 2025	160	(-)	160
At 31 July 2024	1	139	140
Charity			
	£'000	£'000	£'000
Cost or valuation			
At 1 August 2024	47	139	187
Exchange-rate movements	(9)	-	(10)
Additions	183	(139)	44
Disposals	-	-	-
At 31 July 2025	221	-	221
Accumulated depreciation			
At 1 August 2024	(47)	-	(47)
Exchange-rate movements	10	-	10
Charge for the year	(24)	-	(24)
At 31 July 2025	(61)	-	(61)
Net book value			
At 31 July 2025	160	-	160
At 31 July 2024	-	139	139

20 Tangible fixed assets

	Freehold land and buildings	Furniture and office equipment	Computer equipment	Motor vehicles	Total
Group	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2024	25,275	1,615	3,650	47	30,587
Exchange-rate movements	(135)	(4)	(14)	(1)	(154)
Additions	-	21	146	-	167
Disposals	-	(2)	(15)	-	(17)
Revaluation	(122)	-	-	-	(122)
At 31 July 2025	25,018	1,630	3,767	46	30,461
Accumulated depreciation					
At 1 August 2024	(18)	(629)	(3,396)	(47)	(4,090)
Exchange-rate movements	18	5	13	1	37
Charge for the year	(477)	(147)	(82)	-	(706)
Eliminated on disposals	-	2	15	-	17
Revaluation	477	-	-	-	477
At 31 July 2025	-	(769)	(3,450)	(46)	(4,265)
Net book value					
At 31 July 2025	25,018	861	317	-	26,196
At 31 July 2024	25,257	986	254	-	26,497
Charity					
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2024	25,151	1,451	3,527	47	30,176
Exchange-rate movements	(150)	(8)	(17)	(1)	(176)
Additions	-	15	139	-	154
Disposals	-	(1)	(10)	-	(11)
Revaluation	(104)	-	-	-	(104)
At 31 July 2025	24,897	1,457	3,639	46	30,039
Accumulated depreciation					
At 1 August 2024	(19)	(513)	(3,282)	(47)	(3,861)
Exchange-rate movements	19	7	15	1	42
Charge for the year	(477)	(129)	(74)	-	(680)
Eliminated on disposals	-	1	10	-	11
Revaluation	477	-	-	-	477
At 31 July 2025	-	(634)	(3,331)	(46)	(4,011)
Net book value					
At 31 July 2025	24,897	823	308	-	26,028
At 31 July 2024	25,132	938	245	-	26,315

20 Tangible fixed assets (continued)

The RAD owns freehold properties in the UK, Australia and South Africa. The current valuations, after depreciation charges and exchange losses arising out of the value of the Group freehold properties at the end of the financial year, are:

	Value at 1 August 2024	Exchange movement	Charge for the year	Additions to freehold	Disposals to freehold	Increase in valuation	Value at 31 July 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom	21,927	-	(462)	-	-	510	21,975
Australia	3,206	(113)	(18)	-	-	(153)	2,922
South Africa	124	(3)	-	-	-	-	121
Total	25,257	(116)	(480)	-	-	357	25,018

The freehold property in London, UK was valued as at 31 July 2025 at fair value in accordance with the RICS Valuation – Global Standards effective 31 January 2022, which incorporates the International Valuation Standards (IVS) and, where applicable, the relevant RICS national or jurisdictional supplement (the “RICS Red Book – Global Standards”) and in accordance with UK Generally Accepted Accounting Principles (UK GAAP) – FRS 102. The valuation was carried out by Daniel Watney LLP, Chartered Surveyors.

The freehold property in Sydney, Australia was valued on 31 July 2025 at fair value. This valuation was carried out by Cviker Property Valuations & Consultancy.

The valuation of the freehold property in Johannesburg, South Africa was taken from the latest edition of the Johannesburg Municipality rating, which is revised periodically.

The RAD holds heritage assets which include a unique, internationally significant and continually expanding range of archival and printed sources, exhibits and pictures of ballet memorabilia. These resources are available for use by the staff and students of RAD, the wider community and any member of the public who has an interest in the RAD's collection. As reliable cost information is not available and conventional valuation approaches lack sufficient meaning, given that certain aspects of these assets are irreplaceable, no value is included on the balance sheet in respect of these assets. No heritage assets were capitalised during the year as none exceeded the capitalisation threshold of £10,000. All subsequent expenditure incurred on the heritage assets is reviewed to determine whether it meets the criteria set out in FRS 102 for capitalising subsequent expenditure on an asset. Where the criteria are not met, the expenditure is accounted for through the SoFA. Expenditure that is required to preserve or prevent further deterioration of individual collection items is recognised in the SoFA when it is incurred.

21 Investments

	Group		Charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Quoted investments				
Market value at 1 August	171	157	171	157
Exchange differences	(2)	-	(2)	-
Investment during the year	14	9	14	9
Net realised / unrealised gains /(losses)	5	5	5	5
Market value at 31 July	188	171	188	171
Historical cost at 31 July	106	92	113	99
Investments in subsidiaries				
Balance at 1 August	-	-	111	111
Exchange differences	-	-	-	-
Additions	-	-	31	-
At 31 July	-	-	142	111
Total investments at 31 July	188	171	330	282
<i>Quoted investments</i>				
Held in the United Kingdom	77	67	77	67
Held outside the United Kingdom	111	104	111	104

All quoted investments are held within restricted funds, are listed on a recognised stock exchange and are valued at market value at year-end.

The charity owns 100% of the issued share capital of the subsidiary companies as listed below, whose aims and objectives mirror those of the RAD, with the exception of Royal Academy of Dance S/C Ltda., a company registered in Brazil, and Royal Academy of Dance de Mexico AC, a company registered in Mexico whose issued share capitals are held 100% in trust on behalf of the RAD; and RAD Dancing (Thailand) Co Ltd where the RAD holds 49% of the issued share capital, but has effective control.

The charity also has effective control over a building fund in South Africa which is administered by the Royal Academy of Dance, an association incorporated under s21 of the Republic of South Africa's Companies Act, and Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia. The results of these entities are included in the Group's results as long as the RAD continues to maintain a branch in South Africa, and operations in Indonesia. RAD Dancing (Malaysia) Sdn. Bhd. is a wholly owned subsidiary of Royal Academy of Dance Singapore Pte Ltd.

Investments (continued)

Investments in subsidiaries

Subsidiaries	Country of incorporation	Co Registration number	% of issued share capital	Assets	Liabilities	Net Assets	Capital	Income	Expenditure	Surplus / (deficit)
				£'000	£'000	£'000	£'000	£'000	£'000	£'000
Royal Academy of Dance S/C Ltda	Brazil	CNP-J27907864/0001-48	Held in trust	226	207	19	-	336	353	(17)
Royal Academy of Dance gGmbH	Germany	HRB 103317	100%	377	166	211	64	460	443	17
Yayasan Royal Academy of Dance Indonesia	Indonesia	Yayasan No 138	100% control	90	68	22	-	140	87	53
Royal Academy of Dance Srl	Italy	TN-0174567	99%	161	150	11	39	632	629	3
Royal Academy of Dance de Mexico AC	Mexico	RFC RAD 011026DT5	Held in trust	288	95	193	-	358	358	-
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	No 282399-X	100%	421	247	174	-	479	472	7
Royal Academy of Dance Singapore Pte Ltd	Singapore	No 02211/1988-M	100%	442	288	154	-	604	540	64
Royal Academy of Dance	South Africa	1990/004233/08	100% control	248	199	49	-	289	286	3
Royal Academy of Dance SL	Spain	CIF No B-59915330	100%	203	107	96	2	335	391	(56)
RAD Dancing (Thailand) Sdn Bhd	Thailand	0505554003970	49%	204	69	135	37	211	204	7
Royal Academy of Dance Enterprises Ltd	UK	No 2773495	100%	651	653	(2)	-	656	656	-
Balance as at 31 July				3,311	2,249	1,062	142	4,500	4,419	81

22 Stocks	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Finished goods and goods for resale	348	372	120	132
Balance at 31 July	348	372	120	132

23 Debtors: amounts falling due within one year	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade debtors	305	553	176	325
Amounts due from subsidiaries	-	-	2,685	2,334
Other debtors	411	434	312	324
Prepayments and accrued income	717	1,056	521	846
Balance at 31 July	1,433	2,043	3,694	3,829

24 Creditors: amounts falling due within one year	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans	2,505	2,560	2,506	2,560
Trade creditors	980	1,185	870	1,076
Amounts owed to subsidiaries	-	-	1,374	1,246
Taxation and social security	383	443	242	221
Accruals and deferred income	3,395	3,583	2,959	3,102
Balance at 31 July	7,263	7,771	7,951	8,205

Bank overdrafts

During FY25, the RAD in the United Kingdom had not utilised any of the £700,000 available in the grouped overdraft facility (FY24: £700,000). The facility is secured on the freehold property at 188 York Road, London SW11 3JZ. The overdraft facility was renewed for a further year in October 2025.

As at 31 July 2025, Royal Academy of Dance Enterprises Ltd had not utilised any of the £300,000 overdraft facility available. The overdraft facility was renewed for a further year in October 2025.

An overdraft facility of A\$400,000 with Westpac, secured on the property at 20 Farrell Avenue, Sydney, was made available in March 2012 to facilitate the completion of the building works on the property and to supplement the cyclical nature of the Australian operations cash flow. The facility is on-going.

24 Creditors: amounts falling due within one year
(continued)

Movement on deferred income during the year

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Balance brought forward	2,829	2,877	2,478	2,255
Received in year	4,032	3,207	2,782	2,782
Released to income	(4,296)	(3,255)	(2,559)	(2,559)
Balance carried forward	2,565	2,829	2,701	2,478

25 Creditors: amounts falling due after more than one year

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Provision for long-service award	(17)	(11)	(17)	(11)
Bank loans	(107)	(267)	(107)	(267)
Balance at 31 July	(124)	278	(124)	278

Bank loans

Bank loans of £106,667 (FY24: £266,667) relate to the Coronavirus Business Interruption Loan (CBILS) which is an unsecured loan of £800,000 that has been utilised since March 2021 for general working capital requirements. The loan repayments began 12 months after the drawdown date interest is charged at a rate of 3.99% per annum above the Bank of England base rate on the outstanding loan balance. An election was made to utilise the business interruption payment scheme (BIP) where interest payments in the first 12 months were covered by the BIP. The loan must be repaid in full no later than March 2027.

26 Commitments

Capital commitments

There were £nil (FY24: £nil) capital commitments as at 31 July 2025.

Operating leases

Equipment is leased by Royal Academy of Dance for defined periods. The full cost over the lease period is shown below:

	2025	2024
	£'000	£'000
Less than 1 year	148,513	97,168
2-5 years	309,634	136,625
Over 5 years	187,897	-

Lease payments of £141,218 (FY24: £143,515) were charged to the Consolidated SoFA during the year.

27 Movement in restricted funds

			Balance at 31 July 2025	Transfers from unrestricted funds	Other recognised gains and losses	Expenditure	Income	Exchange movement	Balance at 1 Aug 2024
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted									
Step into Dance programme	UK	Project	36	(1)	585	(615)	-	-	5
Benesh Projects	UK	Project	66	(1)	8	(17)	-	-	56
Scholarship/bursary funds	UK	Restricted	574	-	44	(43)	-	-	575
Boys Only! funds	UK	Restricted	47	-	1	-	-	-	48
Iris Truscott fund	UK	Restricted	9	-	6	3	-	-	18
Regional scholarship funds	UK	Restricted	68	-	2	(10)	-	-	60
RADiate	UK	Restricted	26	-	74	(72)	-	-	28
Christel Addison funds	South Africa	Restricted	38	(1)	4	-	-	-	41
Dancing Times archive	UK	Restricted	13	-	10	(15)	-	-	8
Margot Fonteyn International Ballet Competition	UK	Restricted	257	-	124	(182)	-	-	199
Kenneth MacMillan Archive	UK	Restricted	-	-	25	(15)	-	-	10
Capital asset fund	Canada	Restricted	12	-	-	-	-	-	12
Scholarship fund	Australia	Restricted	193	(12)	-	-	-	-	181
Total Charity			1,339	(15)	883	(966)	-	-	1,241
Total Group			1,339	(15)	883	(966)	-	-	1,241

27 Movement in restricted funds (prior year)

Type of Fund			Balance at 1 Aug 2023	Exchange movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2024
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted									
Step into Dance programme	UK	Project	-	-	578	(542)	-	-	36
Benesh Projects	UK	Project	68	-	-	(2)	-	-	66
Scholarship/bursary funds	UK	Restricted	548	-	40	(14)	-	-	574
Boys Only! funds	UK	Restricted	50	-	3	(6)	-	-	47
Iris Truscott fund	UK	Restricted	7	-	4	(2)	-	-	9
Regional scholarship funds	UK	Restricted	71	-	12	(15)	-	-	68
RADiate	UK	Restricted	37	-	121	(132)	-	-	26
Christel Addison funds	South Africa	Restricted	51	3	4	(20)	-	-	38
Dancing Times archive	UK	Restricted	60	-	17	(14)	-	(50)	13
Fonteyn competition	UK	Restricted	92	-	304	(139)	-	-	257
Capital asset fund	Canada	Restricted	12	(1)	-	-	-	-	11
Scholarship fund	Australia	Restricted	-	-	193	-	-	-	193
Total Charity			996	2	1,276	(886)	-	(50)	1,338
Total Group			996	2	1,276	(886)	-	(50)	1,338

Restricted funds

Restricted funds are funds arising out of donations, grants, legacies and awards given or raised for specific purposes. These funds listed below are used for specific projects:

- **Step into Dance:** A fully inclusive, community dance programme, a partnership between the RAD, which leads the programme, and Jack Petchey Foundation, which funds it.
- **Benesh Projects:** Funds are raised from the Benesh Institute Endowment Fund to finance changes made in the Benesh Movement website and Benesh course material.
- **Scholarship/bursary funds:** To provide grants to students attending teacher education and notation programmes at the Academy. Awards totalling £43,260 were made in FY25 (FY24: £14,236).
- **Boys Only! funds:** Funds raised at a joint RAD/RBS Billy Elliot preview gala to provide opportunities for male students whose access to dance is limited for economic, geographic or physical reasons. There was spend of £144 in FY25 (FY24: £5,769) to support Project B, created to inspire boys and men of all ages to dance.
- **Iris Truscott fund:** A trust deed registered with the Charity Commissioners to give awards to students wishing to progress from either the CBTS to a Level 2 or 3 teaching qualification validated by the University of Bath and delivered by the Academy; or from BA Ballet Education to LRAD programme.
- **Regional scholarship funds:** Funds are raised and administered by Regional Advisory Committees in England and Wales to provide scholarships for students to further their training.
- **RADiate funds:** Funds are raised from a grant received by City Bridge Trust and school tuition fees for special needs education in primary schools.
- **Christel Addison funds (South Africa):** A legacy left by a South African teacher to fund teacher training opportunities overseas for South African residents. No awards were made in FY25 (FY24: £19,613).
- **Dancing Times archive fund:** Funds raised from a grant received from the Linbury Trust to purchase and maintain the Dancing Times archive which is based in the RAD Archive.
- **Scholarship funds (Israel):** To provide scholarships for students to further their training. No awards were made in FY25.
- **The Margot Fonteyn International Ballet Competition** is dedicated to promoting and rewarding standards of excellence in young ballet dancers internationally by offering aspiring dancers the unique opportunity to work with world-renowned choreographers and professionals, as well as the chance to perform on an international stage.
- **Building Fund (South Africa):** The building is owned by Royal Academy of Dance, a company registered in South Africa under its s21 Companies Act. Funds are raised by renting the building.
- **Capital asset fund (Canada)** relates to the purchase of assets in RAD Canada.
- **Scholarship funds (Australia):** To provide scholarships for students to further their training. No awards were made in FY25.

28 Movement in unrestricted funds

	Balance at 1 Aug 2024	Exchange movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31 Jul 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity							
Designated funds	564	7	35	(42)	-	(357)	207
Unrestricted funds	2,101	92	15,923	(17,312)	-	68	872
Fixed asset reserve	23,551	(131)	199	(705)	373	289	23,576
Total	26,216	(32)	16,157	(18,059)	373	-	24,655

Group

Designated funds	564	7	35	(42)	-	(357)	207
Unrestricted funds	2,858	(61)	21,286	(22,433)	-	57	1,707
Fixed asset reserve	23,724	(115)	193	(713)	355	300	23,744
Total	27,146	(169)	21,514	(23,188)	355	-	25,658

Movement in unrestricted funds (prior year)

	Balance at 1 Aug 2023	Exchange movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31 Jul 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity							
Designated funds	275	183	311	(205)	-	-	564
Unrestricted funds	2,965	(261)	14,358	(14,961)	-	-	2,101
Fixed asset reserve	23,250	(100)	343	(721)	779	-	23,551
Total	26,490	(178)	15,012	(15,887)	779	-	26,216

Group

Designated funds	275	183	311	(205)	-	-	564
Unrestricted funds	4,366	(219)	19,792	(21,131)	-	50	2,858
Fixed asset reserve	23,454	(106)	347	(749)	778	-	23,724
Total	28,095	(142)	20,450	(22,085)	778	50	27,146

Movement in designated funds (Charity and Group)

	Balance at 1 Aug 2024	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Genée legacy funds	6	-	-	-	(6)	(-)
Challengenée funds	219	-	-	-	(219)	(-)
Social Responsibility fund	221	7	35	(42)	(132)	89
Evans legacy	76	-	-	-	-	76
Fiona Campbell legacy	42	-	-	-	-	42
Designated funds*	564	7	35	(42)	(357)	207

*Designated funds have been earmarked for specific purposes of the RAD and include support for ballet competitions, student bursaries, and innovation and need in dance education, training and performance, especially in communities where opportunity is limited. A short- to medium-term spending plan will be established for these funds during FY26.

	2025		Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000	
29 Analysis of group net assets between funds			
Tangible and intangible fixed assets	26,356	-	26,356
Investments	170	18	188
Current assets	6,453	1,223	7,676
Current liabilities	(7,197)	-	(7,197)
Amounts falling due after more than one year	(124)	-	(124)
Total net assets	25,658	1,241	26,899

	2024		Total funds £'000
	Unrestricted funds £'000	Restricted funds £'000	
Analysis of group net assets between funds (prior year)			
Tangible and intangible fixed assets	26,637	-	26,637
Investments	162	9	171
Current assets	8,396	1,329	9,725
Current liabilities	(7,771)	-	(7,771)
Amounts falling due after more than one year	(278)	-	(278)
Total net assets	27,146	1,338	28,484

Group

The results of the eleven subsidiary companies below are consolidated with the results of the Charity (Branch Offices and UK Group) to form the Group:

Subsidiary companies

Germany	Royal Academy of Dance gGmbH, Waldenserstrasse 2-4, 10551 Berlin
Indonesia	Yayasan RAD Indonesia, Serpong Park Block G 10 / No.9 Jelupang
Italy	Royal Academy of Dance SRL., Via Vannetti 12, 38122 Trento
Malaysia	RAD Dancing (Malaysia) Sdn Bhd., No 16F 1 Sentral, Jalan Stesen, Sentral, Kuala Lumpur 50470
Mexico & Central America	Royal Academy of Dance de Mexico AC, Amates 18 Fracc Alconfores, San Mateo, Naucalpan CP 53240, Mexico
Singapore	Royal Academy of Dance Singapore Pte Ltd., Farrer Road Post Office, PO Box 106, Singapore 912804
South Africa	Royal Academy of Dance s21 Company, 51 Silwood Road, Bramley 2090, Johannesburg
South America	Royal Academy of Dance Brasil Ltda, Av. Angelica, 566/86, Santa Cecília, 01228-000 São Paulo-SP, Brasil
Spain, Andorra & Gibraltar	Royal Academy of Dance SL., Ventura i Gassol, 3, 5è-3a, 43203 Reus, Tarragona, Spain
Thailand	RAD Dancing (Thailand) Co Ltd, 121/12, Moo 10, Chiangmai-Handong Road, Tambon: Pae Dad, Ampur: Muang, Chiangmai 50100
United Kingdom	Royal Academy of Dance Enterprises Ltd, 188 York Road, London, SW11 3JZ

Charity

The results of the eight branch offices below are consolidated with the results of the UK Group to form the Charity:

Branch offices

Australia	20 Farrell Avenue, Darlinghurst, NSW 2010
Canada	5775 Yonge Street, Suite 1810, Toronto, Ontario M2M 4J1
Israel	Hadar Street 491, Neve Yamin 449200
Japan	Trad Mejiro B2F, 2-39-1 Mejiro, Toshima-Ku, Tokyo 171-0031
New Zealand	Ground Floor, 40 Taranaki Street, Wellington, 6011
Portugal	Rua 4 de Infantaria 86, 1350-241 Lisboa
Southern Africa & Mauritius	51 Silwood Road, Bramley 2090, Johannesburg, South Africa
USA	2625 S Greeley Street Suite 360, Milwaukee, WI 53207

UK Group

The results of the eleven representative offices below are included in the results of the UK entity to form the UK Group:

Representative Offices

Caribbean	PO Box 1433, 8 Rockhampton Drive, Kingston 8, Jamaica
China	Jin Zuo, Room 201A, 108 Chuang Yi Plaza, 11 Yu Jing Gang Road, Shanghai 200070
Cyprus	71 Irinis Street, 3041 Limassol
Greece	British Council, 17 Kolonaki Square, Athens 10673
Hong Kong	Unit 1905, 19/f, 135 Bonham Strand Trade Centre, 135 Bonham Strand, Hong Kong
Ireland	Egool, Kilmovee, Ballaghaderreen, County Mayo, F45 PK59, Ireland
Malta	c/o 29/10 Sir Luigi Camilleri Street, Sliema SLM1281
Scandinavia	Smedstuveien 25, 7040 Trondheim, Norway
South Asia	40a Lake Gardens, off Lake Drive, Rajagiriya 10100, Sri Lanka
South Korea	109-603, 50 Gaepo-ro 110 gil, Gangnam-gu, Seoul 06344
Taiwan	5f, No 122, Sect 7 Chung Shan N. Road, Taipei 11151

Bankers

UK bank	HSBC Bank Plc	31 Holborn Circus, London EC1N 2HR
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Advisers

UK law firm	Fieldfisher LLP	41 Vine Street, London EC3N 2AA
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UK and Group auditor	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW
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Crowe U.K. LLP is the auditor of the consolidated group. Where not audited by Crowe U.K. LLP, branches and subsidiaries are audited or reviewed by the firms shown below:

Australia	Crowe Australia	Level 24, 1 O'Connell Street, Sydney, NSW 2000
Brazil	Liberty Assessoria Contabil S/S Ltda.	Rua Mituto Mizumoto, 56, Liberdade, 01513 040 São Paulo-SP
Canada	Grant Thornton LLP	15 Allstate Parkway, Suite 200, Markham, Ontario L3R 5B4
Indonesia	KAP Ekna Masni, Bustaman & Rekan	Gedung Sentra Kramat B No. 18, JL Kramat Raya 7-9, Jakarta Pusat 10450
Israel	Hannan Gabriel CPA	8 Hayod-Chef Street, Hod Hasharon 45200
Malaysia	Crowe Malaysia PLT	Level 16, Tower C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia
New Zealand	Crowe New Zealand	Level 29, 188 Quay Street, Auckland 1010
Portugal	CERB	Beloura Office Park, Rua do Centro Empresarial, Edifício EE06 – Escritório 12, Quinta da Beloura, 2710-444 Sintra
Singapore	Crowe Singapore	9 Raffles Place, #19-20 Republic Plaza Tower 2, Singapore 048619
Spain	Asesoria Berzosa	Donoso Cotres 85, 28015 Madrid
Southern Africa & Mauritius	Crowe Johannesburg	9 Autumn Street, Rivonia, Sandton, South Africa
Thailand	KT&R Business Consultant Co Ltd	59/1 Sukhumvit 64 Bangchak, Prakanong, Bangkok 10260

Executive Leadership

Chief Executive	Elizabeth Honer CB	Finance Director	Renu Randhawa, FCA
Artistic Director, Education and Participation	Alexander Campbell	Chief Operating Officer	Ash Sharma (until May 2025)
Director of Examinations	Mary Keene	Associate Director of Global Business Development	Alistair Platt (until May 2025)
Director of Membership	Penny Cotton	Director of Education	Michelle Groves (until April 2025)
Director of Marketing and Enterprises	Susi Pink	Director of Fundraising and Development	Katy Shaw (until November 2024)
Director of Fundraising and Development	Max Goldman	Acting Director of Education	Janine Streuli (February to September 2025)

Board Subcommittees

Finance, Audit and Risk

Trustee members
James Cane FCA (Chair)
Amy Giancarlo
Stephen Moss (ex officio)

Co-opted members
Beverly Payne
Jo Baldwin
Coralie Gaunès (from June 2025)
Michelle Crowe Hernandez
(from March 2025)
Elizabeth Honer
(until January 2025)

Governance and People

Trustee members
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Imogen Knight
Georgina Robbins
Stephen Sacks
Stephen Moss (ex officio)

Co-opted members
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Darrell McGivern
(appointed March 2024)
Louise Norman
(until September 2024)
Tim Arnold (until June 2025)

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Anuschka Roes
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Penny Parks
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Rachel Jackson-Weingärtner
Stephen Moss (ex officio)

Co-opted members
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Reader in Education (Brunel University of
London)

Fiona Sheehan, RAD Examiner, Principal
(Mayhew School of Dance and Performing
Arts)

Dr Rebecca Digby, Vice Principal Head of
Learning, Teaching and Research, Norland
(from September 2025)

Dr Janet Rose, Principal, Norland College,
Bath (until June 2025)

Dr Joanne Cliffe, Senior Lecturer,
University of Birmingham

Dr Florin Bisset, Deputy Director of
Student Recruitment and Admissions
and Head of Learning Partnerships Office,
University of Bath

Maria Clutterbuck, Partnerships Quality
Manager, University of Bath

Paula Scales Tutor, Burnley Dance Centre

Prue Huddleston, Professor Emeritus at
the Centre of Education Studies, University
of Warwick

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Imogen Knight (vice chair)
Rachel Jackson-Weingärtner
Stephen Moss (ex officio)

Co-opted members
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Carol Marlow
Grace Buskell

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Georgina Robbins
Stephen Moss (ex officio)
Ida Levine (Chair) (until March 2025)

Co-opted members
Ellie O'Connell
Joanne Muller
Mauro Beretta
Michael Cole-Fontayn
Phil Dolling (until June 2025)
Tristan Davies

Enterprises

Trustee members
Deborah Cornelius
Stephen Moss (ex officio)

Co-opted members
Deborah Cornelius
Gautam Rajani
Mark Richardson (until March 2025)

Acknowledgments

The Royal Academy of Dance gratefully acknowledges the invaluable support of the following individuals, trusts, foundations and corporate partners

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Lady Dorfman OBE

Honorary Patron of the Margot Fonteyn International Ballet Competition

Ida Levine

Donors

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Georgina Robbins

Abderrahim Crickmay Charitable Settlement

Bloomberg LP

Dame Darcey Bussell DBE

Maxine Hargreaves

Dame Margot Fonteyn Scholarship Fund

Rick Mather David Scrase Foundation

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Jane Thomsen

The Benesh Institute Endowment Fund

Sir Trevor and Lady Susan Chinn

The Victor and Lilian Hochhauser Foundation

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ROYAL ACADEMY OF DANCE

England & Wales - Charity number 312826

Accounts

ROYAL ACADEMY OF DANCE



Annual Report and Financial Statements
For the year ended 31 July 2024



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Report of the Chair of the Board of Trustees

We are pleased to present the Annual Report and Financial Statements for the Royal Academy of Dance for the year ended 31 July 2024.

This is my second annual report as the Chair of the RAD and I must say that I continue to be inspired by all that goes on at an organisation that brings so much joy, wellbeing and opportunity to our dancers, teachers, members and communities all around the world.

We were honoured that Queen Camilla agreed to become our new Patron in May 2024, following the death of our Patron Queen Elizabeth II in September 2022. The Queen has been a vice-patron of the RAD since 2020. She has been an active Silver Swan participant and formally opened our headquarters building in March 2022. Later that year, Queen Camilla awarded the Queen Elizabeth II Coronation Award to Mikhail Baryshnikov at a special presentation at Buckingham Palace.

Although the RAD weathered the storm of the pandemic itself, its secondary repercussions have been longer lasting, particularly in its impact on young people across the world, which has led to a decrease in the appetite for exam-based activities and a rapidly increasing cost of living in many of our markets. As a result, our financial results have again been disappointing. Our five-year strategic plan presents an exciting future that includes many new income streams but, in the meantime, we need to continue to grow the core of the business, our membership and examinations income. Furthermore, the transition from capital fundraising for the global headquarters to revenue fundraising to support our regular activities has taken longer than we anticipated to come to fruition. However, we have mitigation plans in place and are looking forward to a brighter financial future. Indeed, one positive and far-reaching outcome from the period of the pandemic has been our accelerated adoption and investment in new technologies, particularly filmed exams. We have been able to offer innovative and flexible ways of supporting our students and members, which have been well received.

Among the highlights of the year in review was our Members' Day, which was held in person and online and attracted nearly 800 attendees from all over the globe. We not only reduced our costs by combining the event with our AGM but subsequently won the Cvent Excellence Award in the 'Best Hybrid Experience' category. This really does demonstrate our growing expertise in



reaching our audiences through the opportunities that digital platforms offer us.

One area of particular focus at the RAD has been that of safeguarding where, to underline our commitment to the highest levels of compliance, we have now introduced mandatory standards in this regard for all our teachers. This is core to our philosophy, as educators and custodians, to demand the safety of dancers of all ages in our care.

We continue to expand the opportunities to dance across the wider community through programmes like Silver Swans® for older dancers, RADiate for those with special educational needs and disabilities and Step into Dance for schools in London and Essex. We were so pleased that the Jack Petchey Foundation continued its much-valued support of that programme for the eighteenth year running but were all deeply saddened to hear of Sir Jack's death. I would like to take this opportunity to acknowledge his huge contribution to improving the wellbeing of so many young people over the years. His legacy lives on and we greatly value our continued association with his Foundation.

I was sorry to have to announce in September that our chief executive, Tim Arthur, for personal reasons that we all understood, had taken the difficult decision to step down by the end of 2024. He joined us at a crucial juncture in the RAD's development and has developed and enthused the RAD worldwide with his vision and energy. I want to thank him for all that he has done for the RAD and join with my colleagues in wishing him well in the future.

I am delighted to be able to announce that we have appointed Elizabeth Honer CB as our new chief executive to follow Tim. Her experience ranges across the arts sector, charities, global organisations and membership bodies, to her most recent role as

Our five-year strategic plan presents an exciting future that includes many new income streams but, in the meantime, we need to continue to grow the core of the business, our membership and examinations income.

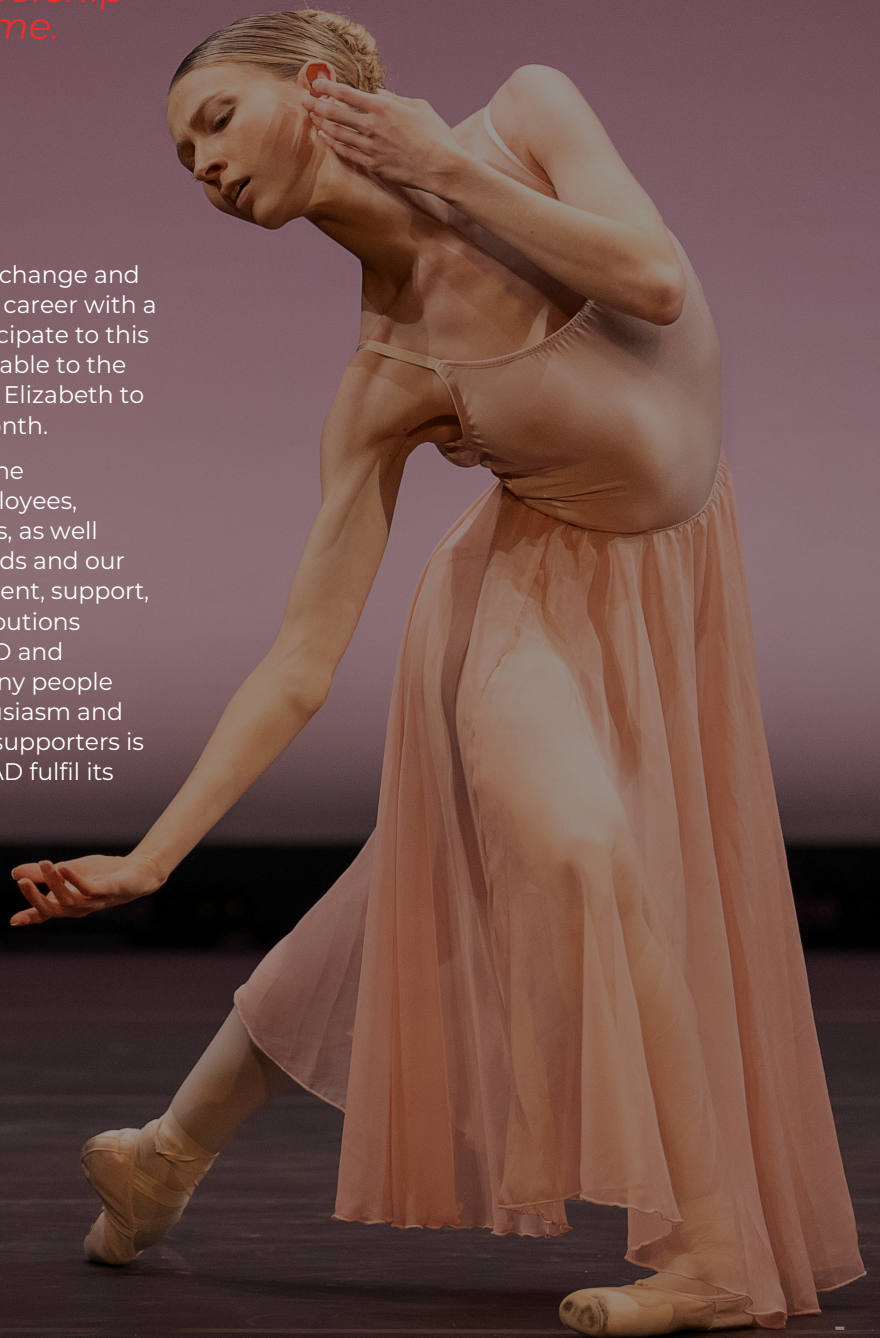
a CEO in the UK government leading change and growth. She combines this successful career with a passion for dance, continuing to participate to this day. Her background will prove invaluable to the RAD and I look forward to welcoming Elizabeth to the RAD when she starts later this month.

I would like once again to recognise the importance to the RAD of all our employees, trustees and subcommittee co-optees, as well as our members, supporters and friends and our donors, big and small. Their engagement, support, advice and the sheer variety of contributions they each make are so vital to the RAD and have such a positive impact on so many people across the world. The infectious enthusiasm and dedication shown by colleagues and supporters is of inestimable value in helping the RAD fulfil its mission, to teach the world to dance.



Stephen Moss CBE

Chair, Board of Trustees



Chief Executive's report

Reflecting on the financial year 2023-2024, we are excited by the momentum that we have created as we progress through the second year of our ambitious five-year strategic plan. We must nevertheless accept that the financial results for the year have been poor, and we are addressing the challenges that this presents.

Nevertheless, this past year has seen the Royal Academy of Dance extend its reach into new markets and explore innovative technologies, furthering our mission to make dance accessible, inclusive and inspirational for people across the globe. These initiatives are expected to form the platform for a future expansion of our activities and to contribute to the return of the RAD to being a consistently profitable global organisation.

Our journey has been marked by exciting achievements, including the expansion of our offerings to embrace new dance genres, allowing us to reach communities who may not have had access to the transformative power of dance before. Key to this mission have been our new artistic director Alexander Campbell and his deputy, Alex Lowe, alongside the work of our fundraising and development team, who have moved their focus from capital to revenue fundraising and whose achievements in attracting partners and supporters underscores our commitment to becoming 'Champions of Wellbeing'.

In May 2024, the architects of our new headquarters, Takero Shimazaki Architects, in association with Atomik Achitecture, were awarded the 2024 RIBA London Award, recognising 'the quality of the design and the trusting and collaborative client/architect relationship, as well as the exemplary way that the project serves its community while also transforming this important worldwide institution'. We are delighted that this wonderful building received this recognition and particularly that the judges mentioned how we are actively contributing to community life in the surrounding boroughs

Yet, amidst these successes, we are mindful of the significant financial challenges that come with balancing our mission-driven investments with the ongoing pressures on revenue. As a global organisation, we recognise that, to build a future-ready RAD, we must continue to explore innovative funding avenues and cost-efficient methods while remaining steadfast in



our commitment to artistic and educational excellence. These challenges encourage us to work even more creatively and collaboratively with our international community, ensuring that the RAD's long-term resilience is secure.

The pages that follow provide a detailed overview of our achievements, financial results and strategies for meeting these challenges.

I would like to extend my sincere gratitude to every member of the RAD team, our teachers and our global network of students and dancers for their hard work, dedication and commitment to delivering excellence. Together, we are not only maintaining our position as a world leader in dance education, but we are also championing wellbeing, inclusion and inspiration across the global dance community.

I was very sorry that, for personal reasons, I had to offer my resignation as chief executive of this wonderful organisation, which has played such an exhilarating part in my life for the past two-and-a-half years. I wish my successor, Elizabeth Honer, with whom I have enjoyed working while she was a member of our Finance, Audit and Risk subcommittee, every success. I can assure her that she has one of the best jobs in the arts sector. I have revelled in the energy of the RAD staff across the world and every day has shown me the incredible power that dance brings to the lives of millions. It has been an honour to share in the enthusiasm of the thousands of people with whom the RAD has the pleasure of working.

A handwritten signature in black ink, appearing to read 'Tim Arthur'.

Tim Arthur
Chief Executive



Patron, President and Officers

Patron

Her Majesty The Queen

Trustees

Stephen Moss CBE (Chair)

Ida Levine BA Juris Doctor JD (Deputy Chair)

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD
RAD RTS

Catherine Quinn BA (Hons) MA, MBA
(appointed April 2024)

Chi Cao PDTD

Deborah Cornelius MA (Cantab)

Esther Chesterman LLM LLB Dip Ed

Imogen Knight ARAD BA (Hons) DDE, RAD TD,
RAD RTS

James Cane FCA

Co-opted Trustees

Georgina Robbins CERT-IOD

Justine Berry PDTD RTS ARAD PGCE MA

Executive Board

Chief Executive

Artistic Director

Chief Operating Officer

Director of Development

Director of Examinations

Director of Education

Director of Membership

Director of Finance

Associate Director of Business Development

Associate Director of Marketing
and Communications

Vice Presidents

Sir David Bintley CBE

David McAllister AC

Li Cunxin AO

Dame Monica Mason DBE

Sir Peter Wright CBE DMus DLitt FBSM

Wayne Sleep OBE

President

Dame Darcey Bussell DBE

Jane Karczewski (appointed April 2024)

Professor Peter Flew

Rachel Jackson-Weingärtner MA, RAD TDIP RTS,
SAC Dip, LISTD Dip

Stephen Sacks

Vikki Allport RAD RTS TDIP (Dist)

David Nixon OBE (resigned April 2024)

Joshua Tuifua PDTD (Dist), RAD RTS
(resigned December 2024)

Matthew Paluch MA, PDTD (Dist) RBS Dip.
(resigned April 2024)

Tim Arthur (resigned December 2024)

Elizabeth Honer CB, BA (Hons), PGCE, CPFA, CFIIA
(from January 2025)

Alexander Campbell (appointed April 2024)

Ash Sharma

Max Goldman (from February 2025)

Katy Shaw MCIOF (resigned September 2024)

Mary Keene

Dr Michelle Groves EdD MA BSc (Hons) BPhil (Hons)

Penny Cotton

Renu Randhawa FCA

Alistair Platt (appointed January 2024)

Susi Pink DipM

Advisory Council

Barbara Fewster OBE FISTD (died July 2024)

Joy W Brown

Sir Roy Strong CH DLitt PhD FRSL FSA

Dame Shirley, Lady Porter DBE

Report of the trustees

The Trustees of the Royal Academy of Dance (RAD) present their report and audited financial statements for the year ended 31 July 2024. This contains information to satisfy the requirements of trustees' reports under the Charities Act 2011, and to comply with current statutory requirements, the RAD's Royal Charter ("the charter"), the Statement of Recommended Practice for Accounting and Reporting by Charities (2019) and Financial Reporting Standard FRS 102.

This report contains information about the group and the charity. In the context of these financial statements, the group accounts include the audited accounts of the charity and its subsidiaries, and the charity accounts include the audited accounts of the RAD in the United Kingdom and its branches for the year ended 31 July 2024. The entities comprising the group and the charity are shown on page 24.

The registered and head office of the RAD is at 188 York Road, London SW11 3JZ. The RAD has 29 international offices which manage branches, representative offices and subsidiary companies, in which the RAD holds, either in trust or outright, 100 percent of the issued share capital. The RAD also has effective control over an association incorporated under Section 21 of the Republic of South Africa's Companies Act which owns the freehold property in South Africa;

Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia; and RAD Dancing (Thailand) Co Ltd where it holds a minority shareholding.

The RAD is recognised to award regulated qualifications in England, Wales and Northern Ireland and is required, through our board of trustees, to issue an annual Statement of Compliance to the Office of Qualifications and Examinations Regulation (Ofqual), Qualifications Wales and the Council for the Curriculum, Examinations and Assessment (CCEA). We are also recognised as an approved awarding body in Scotland by SQA Accreditation, part of the Scottish Qualifications Authority.

Through our Faculty of Education, the RAD is registered with the Office for Students (OfS) as a provider of higher education and is designated by the Office for Standards in Education, Children's Services and Skills (Ofsted) as an 'outstanding provider of initial teacher training'.

The RAD is required to report any safeguarding (including Prevent) incidents to the Charity Commission and to the OfS, Ofqual, Qualifications Wales and CCEA, where there is an event which could lead to a loss of standards, integrity or public confidence in qualifications, and to Ofsted. We follow the Charity Governance Code.

Statement of corporate governance

Governing documents

The RAD is governed by its Royal Charter, Supplemental Charters and Bye-laws, last amended on 10 July 2019.

Governing body

The RAD's Board of Trustees ('The board') is the statutory governing board of the legal entity. For the purposes of these financial statements, the Trustees are referred to as trustees.

The board is legally responsible for the overall management and control of the RAD and, as such, has oversight and management of the strategic, financial and operational areas of the RAD's activities and all other aspects of the RAD's existence.

The board is the academic authority of the Royal Academy of Dance and draws its membership from across dance and business specialists. One of its roles is to direct and regulate the education work of the Faculty of Education.

For the purposes of academic governance and oversight, the board delegates certain specific functions, powers and duties to the education subcommittee (which is the equivalent institution to a senate or academic board) and the finance, audit and risk subcommittee, which together act on the board's behalf. The education subcommittee has responsibilities for regulating and directing the academic work of the RAD, including teaching (undergraduate and postgraduate degrees as well as degree apprenticeship programmes) and research.

The Faculty of Education has responsibility for internal quality assurance, standards and enhancement procedures and exercises its responsibilities through its policies and procedures, and its committee structure. These mechanisms are designed to meet the expectations of the Quality Assurance Agency (QAA) as well as other national frameworks, Professional, Statutory and Regulatory Bodies (PSRBs) and benchmarks.

The board has ownership, oversight and management of the regulatory responsibilities and relationships of the RAD. It meets at least four times a year.

In accordance with the Supplemental Charter and Bye-laws, the board has the power to delegate responsibility (but not accountability) of all the strategic, financial and operational areas of the RAD's activities to subcommittees, directors and the management of the RAD.

Recruitment of trustees and training of trustees

The board shall consist of such trustees, with such qualifications and appointed or elected in such manner and shall hold office for such periods and on such terms as may be prescribed by the bye-laws.

The training of the trustees varies depending on everyone's area of expertise, but common areas of training would be carried out as part of the board meeting process.

Organisational management

The board has established several subcommittees to provide advice and support in carrying out its responsibilities. The number of members of these subcommittees and the terms on which they hold and vacate office are determined by the board. Reports (at least annually) from these subcommittees are received and considered by the board.

The board delegates responsibility for RAD management to the following subcommittees:

1. Finance, Audit and Risk
2. Governance and People (inaugurated Sept 2024)
3. Examinations and Regulatory
4. Artistic
5. Education
6. Global Membership and Marketing
7. Fundraising and Development
8. Board of Royal Academy of Dance Enterprises Ltd (RADE) Enterprises

This structure ensures regularity and propriety in the use of public and donor funding.

Statement of internal control and risk management

The trustees are responsible for the system of internal control operating within the RAD and for reviewing its effectiveness, as well as for ensuring that the system is linked to achieving the RAD's objectives.

The trustees identify areas of improvement in the system of internal control based on reports and internal reviews. The trustees approach this responsibility from the perspective of discharging their duties, as specified in the 'Regulatory framework for higher education in England' published by the OfS in February 2018, also as specified by the Charity Commission for England and Wales.

The risk-management strategy is designed to assess and manage the risks to the RAD of not achieving its stated mission and to ensure that it is also protecting stakeholders to which it has responsibilities, such as students, staff, funding bodies, partners, suppliers and the public. This strategy forms part of the RAD's control and governance structure and is designed to give summary guidance for those different parts of the RAD that are responsible for managing risk and for ensuring that their decisions are implemented.

The RAD does not have an internal audit function. It relies on external audits and reviews to assess and improve the controls in operations.

The risk-management objectives of the RAD are to:

- integrate an awareness of managed risk-taking and effective risk management into the culture of the RAD
- manage risk in accordance with best practice operational management processes
- consider legal compliance as a minimum standard
- anticipate and respond to changing economic, social, environmental and legislative requirements
- prevent injury and damage, and
- reduce the cost of risk.

These objectives will be achieved by:

- updating and maintaining a risk register that details those risks which, in the view of senior management and the board, pose the greatest challenges to the achievement of the RAD's mission and to its continuing function
- assessing the likelihood of these risks occurring and the likely impact of an occurrence
- putting in place arrangements to manage and monitor risk
- maintaining effective communication and the active involvement of staff

- preparing contingency plans for identified risks
- monitoring and reviewing arrangements on an ongoing basis, and
- insuring against risk where this is deemed to be cost-effective.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, a system of delegation and accountability, and independent scrutiny. In particular, internal financial control includes:

- comprehensive budget setting and monitoring systems
- regular reviews of periodic financial reports that measure financial performance against budgets and forecasts
- access by all finance staff and appropriate departmental staff to systems providing a suite of enquiries and reports to facilitate effective financial management on an ongoing basis
- clearly defined capital expenditure guidelines, and
- scrutiny by trustees, OfS, other inspectorates, external auditors and other stakeholders.

The trustees have ultimate responsibility for the total risk exposure of the RAD by:

- setting the tone and influence of the culture of risk management across the RAD
- determining the extent to which the RAD is 'risk-taking' or 'risk averse' as a whole and setting the RAD's 'risk appetite'
- approving major decisions affecting the RAD's risk profile or exposure
- determining what types of risk are acceptable and unacceptable, monitoring significant risks and control improvements to mitigate risks
- reviewing twice yearly the RAD's approach to risk management and approving changes or improvements to key elements of the process and procedures
- establishing, maintaining and reviewing controls for monitoring risks
- having particular focus on the financial risks that could impact the RAD and its provision of world-class dance education and training.

The chief executive reports to the trustees on a bi-annual basis about the approach to risk faced by the RAD, and the management of it. At each trustee meeting, the chief executive will report on any incidents and/or changes to the level of risk faced by the RAD and the approach to managing those changed circumstances. The framework for these discussions will be the risk register.

Principal activities

At the RAD, we provide dance training, dance-teacher education, and dance-assessment services to students and teachers. The RAD is also:

- a registration organisation for dance teachers, providing opportunities for the education and training of young people and adults in dance, and the employment for dance teachers
- a higher education provider, offering programmes of study and associated qualifications for aspiring dance teachers
- an awarding organisation, devising and administering a portfolio of exams in dance which form part of the assessment process of

courses of study, delivered by teachers, leading to proficiency in dance at a high level

- the owner of Benesh Movement Notation and a provider of programmes of study and qualifications for dance notators
- an organisation that delivers dance projects for targeted groups, as well as offering a global programme of activities, events, competitions, awards, bursaries and scholarships aimed at engaging local communities in the world of dance.

Our services can be seen online at www.royalacademyofdance.org.

Public benefit

The RAD is a charity registered in England and Wales. Our trustees are required to ensure that they carry out the charity's aims for the public benefit.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the RAD and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which are set.

The charitable objectives as set out in our charter are to:

The charitable objectives as set out in our charter are to:

1. elevate and advance the art of dance by promoting the correct tuition of dance in its highest forms

2. advance education in the art of dance, by:

- promoting the teaching of dance
- providing facilities for dance, dance education and training
- setting up and maintaining programmes of study for the education and training of dancers, teachers and notators (such programmes to include, but not be limited to, the study of Benesh Movement Notation)
- setting and conducting exams in dance and the teaching of dance
- educating, training, assessing, registering, licensing and chartering teachers of dance who meet standards determined by the board from time to time.

The trustees have reviewed these aims and consider that our activities meet the main principles of public benefit: that they are identifiable and are related to the aims of the RAD, that the public are the beneficiaries and that there is no significant exclusion as to who can benefit.

Mission and Vision

Our mission

Our mission is to inspire the world to dance.

We promote the art of dance and ensure its development through diverse and inclusive dance education and training programmes across the world, nurturing creativity, innovation, artistry and excellence.

Through dance we can enrich lives and transform communities.

Our vision

Our vision is to be a global leader of excellence in dance education, inspiring future generations of teachers and dancers.

Highlights during the year ended 31 July 2024

Our *Why Dance Matters* podcast had over

15,000

listeners.

To celebrate the fiftieth episode, we released a special edition on 18 January 2024, featuring Olga Smirnova.

1,476

people took part in our Learning and Participation activities reflecting a diverse range of programmes aimed at promoting dance and wellness beyond ballet.

our RADiate programme, for students with special educational needs and disabilities, increased the number of participating schools from

9 to 12

Over
100

secondary schools and youth groups across London and Essex took part in the Step into Dance programme in FY24, reaching

4,190
young people.

Over

350

students graduated from our Faculty of Education, with

137

graduates from 27 countries attending a graduation ceremony in London on 11 September 2023.

Our hybrid Members' Day was a big success, attracting

791

attendees.

Our main website had over

511,000

active users during the year

The Margot Fonteyn International Ballet Competition, which was held in London in September 2023, was livestreamed, reaching a global audience of over

300,000

The following information outlines our progress in meeting the goals set out in our five-year strategic plan. Many of these have been completed under the 'Launch' phase of our milestones for 2024-2025. Work continues on other projects into the second year.

Our strategic plan goals are laid out here to provide more information about what we want to achieve.

RAD strategic plan goals

This section describes how we have worked to meet our three strategic goals:

1. Ballet and beyond – More dance genres and wellness for all

Making dance accessible for all. We will do this in two ways: firstly, by expanding the range of genres in which we offer examinations, and secondly by creating 'Dance For Life', an umbrella for our social impact dance programmes.

2. Stepping up membership – Improving the membership experience for dancers and teachers everywhere

Creating easier pathways to membership, more compelling offerings, and investing in new technologies. We are committed to expanding our membership better to serve our dance community around the world. We recognise the need to create easier pathways to become a member, particularly for the best-qualified teachers and professional dancers, to ensure that we remain an international leader in dance education.

3. Reimagining dance education – Accessible, reliable and relevant teacher training

At the Royal Academy of Dance, we are committed to excellence in dance teacher education and training. We recognise that the worlds we live in are changing rapidly and that with such transformation, new challenges and opportunities emerge for how we deliver our dance teacher provision. In ensuring provision remains relevant and fit for purpose, we must provide programmes, courses and products that cater to the broadest range of dance teachers at each stage of their careers.

This section also includes our achievements under the heading of 'Strategic Plan Enablers'. These are the structural elements that the RAD needs to have in place to achieve its goals internally and culturally.

- **One RAD** – Global collaboration and expansion
- **En pointe finances** – Building financial stability one step at a time

- **The power of people** – Prioritising culture for lasting success
- **Leap into digital** – Systems and content that empower creativity
- **Customer service centre stage** – delight through insightful engagement.

This financial year has marked a dynamic chapter in the RAD's journey, one characterised by transformation, innovation and a steadfast commitment to bringing our five-year strategy to fruition. As we continue to evolve as an organisation, we are inspired by the opportunities that this year has brought, allowing us to expand our reach and further our mission of making dance accessible to everyone, regardless of their background, geographical location or experience level. This year's achievements have set a strong foundation for the future, one that aligns with our vision of inclusivity and positions the RAD as a leader in global dance education.

At the heart of our growth strategy is the drive to secure our financial stability. We recognise that by creating a diverse and sustainable financial base, we can strengthen the longevity and impact of the RAD while remaining agile and responsive to the changing needs of our community. This year, our results have been poor. The number of exams across the world has not increased as we had hoped, and membership numbers remain relatively static. The Faculty of Education has not achieved its budgeted numbers and fundraising has proven difficult against an unsettling financial backdrop.

However, aware of the challenges and the need to broaden our reach, we have made strides in developing an array of new products and services designed not only to appeal to a broader audience but to empower them through the transformative power of dance. From the introduction of new dance genres for examination – bringing a fresh and contemporary vibrancy to our syllabus – to creating new membership opportunities that

allow more people to connect with the RAD in ways that suit their lifestyles, we are broadening our horizons and fostering a stronger, more inclusive community.

As we look back on the year, we are proud of the progress we have made and excited for the opportunities that lie ahead. The Royal Academy of Dance remains committed to upholding

its artistic vision, providing world-class dance education, and fostering a community that celebrates the transformative power of dance. We believe that the strides we have taken this year – supported by a foundation of resilience, innovation, and inclusivity – will guide us as we move forward, ensuring that the RAD continues to be a beacon of excellence and inspiration in the world of dance for generations to come.

Ballet and beyond – more dance genres and wellness for all

Membership

- During August 2023, we launched the Rambert Grades partnership globally.
- RAD Registered Teachers were able to receive a 40% discount on individual Rambert Grades membership and undertake teacher training, while other members received a 20% discount on membership.

Exams

- We worked on a development plan to agree which dance genres will be delivered in FY25, and initial plans have been developed with the artistic department for future work.
- Frontline staff have now all been trained in mental health first aid to support teachers.

Dance School

- We continue to offer a range of well attended classes in various styles, including:
 - Hip hop
 - Jazz
 - Contemporary
 - Musical theatre
- In July 2024, we staged three performances at Wimbledon Theatre in south west London. These were enjoyed by parents and supporters, as well as the wider community. Over 500 students took part, from primary stage to Silver Swans®, aged between six and 83.
- We also introduced a bursary programme for our local residents in Wandsworth who would not otherwise have access to dance.

Learning and Participation

- Our activities saw a total of 1,476 participants, reflecting a diverse range of programmes aimed at promoting dance and wellness beyond ballet. This included our first ever Silver Swans® Celebration, which took place at RAD headquarters.

- For our summer activities we provided several courses including Silver Swans® Summer School, Silver Swans: Focus on Classical, Adult Ballet & Pilates, Adult Contemporary and Repertoire, a Coppelia Adult Repertoire Workshop and the Junior Summer School.
- On our Dance Studies programmes, six students sat the A Level Dance exam with 50% achieving A or A* grades, while 19 students completed GCSE Dance, with 58% achieving grades 7 to 9.
- Additionally, our RADiate programme, for students with special educational needs and disabilities, expanded, increasing the number of participating schools from nine to 12.
- Silver Swans® A refreshed brand was created for the Silver Swans® programme.
- We launched new digital and print Silver Swans® products in early 2024. These included resource books, a music CD and video downloads. These were designed to be adaptable by our licensees so that they can teach a variety of students at different stages of learning. In addition to barre and centre practice, a seated dance Silver Swans® resource was created with accompanying music. These new products were promoted at taster sessions at our hybrid Members' Day in April 2024.
- A new range of dancewear was launched, specifically designed for Silver Swans®. CPD for the new Silver Swans® resources was delivered. This was launched with a delegation from China to London in April and globally in July 2024.

Early Years

- We made good progress on the Early Years product development and consulted with education experts at Norland College on our approach.

Fundraising and Development

- The Jack Petchey Foundation continued to partner with us to support the delivery of our Step into Dance programme.

- Grants were secured from the Linbury Trust to support 'Ballet for the Cancer Community' (in partnership with the Fireflies Fitness Community Interest Company), and we continued to enjoy the support of the Paul Hamlyn Foundation for the RADiate programme.
- We also received support from Bloomberg Philanthropies, and the Wimbledon Foundation, for our 'Good Neighbours' community programme in Wandsworth.

The Wolfson Library & Archive

- The focus of library acquisitions in FY24 was on multiculturalism and broadening the dance genres represented in our collections. These now include more works on popular culture, and indigenous and diaspora dance.
- A well-being collection for students, staff, and members was created to foster and promote inclusion and support emotional wellness among our customers.
- The addition of the Dancing Times Photographic Collection reflects our wider focus on dance. The images capture social and ballroom dancing, contemporary Black and Asian dance, national dances from around the world, dance education, dance on film, and television and performance dance.
- We launched a new initiative, inviting staff and students to curate library displays, allowing a diverse range of perspectives to be represented. A wide range of interests, subjects and genres have already been showcased.

Marketing and Communications

- An advocacy strategy was developed to raise awareness of the RAD, to highlight the value of dance and dance teaching, and to lobby on the value of dance and the arts to government.
- There were 100 participants in Project B, a weekend celebrating male-identifying young dancers with workshops, a photo exhibition and a dance competition.
- We exceeded our press targets and estimate that we have achieved three times the level of coverage compared to last year about the Step into Dance programme
- *The Why Dance Matters* podcast had 15,099 listeners. To celebrate the fiftieth episode, we released a special standalone edition on 18 January, featuring Olga Smirnova.
- The RAD was mentioned over 3,400 times in the press.
- The press release with the greatest impact featured a Silver Swan from South Shields:

<https://www.bbc.co.uk/news/uk-england-tyne-67402242>. Other press highlights include:

- the news of Queen Camilla becoming patron of the RAD,
- our Silver Swans® Celebration Day,
- The Margot Fonteyn International Ballet Competition 2023,
- the acquisition of the Dance Gazette archive, and
- the appointment of Alexander Campbell as our new artistic director.

Step into Dance

- We successfully secured funding for the 18th year from the Jack Petchey Foundation. The foundation supports the delivery of the Step into Dance programme in mainstream and SEND schools across London and Essex at a heavily subsidised rate.
- Over 100 Secondary Schools and Youth Groups across London and Essex took part in the Step into Dance programme in FY24, reaching 4,190 young people. (Our practitioners are required to include the number of students in their class, and the number of students that are new to each class on their invoice each month. We record this and produce a running total of students engaged across the year.)
- The Step Youth Dance Company (SYNC), comprising 34 dancers, worked with different choreographers on 11 performances throughout the year. Our second group of leaders also grew from five to 11.
- We hosted several events for Step into Dance participants including:
 - Our annual street dance battle at Old Town Hall Stratford, a full-day event including dance battles and workshops with 79 young people taking part
 - Four Day of Dance events were held for 250 young people, in partnership with Laine Theatre Arts, DanceEast, and Trinity Laban Conservatoire of Music and Dance. These were aimed at giving an insight into further dance-training opportunities
 - Eight Step Around Town events took place at schools across London, including in the Aud Jepsen Studio Theatre. 601 students took part, sharing their work with friends and families. This year we introduced 'relaxed sharings' to make the events more accessible for our groups with additional needs and disabilities
 - Our Step Live Festival took place at the Britten Theatre, Royal College of Music, with 288 performers participating in matinee and evening performances.

Stepping up membership – improving the membership experience for dancers and teachers everywhere

Membership

- In FY24, we introduced mandatory standards for safeguarding for our teachers and provided support to help them meet these. We are gathering insights as part of assessing teachers' alignment with these standards. These insights will inform our strategy in FY25.
- In FY24, there were 2,085 new or reinstated members globally, with 485 of these being Registered Teachers. Additionally, 229 new or reinstated Silver Swans® licensees were registered during the year (a 17% increase over FY23).
- In June 2024, we opened applications to dance teachers holding qualifications from BBO (British Ballet Organization), ISTD (Imperial Society of Teachers of Dancing), IDTA (International Dance Teachers' Association) and DBfT (Der Berufsverband für tanzpädagogisch), with further expansion to ATD (Australian Teachers of Dance) and Cecchetti Ballet Australia in July. We received 45 successful applications globally and efforts to broaden access and expand marketing activities continue as we look to increase the diversity of our teaching community.
- Launched in October 2023, the RAD Teacher Awards received 284 nominations, with four teachers recognised as award winners, and two receiving honourable mentions.
- The Fellowship of the RAD (FRAD) was presented to three teachers.
- We introduced a tiered discount on the Dance for Mental Wellbeing coach programme with Move-Assure, along with a 50% discount on their wellbeing programme for all members.
- In January 2024, we announced a partnership with The Library Aesthetic to support members' development and wellbeing.
- Conducted in November 2023, the Health and Happiness pulse check survey returned a Net Promoter Score (NPS) of +20, showing a positive response from our members regarding their wellbeing and their satisfaction with the RAD.
- The number of registered teachers decreased slightly from 8,126 to 8,008. The number of other members increased from 3,961 to 4,185.
- At the year-end, there were 12,193 active members, a small increase on the previous year. Although we recruited 2,085 new members, 1,979 members resigned. We are continuing to look at how we can improve retention.
- On Sunday 21 April 2024, our hybrid Members' Day was a great success, attracting 791 attendees. The day featured the 87th AGM, which saw attendance double over the previous year, with all resolutions passed. By combining the AGM with Members' Day, we reduced our costs by over a third. We subsequently won the award for 'Best Hybrid Experience' category at the Cvent Excellence Awards for this event.
- 350 students from the Faculty of Education graduated, down from 404 the previous year. Of these, 57% have become members of whom 98% have become RAD Registered Teachers. The average graduate conversion rate for the membership sector is around 20%, which we are looking to increase by improving our scheme.
- Since the pandemic, we have been able to run face-to-face member events globally instead of only holding them online. These have all received very positive feedback.

Exams

- A supplier contract was signed for outsourcing the printing and dispatch of certificates and medals. This allowed for improved Service Level Agreements and faster delivery to teachers.
- We have run in-person support events in every UK region and many countries around the world to help members prepare for exams.
- We restructured our results release process, enabling significantly swifter release of results to teachers and their students.

The Wolfson Library & Archive

- Borrower subscriptions are now offered exclusively to RAD and Benesh Members, providing them with priority access to library resources.
- In March 2024, a display showcasing archival material to commemorate the centenary of the Children's Examinations was set up in the foyer of our headquarters. Open to the public free of charge, this was followed by an online members-only event titled 100 Years of RAD Children's Examinations.

Reimagining dance education – accessible, reliable and relevant teacher training

CPD

- We launched the trial of a virtual syllabus course, finding that attendance has far outstripped our hoped-for numbers. The target number of online participants was 120 against the 229 who attended, generating an income of £4,500.

Faculty of Education

- Over 350 students graduated in FY24. Our Awards Day, held at Cadogan Hall, London for the first time, welcomed 137 graduates from 27 countries as well as 300 guests.
- The first delivery of the Certificate of Dance Teaching (Ballet) saw over 370 student starters from 38 countries.
- During the year, the new Professional Dancers' Graduate Teaching Diploma was delivered for the first time, in London and Sydney.
- The revised Access to Registered Teacher Status (Degree Route) exceeded its target number of 20 by six.
- Technology-enhanced learning resources were introduced across all programmes to support learning in a digitised world.
- Auditions at open days were introduced for the BA Ballet Education to increase student recruitment and accessibility to the programme. Over 50% of open-audition attendees took up a place in FY25.
- We established a partnership with urbanest Battersea, a provider of student accommodation, to provide accommodation for international students.
- Our three university-validated programmes were each reviewed externally in February 2024 as part of the required quinquennial validation process. All were re-validated with excellent feedback from the University of Bath and other external panel members. The revalidation means that we can continue to provide undergraduate and postgraduate schemes for the next five years.
- We won the Independent Higher Education Award for Advancing International Education, and we were shortlisted for Technology Enhanced Learning - both were assessed by 15 industry professionals.
- We collaborated with the Francis Crick

Institute on their flagship exhibit 'Vaccination, a time machine' at The Royal Society Summer Science Exhibition. Staff and students created, choreographed and performed a dance work depicting changes that occur in the body when human cells are attacked by viruses and protected by vaccination.

- Our Dance Education Company delivered two performances and eight workshops to over 200 pupils from local Wandsworth primary schools.
- We appointed an Outreach and Projects Manager to facilitate Faculty of Education-led knowledge exchange along with external professional development initiatives.
- The PGCE: Dance Teaching (with QTS) was closed, along with the pausing of the Diploma in Dance Teaching. This was in response to changes in UK Sector Recognised Standards for FHEQ awards and qualifications.

Library & archive

- Inductions for Faculty of Education students have been redesigned to focus on promoting the use of RAD library services and online research tools beyond our physical collections. These are supported by a new set of information literacy guides.
- Requests for these services made up 68% of student enquiries in FY24, up from 36% in FY23, prior to the updates to inductions and the creation of the guides.

Fundraising and development

- A two-year grant was secured from the Headley Trust to offer bursaries to students of the Certificate in Dance Teaching and the Professional Dancers' Graduate Teaching Diploma. We also received a grant from the Thistle Trust to support GCSE Dance studies.
- The Linbury Trust continued to offer generous support to our archive department.

Business development

- Work began on developing a new training pathway for teachers from outside the RAD community to develop their syllabus knowledge and skills as part of a new journey towards RAD Registered Teacher Status (RTS). This is due to pilot in early 2025 in south Asia and sub-Saharan Africa.



RAD strategic plan enablers

One RAD

CPD

The first bespoke intensive CPD week was held for 52 teachers from China at the RAD. It was rewarding to see their enthusiasm and enjoyment as they relished every minute they were at headquarters. Their visit contributed £22,000 to CPD income.

Our 'Dance teaching for a changing landscape' conference took place in July over three days, with three online and seven in-person activities. 147 teachers from around the world took part across ten activities. 185 places were sold, easily exceeding our target of 106.

Exams

Our monthly department meetings were revamped to be more collaborative with national offices. This saw us introduce the Kaizen method, a Japanese business philosophy that focuses on continuous improvement through small, incremental changes.

We successfully achieved reaccreditation of our full exam suite from the Scottish Qualifications Authority.

The Wolfson Library and archive

The Wolfson Library houses one of the largest specialist dance collections in the UK. We welcome researchers, educators and practitioners from around the world as well as RAD members, students and staff.

The archive holds information on our heritage and the development and history of British ballet. This includes rare books, theatre programmes, photographs, costume designs, scrapbooks, pictures and artefacts, as well as audio-visual materials and paper-based documents and correspondence.

Materials and research from the archive's Heritage Collection were used by the Australian and Greek RAD offices for their respective anniversary celebrations.

The development and significance of the RAD Archives & Special Collections were highlighted in a presentation at a Patron's Circle event and an all-staff meeting. To promote awareness of the archive and to encourage further internal use, this was complemented by a display of original materials.

Marketing and Communications

We premiered our World Ballet Day film on 1 November 2023, which was a combined edit of submissions from RAD members, with a diverse range of dancers from around the world.

RAD brand sentiment (a gauge of how people perceive a brand, which is tracked using the Meltwater platform) was shown to be positive, on average +92 (out of 100).

The RAD has introduced bold new branding, developed to build on our heritage, tradition and reputation for excellence, while communicating the joy of dance.

We also created a new Silver Swans® sub brand, updated the Registered Teacher logo and have begun work on a new brand identity for Step into Dance in collaboration with the Jack Petchey Foundation.

The Margot Fonteyn International Ballet Competition was livestreamed via Medici TV, reaching a global audience of over 300,000 viewers according to our livestream partner medici.tv. The top ten countries were the UK, USA, Australia, France, Canada, New Zealand, Spain, Germany, South Africa and Italy.

We extended our reach on social media to an audience of over 720,000 across our global social media channels. This figure covers Instagram, Facebook, X, TikTok and LinkedIn. The most impactful posts were:

- TikTok – 3 May 2024 "ballet memory unlocked! who still remembers the steps to their character dance?" (82,000 views and 2,380 likes).
- Instagram – 21 February 2024 – Announcement of new Artistic Director (134,437 views and 7,520 likes).
- Facebook – 2 September 2023 – The Rosemary Bell Academy of Dance nursing home performance (616,162 views and 6,041 reactions).

Business development

An international hub structure was introduced. This has enhanced collaboration among teams and regions allowing for the seamless sharing of knowledge, resources and best practice.

En pointe finances

Exams

Exam income fell by 4% in the year following a reduction of 6% in the number of exams marked. This partly reflects the impact of the cost-of-living crisis and an apparently more widespread reluctance (after the Covid experience) of many young people to participate in activities that involve examinations.

There were also country-specific issues, an example of which has been the sizeable number of families emigrating from Hong Kong, which has significantly reduced the numbers of dance students in the territory.

Membership

Although the gross income from membership increased slightly, the net income was marginally down. The number of members who were registered teachers declined, compensated by an increase in the number of non-professional members.

The RAD is developing a series of new offerings that will be attractive to the membership and we expect membership numbers to resume their upward trend.

Faculty of Education

Initial education declined in both sales and net results, while continuing education showed the opposite trends.

The RAD is currently reviewing how best to provide its education services.

RAD Enterprises

All sales channels saw growth over the last year, and our store at headquarters benefitted from an increase in visitors. We have several new products under development.

Fundraising and development

The higher costs associated with raising funds reflected the move from capital to revenue fundraising, and the internal reconfiguration associated with that significant redirection of resources. The disappointing figures disguise the considerable development work carried out during the year and the strong base which that has given the RAD for its future fundraising activities.

We continued to build the revenue fundraising programme. The second year of our Patrons' Circle saw membership grow with a programme of events hosted across the year. In April, we shared the first

Patrons' Circle Lunch hosted by RAD President, Dame Darcey Bussell. We hosted a successful New Year's drinks reception at headquarters in January 2024.

We secured the first founding member of our new Artistic Director's Circle with a three-year commitment of support.

For the first time, the team ran a fundraising campaign, 'Steps to Success', to secure bursary support to enable more candidates from around the world to enter exams. With the generous support of two donors, we were able to offer matched funding to reach the funding target of £25,000.

We successfully raised £124,000 for The Margot Fonteyn International Ballet Competition held in September 2023. Funds were secured through syndicates of donors as well as a significant increase in grants and donations, allowing us to offer bursaries to allow candidates from all over the world to participate in the competition.

The total ticketing income (gross) from The Fonteyn came to over £41,000, exceeding our target.

Marketing and communications

A new media pack for advertisers was developed and helped secure advertising revenue of over £13,000.

The power of people

Exams

All 238 examiners were fully 'standardised' (trained to ensure scoring consistency) for the year, through 11 seminars.

The exams team at HQ is back to full capacity with a minor restructure in some areas to make efficiencies and to streamline reporting.

Leap into digital

Membership

A trial Members' Forum was launched in June 2024. We are aiming for further growth with the planned migration of Silver Swans® licensees and anticipate increased engagement as more members move to the platform.

The recent switch from Mailchimp to Dotdigital has significantly improved the management of our email communications. There are now two accounts: one for sending marketing emails and another for sending service emails (contractual

member communications), such as renewal notices, which do not include an unsubscribe option in accordance with GDPR (General Data Protection Regulation) legislation. We are reviewing how this change will impact member retention.

Exams

We moved from older software to online applications for the creation of certificates.

RAD Enterprises

We were proud to launch a suite of resources for Silver Swans® and Seated Swans, for registered licensees. With a primary focus on digital products, including for the first time the option to buy video downloads directly from our website, this has enabled a 'one-stop shop' experience for our customers.

A collaboration with Freed of London also saw a rollout of dancewear, specifically designed for Silver Swans®, to accompany the new resources.

Work also continued on expanding our range of syllabus applications to be released in FY25.

Fundraising and development

The generous donation of laptops by Mastercard enabled us to improve our digital systems and retire outdated office computers.

The Wolfson Library and archive

The number of catalogue records for electronic and online resources increased by 66% in FY24, giving customers more digital content accessible off-site.

A new cataloguing system for the archive collections has seen over 800 records already added, including materials from the collections of three of the founders of the RAD.

Additional content, including digital objects, will be added before the catalogue is made available online.

Marketing and communications

The new website went live in December 2024.

The new site has improved navigation and user experience, making content much easier to find. It combines multiple country websites into one global site with interchangeable content according to local user preferences.

Our main website had 511,147 active users. The average bounce rate (the percentage of visitors who leave a site after viewing only one page) for this period was 32.4%, in line with our KPIs.

The Fonteyn microsite had 9,186 viewers with 41,662 total views. The average bounce rate for this period was 60%.

Our new venue-hire microsite has 821 viewers with 2,089 total views with an average bounce rate of 73%.

We also adopted a new digital email marketing strategy, which led to a change of email platform provider. This has transformed how we manage customer data, by synchronising with our CRM (Customer Relation Management database) to ensure GDPR (General Data Protection Regulation) compliance. It has also enabled us to deliver dynamic persona-based content and implement automated campaigns. This has resulted in an increased CTOR (Click to Open Rate) from 9% to 12%.

Customer service centre stage

Exams

We began a review of our filmed exams to reduce teacher errors and the subsequent delays to assessment.

Individual teacher examiner feedback sessions were piloted for launch in 2025.

Centralised examiner analytics were introduced for better monitoring and reporting.

The exams team overhauled session-feedback surveys for examiners and created new anonymous surveys to collate feedback on service levels.

The Wolfson Library and archive

We answered 65 more customer enquiries specifically relating to library services and collections, which is one third more than during the previous year.

Marketing and communications

Planning has begun on a project to introduce a chatbot onto the new website. This will help visitors to find the answers to questions more quickly, give insight into what information customers find hard to find, and allow us to deliver improved customer service.

Business development

Meetings were held with RAD members in seldom-visited cities. These were greatly appreciated as a chance to be heard, and to hear the vision of our five-year strategy.



RAD corporate structure

RAD

Subsidiary companies

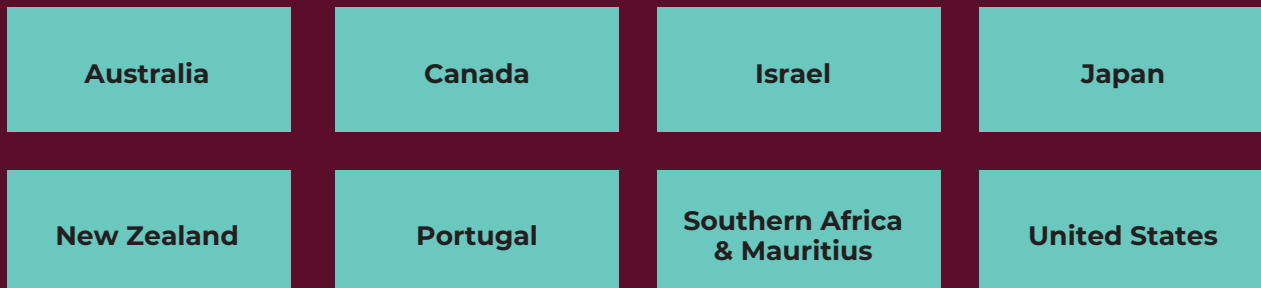
The results of the subsidiary companies are consolidated with the results of the Charity (Branch offices and UK Group) to form the Group.



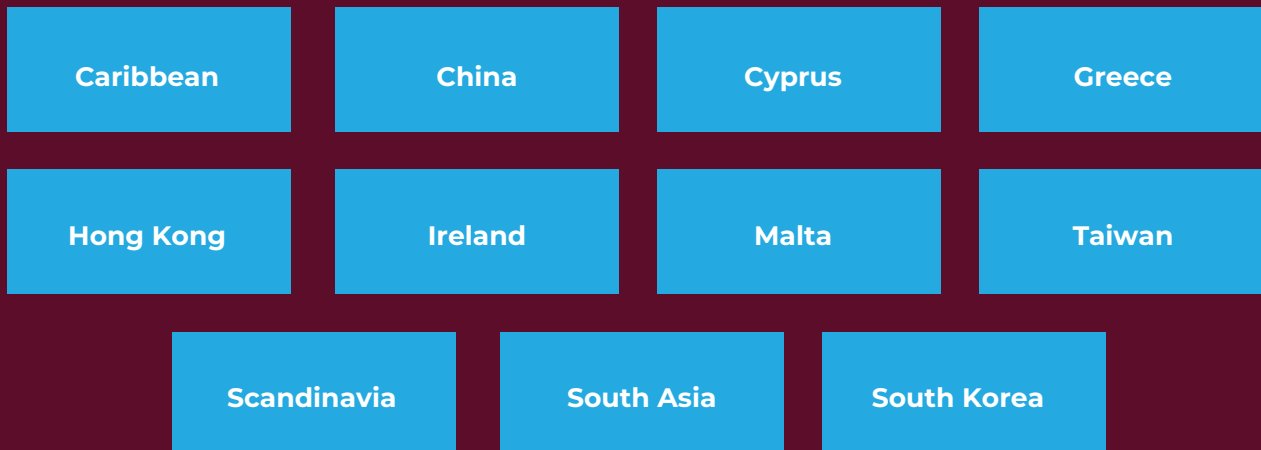
Charity

RAD

Branch offices



Representative offices



The results of the representative offices are included in the results of the UK to form the UK Group.

Corporate Governance

The group relies on a strong governance framework to support the organisation. Responsibility for good governance lies with the trustees, who are accountable to the members. The trustees oversee the RAD's worldwide operations through a trustee board and eight separate subcommittees.

President and vice presidents

We currently have six elected vice presidents. These may not be Full Members of the RAD at the time of election but are deemed to become Full Members following election. Candidates for the office of president and up to nine vice presidents can be nominated by Full Members or be recommended by the board and are elected by members at the Annual General Meeting (AGM).

Since the revision of the charter in 2008, the president and vice presidents elected since that date can only hold office for a maximum of two terms of five years, in accordance with clause 52.7 of the bye-laws.

Advisory council

The advisory council consists of the president, vice presidents and any other persons appointed by the board to provide advice. The advisory council did not meet during the year.

International advisers

The trustees may appoint up to five international advisers whose ordinary residence is not in the UK and who may attend meetings of the board of trustees in an advisory capacity. There are no current appointments.

The Board of Trustees

The board can have a maximum of 20 members. Of these, 10 must be Full Members of the RAD (List A) and 10 (List B), including the chair, (who do not have to be Full Members) are individuals likely to bring skills or experience in areas other than dance.

Candidates for the office of trustee can be nominated by Full Members or recommended by the board. Candidates are elected by members at the AGM. Trustees are elected to hold office for a term of three years and may be re-appointed for two further consecutive terms in accordance with clauses 33-38 of the bye-laws.

Individuals may be co-opted by the trustees to fill vacancies arising during the year.

The board's role and responsibilities are set out in formal terms of reference and standing orders. There are currently 14 elected trustees on the board.

List A Trustees

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS

Chi Cao PDTD

Imogen Knight ARAD BA (Hons) DDE, RAD TD, RAD RTS

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip

Vikki Allport RAD RTS TDIP (Dist)

Matthew Paluch MA, PDTD (Dist) RBS Dip. (resigned April 2024)

Joshua Tuifua PDTD (Dist), RAD RTS (resigned December 2024)

List B Trustees

Stephen Moss CBE (Chair of the Board of Trustees)

Ida Levine BA Juris Doctor JD (vice chair)

Catherine Quinn BA (Hons) MA, MBA (appointed April 2024)

Deborah Cornelius MA (Cantab)

Esther Chesterman LLM LLB Dip Ed

James Cane FCA

Jane Karczewski (appointed April 2024)

Professor Peter Flew

Stephen Sacks

David Nixon OBE (resigned April 2024)

Two individuals were co-opted onto the board of trustees pending ratification by the members at the 2025 AGM.

Co-opted Trustees

Justine Berry PDTD RAD RTS ARAD PGCE MA

Georgina Robbins CERT-IOD

Meetings

The board schedules at least four meetings a year, plus an annual strategy day. Comprehensive papers, including minutes of previous meetings, are presented to the board.

Constitution

The chair is responsible for the leadership and management of the board.

The chief executive is responsible for the leadership and day-to-day management of the RAD to ensure the delivery of the strategy agreed by the board. The chief executive is supported by members of the executive board.

Induction

All new trustees are provided with the charter and bye-laws, the strategic plan and the annual report and financial statements. They take part in induction sessions with senior staff to familiarise themselves with the work of the RAD. The Governance and People subcommittee is currently carrying out a governance review.

Related parties

The RAD has entered into several transactions with related parties during the year. These are in the form of:

1. management charges made to overseas branches and subsidiaries to cover the cost of administration of the group by UK headquarters,
2. fees and expenses paid to four trustees in their capacity as examiners, tutors or mentors, and
3. rental paid on property used for RAD business. Further detail can be found in note 13 to the financial statements.

Independence

Trustees are required to sign a code of conduct on appointment. Up to one half of the trustees may receive an emolument for services rendered to the RAD. However, where a trustee has received payment in the preceding twelve months, they may not take part in any debate or vote considering emoluments, whether specific or general, and should not be present at any meeting at which a specific payment to that trustee is discussed or an appointment which involves payment is made.

Trustees are required annually to disclose any third-party interests and any gifts received. These are disclosed in note 13.

Indemnities and insurance

In accordance with Article 6(h) of the RAD's charter, the RAD takes out indemnity insurance as part of its global policy to indemnify it against loss arising from the neglect or default of its trustees, employees, or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part.

Board subcommittees

The board operates eight subcommittees, created under bye-law 40 of the RAD's charter. All subcommittees have formal terms of reference and standing orders, which are reviewed annually.

All subcommittees have regular as well as special meetings. Papers are made available to all members and those in attendance.

1. Finance, Audit and Risk subcommittee

The Finance, Audit and Risk subcommittee's key function is to support the board in fulfilling its responsibilities in reviewing the effectiveness of financial reporting, internal controls, and risk management. In addition, the subcommittee considers the statutory accounts and meets annually with the external auditors to receive and discuss their report on the annual audit.

As part of this role, the subcommittee provides advice to the board on whether these financial statements are true and fair, balanced and understandable, and provides information for members to assess the RAD's performance.

The subcommittee advises the board on all financial matters and considers the management and financial accounts, budgets, general salary policy, and financial resources of the group, as well as the strategic plan, which is prepared on a five-year rolling basis with annual revisions.

The subcommittee also assesses the risks to which the RAD is exposed, and considers any other matters of a legal, statutory or financial nature that are brought to its attention. It holds five scheduled meetings a year.

Trustee members

James Cane FCA (Chair)
Amy Giancarlo
Ida Levine
Stephen Moss

Co-opted members

Beverly Payne (appointed June 2024)
Elizabeth Honer CB (appointed December 2023)
Jo Baldwin (appointed June 2024)
Catherine Quinn (resigned December 2023)
Michelle McGrath (resigned March 2024)
Sandra McAlister (resigned April 2024)

Directors

Chief Executive
Chief Operating Officer
Director of Finance

2. Governance and People subcommittee

The Governance and People subcommittee works to ensure that the RAD maintains high standards of corporate governance which comply with Charity Commission regulations and align with best practice in the charity sector.

The subcommittee also oversees the RAD's People strategy and policies. It is crucial that the Academy recruits talented people, and takes all reasonable measures to reward them appropriately, and develop and retain them. The subcommittee reviews proposals for staff pay awards, rewards for executive board members and annually reviews the chief executive's remuneration and rewards relative to performance against targets and comparable data.

Trustee members

Catherine Quinn (Chair)
Imogen Knight
Stephen Moss
Stephen Sacks

Co-opted members

Dr Amy Smith
Dame Helen Stephenson DBE
John G. Stewart

Director

Chief Executive
Chief Operating Officer

3. Examinations and Regulatory subcommittee

The Examinations and Regulatory subcommittee plays a vital role in supporting the director of examinations and other senior leaders in ensuring regulatory compliance and the integrity of the RAD's examination processes.

The subcommittee ensures that examination policies and standards are rigorously upheld, continually enhanced and aligned with external regulatory requirements, including timely submissions to bodies such as Ofqual. By prioritising efficiency, quality assurance and strategic viability, the subcommittee supports the accountability of the examinations board and ensures that all programmes remain educationally relevant, operationally robust and financially sustainable.

Trustee members

Esther Chesterman (Chair)
Vikki Allport (appointed June 2024)
Stephen Moss (ex officio)

Co-opted members

Barbara Amponsa-Abedi
Darrell McGivern (appointed March 2024)

Louise Norman
Tim Arnold

Edith Devoy (resigned June 2024)

Director

Director of Examinations

4. Artistic subcommittee

The Artistic subcommittee is a source of advice, support, and debate for the artistic director on advances and changes in the dance, arts and education sectors that may impact the RAD.

It supports the artistic director in ensuring that the RAD's artistic ideals and standards are visible and articulated. It also seeks to ensure that the purpose and objectives of the RAD's charter are promoted through the design and delivery of all our programmes and activities (including student training, community provision, competitions, syllabus, member teacher and independent contractor support, and outreach programming); and that the artistic initiatives developed as part of the strategic plan are artistically, practically and financially viable.

The subcommittee will consider matters relating to artistic and reputational risk and advise the artistic director and board accordingly. It may also receive items for review delegated from the board and may report recommended actions for approval.

Trustee members

Imogen Knight (Chair)
Chi Cao
Vikki Allport
Stephen Moss (ex officio)

David Nixon (resigned September 2023)
Joshua Tuifua (resigned December 2024)

Co-opted members

Amanda Eyles
Ana Maria Campos
Anuschka Roes
Justine Berry (appointed May 2024)
Kylie Ann Aliferis
Penny Parks
Wade Lewin
Vidya Patel

Director

Artistic Director

5. Education subcommittee

The Education subcommittee (which is the equivalent of a senate/ academic board) advises and supports the director of education to ensure that all RAD awards and university-validated

programmes of study are developed and delivered to the highest standards.

It advises on advances and changes in education that may have an impact on the work and policies of the Faculty of Education and the RAD more broadly. The subcommittee supports the director of education in ensuring that the FoE is financially viable, including advising on potential new markets and programmes.

The subcommittee also ensures that, as a provider of higher education, the RAD upholds its public interest governance principles, including, but not limited to, the principles of freedom of speech and academic freedom. The RAD complies with its duties under Section 29 of the Counter-Terrorism and Security Act 2015 (Prevent Duty).

Trustee members

Professor Peter Flew (Chair)
Amy Giancarlo
Rachel Jackson-Weingärtner
Stephen Moss (ex officio)

Co-opted members

Dr Anne Chappell Head of Department, Reader in Education (Brunel University of London)

Fiona Sheehan RAD Examiner, Principal (Mayhew School of Dance and Performing Arts)

Dr Janet Rose Principal, Norland College, Bath

Dr Joanne Cliffe Senior Lecturer, University of Birmingham

Maria Clutterbuck Partnership Quality Manager, University of Bath (UoB)

Paula Scales Tutor, Burnley Dance Centre

Prue Huddleston (Professor Emeritus at the Centre of Education Studies, University of Warwick)

Sara Daniels, Student Representative (MAE) (appointed November 2023)

Shelley Yacopetti, National Director/Australia, RAD

Professor Ting Tina Chen, Chief Representative, RAD China

Sophie Coster Student Representative (DDTS) (resigned November 2023)

Directors

Director of Education

6. Global Membership and Marketing subcommittee

The Global Membership and Marketing subcommittee advises and supports the senior executive responsible for global membership services on matters related to the Academy's membership programme and strategies, including Continuous Professional Development (CPD) and business development.

It also advises and supports the executive responsible for marketing and communications on matters related to the marketing and communications strategy, campaigns and programmes. The subcommittee reviews and approves the key strategies, policies, plans and campaigns recommended to the committee by the executives responsible for global membership services, marketing and communications.

Trustee members

Stephen Sacks (Chair)
Imogen Knight (vice chair)
Rachel Jackson-Weingärtner
Stephen Moss (ex officio)

Co-opted members

Akua Acheampong
Carol Marlow
Grace Buskell
Lloyd Stringer (resigned November 2023)
Joshua Tuifua (resigned December 2024)

Directors

Director of Membership
Associate Director of Marketing and Communications

7. Fundraising and Development subcommittee

The Fundraising and Development subcommittee advises on fundraising efforts that support the charitable purposes of the RAD, such as social benefits to the wider community.

It also advises and supports the director of development on matters relating to the development of fundable programmes and fundraising strategy.

Membership comprises trustees and members coopted from the wider arts, business, and philanthropy sectors, and meets four times a year.

Trustee members

Ida Levine (Chair)
James Cane
Jane Karczewski
Stephen Moss

Co-opted members

Ellie O’Connell (appointed June 2024)
Georgina Robbins
Joanne Muller
Mauro Beretta
Michael Cole-Fonteyn
Phil Dolling
Tristan Davies

Director

Director of Development

Fundraising and development

The RAD is registered with the Fundraising Regulator. The fundraising and development department follows the rules of the Fundraising Regulator’s Code of Fundraising Practice, the Chartered Institute of Fundraising guidance and the Charities Commission guidance on Charitable Law, including fundraising.

The objectives of the department include raising funds for the organisation and its charitable purposes through individual gifts, grants from trusts and foundations, legacies, corporate sponsorship and support, including from the public sector.

Research and vetting of potential supporters are key parts of fundraising, and the processing and storing of biographical information is necessary. All departmental staff are GDPR trained and we follow a strict procedure for storing and maintaining such data. All data are stored and protected, with limited access to details allowed within the wider team. Briefing of the chief executive and trustees is also overseen by the team.

We develop strong personal relationships with our funders and listen to their preferences and requirements. We consider the needs of any possible donor who may be in vulnerable circumstances and ensure that all communication is clear and does not place any pressure on them to donate. For trusts and foundations, there are strict guidelines for applying to and reporting on grants. Personal correspondence, relationship management and donor engagement help us to build trust with our supporters. We make every effort to ensure that our fundraising does not intrude on people’s privacy, that it is not unreasonably persistent and that it does not place pressure on anyone to donate.

We also consider the ethical impacts of our fundraising. We seek to ensure that the RAD does not accept gifts or donations from organisations or individuals where to do so would represent a conflict of interest, a reputational risk or would impact adversely on our ability to fulfil our mission.

We do not engage external fundraisers other than consultants who are vetted, selected and contracted to deliver specific strategies, following rigorous due diligence and conflict-of-interest guidelines. We do not engage in face-to-face solicitation through third parties.

Two of the staff in the department are members of the Chartered Institute of Fundraising. The director of development reports directly to the chief executive and takes advice from the Fundraising and Development subcommittee and the trustees. There is ongoing investment in fundraising to ensure future growth. There have been no fundraising complaints to date, but any arising would be handled swiftly and interrogated thoroughly, being referred to the chief executive. We also respond appropriately to all Freedom of Information requests from individuals.

8. Enterprises subcommittee

The board of RADE, together with further co-opted members, acts as the Enterprises subcommittee of the RAD. Members of the subcommittee comprise the directors of the company and certain trustees.

RADE is a separately constituted private limited company owned by the RAD. It is the primary commercial trade entity for the RAD and its examination board. It publishes and sells examination syllabi in various media including print, audio-visual and apps, as well as recommended uniform wear, teaching resources, dance-related clothing and products, and gift items. Its products are sold and distributed through its website, printed catalogues, book distributors, licence partners, RAD branches and in the shop located inside the RAD headquarters.

The subcommittee oversees the commercial enterprises strategy for the RAD and considers the management and financial accounts, budgets, and financial resources of the RADE in the context of its relationship to the group. The subcommittee also assesses the risks to which the company is exposed, and considers any other matters of a legal, statutory or financial nature brought to its attention.

Company directors

Tim Arthur (resigned December 2024)
Ash Sharma
Deborah Cornelius
Sue Bacchus

Co-opted members

Gautam Rajani
Mark Richardson
John Joshua Tuifua (resigned December 2024)

Acknowledgements

The RAD gratefully acknowledges the invaluable contribution of our major donors who have supported our work during the year ended 31 July 2024:

Trusts, funds and foundations

The Benesh Institute Endowment Fund
Buffini Chao Foundation
The Dame Margot Fonteyn Scholarship Fund
The Dorfman Foundation
The Gerald and Gail Ronson Family Foundation
The Headley Trust
Jack Petchey Foundation
The Linbury Trust
Maria Björnson Memorial Fund
The Michael & Nicola Sacher Charitable Trust
Paul Hamlyn Foundation
Tomlinson Family Charitable Trust
Victor and Lilian Hochhauser Foundation

Individuals

The late Alec J Custerson
The Hon Charlotte Hogg and Stephen Sacks
Chris and Imogen Knight
Christopher and Sarah Smith
Henrietta Gold
Ida Levine
Janeen Haythornthwaite
Jo Manoukian
Prudence Wollaston
Richard and Jennie Cunis
Sir Simon and Lady Robertson
Stephen Moss CBE and Joy Moss MBE
Sue Butcher
Sir Trevor Chinn CVO and Lady Chinn

Corporate Partners

Arthur J Gallagher & Co Ltd
Bloomberg Philanthropies
Capital Group
Diptyque
Freed of London
Harlequin Floors
Mastercard

We would like to offer our sincere thanks to all our other donors, supporters and partners, and particularly the many supporters of our Steps to Success campaign.

Principal risks and uncertainties

Governance, risk and control

The trustees are responsible for the group's system of internal control and risk management and consider this to be fundamental to the achievement of the RAD's strategy. Some of the key elements of the governance, risk and control framework within which the RAD operates are set out below. The work of the trustees, subcommittees, management and staff lie at the heart of its processes.

The board approves strategic plans and annual budgets, requests analytical reports as and when necessary and debates topics requiring attention. The relevant subcommittees receive papers and provide assurance to the board. The trustees review the effectiveness of governance, risk and control through this reporting mechanism as well as management concerns raised by the external auditor through the Finance, Audit and Risk subcommittee. As with any such system, the processes are designed to manage rather than eliminate the risk of failure to achieve objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Operational risk management

The chief executive, chief operating officer, directors and heads of departments review the corporate risk registers and the business continuity plan and act as the business continuity committee in the event of a disaster.

Exposure to risk

Management continually reviews the risks to which the RAD could be exposed, particularly in terms of governance and operations. Risks are assessed for likelihood and severity of impact. This information is then used to develop a risk-management strategy, including the identification of existing operational controls and any new controls the trustees consider necessary. Several risks and uncertainties have been identified, which are listed below (in no order of likelihood of occurrence or of importance):

- **Marketplace and products**

Other awarding organisations, which offer dance exams across multiple genres at a lower cost, and higher-education bodies that offer places funded by government, compete against the RAD, which primarily focuses on a single genre. Members may no longer wish to retain membership of the RAD or to use its products and services. A change in syllabus can have an adverse effect on the ability of teachers to continue to provide candidates for exam at previous levels due to the challenges of acquiring new knowledge and passing it on to candidates.

In mitigation of these risks, we use internal impact statements to assess risk and use the full force of social media to publicise, promote and sell our products and services. We regularly consult members to ensure product relevance and help shape future initiatives.

- **World events**

As shown in the past five years, like many international organisations, we are vulnerable to pandemics, natural phenomena, changes in weather patterns, geo-political change, conflict and terrorism. All of these may impede or prevent activities from taking place, including travel by exam candidates, course attendees and RAD staff such as examiners and tutors, thereby reducing business and income. We have developed policies and procedures to minimise the loss of income caused by such events and to ensure the safety of staff and examiners.

- **Economic climate**

In common with most organisations, we are vulnerable to changes in the global economic climate. Our core business depends on the purchasing power of our customers, and we have no control over their financial circumstances – whether member, teacher, exam candidate, higher-education student or dance-class attendee.

It is difficult to forecast the effects of the economic climate on individual customers and therefore we endeavour - through better planning - to react to downturns which might adversely affect our performance. However, the global reach of our operations can mitigate against this risk, as markets experiencing strong economic conditions can support those in a downturn.

- **Statutory and regulatory compliance**

The complexity of the group structure could lead to non-compliance with statutory and regulatory requirements, through lack of oversight, knowledge or training, at both local and group level. Non-compliance can lead to loss of status, recognition, reputation, public confidence, customers as well as the imposition of penalties. To mitigate this risk, subject to considerations around cost and benefit, we employ qualified personnel at group and local levels, as well as using external professionals. We also work with regulatory or statutory authorities to ensure compliance by obtaining, and then implementing, guidance and instruction.

- **People**

Working with young people brings safeguarding responsibilities and for this reason, we have a safeguarding committee with designated safeguarding and senior safeguarding officers.

Training needs are identified and addressed, and we work with lawyers or other professionals to ensure policies are fit for purpose. We review our safeguarding policies annually.

The behaviour of members and organisations associated with the RAD can lead to reputational loss. We perform due diligence before entering into partnerships, ensure legally sound contracts are in place and operate codes of conduct and professional practice for our teaching members.

We seek to attract and retain high-quality employees and to manage them so that they contribute to the RAD and further their careers. However, as in most organisations, high staff turnover could expose the RAD to lack of continuity and loss of knowledge. We undertake annual performance reviews to ensure that staff are motivated and retained, and the RAD offers a range of benefits. Succession planning is undertaken for senior staff.

It is the RAD's policy to invest in the right people needed to support our operations. We provide training for all our staff, including external training where relevant to specialisms. We have also developed a series of human resource policies, the most important of which deal with equality, diversity, health and safety, information management and safeguarding. These are designed to guide employees to improve fairness and safety both in the workplace and for our customers, to ensure compliance with legal responsibilities and to ensure that people respect one another.

Each of these areas has a policy group that monitors compliance with the relevant area and reports directly to senior management.

All policies and procedures are reviewed and approved annually by the trustees and employees are informed of changes.

Financial risk management

Our risk-management process is overseen by the Finance, Audit and Risk subcommittee. In controlling and underpinning financial risk, the following are key control procedures:

- **Operating unit financial controls**

The finance manual is updated regularly and sets out the key financial disciplines expected of staff in managing their role, responsibility, operation or entity. The finance manual forms part of an employee's induction and can be found on our internal HR folder.

The central finance function performs quarterly reviews of the results of the international offices. There are monthly finance clinics for all international finance staff where best practice is shared and regular finance training is provided.

- **Information and computer systems**

Our financial and management information is processed and stored on several computer systems. This can lead to concerns about integrity, duplication, security and other data issues. A disaster-recovery centre operates in the UK. Back-up systems are installed in major international offices and our servers are in a hosted data centre, providing additional resilience.

We set out data-protection compliance in a framework of policies and procedures. We also monitor compliance with data-protection policies and regularly review the effectiveness of data handling/processing activities and security controls. We have implemented a basic GDPR training programme for all staff, supplemented by a needs-based data-protection training programme for staff across different functions and at different levels. The RAD does not meet the criteria for an obligatory Data Protection Officer. However, due to our commitment to GDPR compliance, combined with the lack of internal expertise, we employ an external professional data protection services firm to support the work of the information management committee.

- **Foreign exchange**

The RAD operates in many jurisdictions, setting fees in local currencies, while at the same time incurring central costs in sterling. The results of the RAD are therefore prone to fluctuations due to currency gains and losses.

It is not possible to forecast movements in all foreign exchange and therefore we track movements in those currencies that might adversely affect our performance. We take account of these movements when making decisions about the timing of moving funds between countries.

These risks and uncertainties are included in the corporate and activity risk registers. These are reviewed by the relevant subcommittees and board of trustees, along with actions to mitigate the risks. A further function of the risk registers is to inform business continuity plans, which are underpinned by an offsite IT disaster recovery centre to provide the necessary technological backup in the event of unforeseen problems.



Financial review

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (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).

Unrestricted activities



During the year ending 31 July 2024 (FY24), the group reported worldwide group income of £20,450,000, a decrease of 2% compared to FY23 (FY23: £20,916,000). This is due mainly to a reduction in the number of examinations taken during the year. This is a secondary consequence of the pandemic, as the younger cohort of actual and potential dance students have become more reluctant to participate in activities that are examined. We are focused on helping students overcome this reluctance and find that, once they are over the initial fear, the enjoyment and wish to continue returns.

Expenditure increased by 2% to £22,085,000 (FY23: £21,558,000). In-person delivery of activities returned in most countries. While this has considerable benefits for students, most RAD offices have found that the considerable post-pandemic increases in costs, particularly travel and accommodation for examiners and tutors, has badly affected their profitability. We are reviewing numerous ways of mitigating this problem.

The group net loss before transfers and other recognised gains and losses was £1,635,000 (FY23: £642,000). This reflected the negative impact of the slightly reduced turnover without any commensurate reduction in costs.

There was a gain on valuation of tangible fixed assets of £779,000 (FY23: £147,000 loss) and an exchange loss of £142,000 (FY23: £346,000 loss) on consolidation. The value of RAD's unrestricted net assets decreased by 3% to £27,319,000 (FY23: £28,095,000).

The group's overall cash position at 31 July 2024 was £7,310,000 (FY23: £8,584,000). There was a net cash outflow from operations of £272,000 (FY23: £1,437,000) due to the VAT payment of £2.3m in September 2023 relating to the property transaction in FY23. Capital expenditure increased from £173,000 to £347,000, partly due to the development of the new RAD website and the significant upgrade to headquarters IT, migrating to Office 365.

Restricted activities

The RAD has several funds which have been built up from donations, legacies, trusts, grants, fundraising events and appeals. These are administered in accordance with the accounting policy in Note 1 (m) Fund Accounting. There was a net income of £390,000 before transfers and other recognised gains and losses, for the year ended 31 July 2024 (FY23: £533,000 (Note 27)). This decrease in funds is primarily due to the completion of the fundraising initiative for the headquarters capital campaign during FY23.

The RAD is in receipt of a funding grant through to FY24 from the Jack Petchey Foundation to run the 'Step into Dance' programme (a fully inclusive, community dance programme in every London borough and in some Essex schools) as well as using its own funds. All monies received from the foundation were spent in accordance with the programme's aims.

Bursaries, awards and scholarships were provided through various scholarship funds, trusts, Jubilee Award and regional schemes.

Performance by activity

Group performance by principal activity
£'000

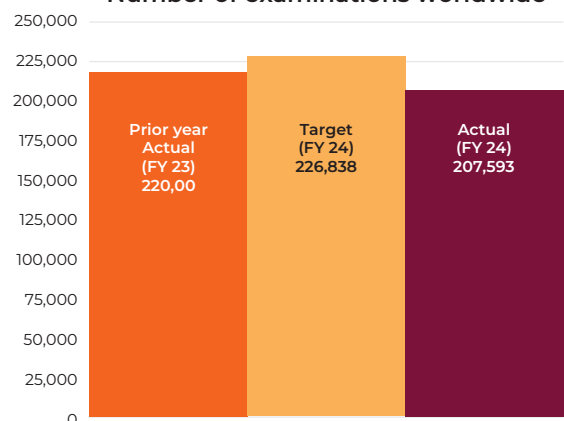


Examinations

Exam fees income decreased by 1% to £12,344,000 (FY23: £12,513,000) with direct expenditure increasing by 3% to £6,858,000 (FY23: £6,681,000), resulting in a reduction in net income to £5,486,000 (FY23: £5,832,000). Total exam entries decreased by 6% to 207,593 (FY23: 220,000).

During the year the RAD offered both in-person and filmed exams. Although many countries returned to in-person exams, filmed options proved to be more efficient for some countries and were also popular amongst their customers. To offer more flexibility, filmed exams are now a part of the RAD's product offer, affording teachers and learners the ability to film at a time and venue suitable to them.

Number of examinations worldwide



During the year ended 31 July 2024, 50,798 candidates (FY23: 80,000) were assessed by video, 24% of total entries (FY23: 36% of total entries). That 24% of examinations were filmed highlights the continued importance of that option. This is particularly the case in key markets such as China and Hong Kong, which mostly carried out filmed exams during FY24.

The RAD reached 92% of its FY24 target of delivering 227,000 dance exams; we achieved 208,000, of which 51,000 were filmed assessments. This demonstrates a strong recovery towards pre-pandemic levels despite what has become a difficult economic climate across the globe.

Education and training income

Initial Education income decreased by £430,000 compared to the prior year to £2,889,000, with net income decreasing from £900,000 to £521,000. The Faculty of Education in the UK only carried out in-person delivery of programmes. In certain countries, some were delivered through hybrid models. The number of FoE students decreased from 974 to 953.

Income from Continuing Education increased by 13% to £2,937,000 (FY23: £2,606,000) as more courses were offered in the year and an individual programme was created for our members in China. These initiatives increased expenditure by 6%, but overall net income increased to £763,000 (FY23: £508,000).

Membership

As a result of the Member Events series, and a 57% graduate conversion rate, subscription income increased by 1% to £1,237,000 (FY23: £1,223,000) and direct expenditure at £374,000 also increased (FY23: £339,000). Net income not including indirect costs decreased slightly to £863,000 (FY23: £884,000).

The number of registered teachers declined from 8,126 to 8,008. The number of all other members increased from 3,961 to 4,185.

There were 12,193 members globally on 31 July 2024, achieving 96% of the total target. The team focused mostly on enhancing benefits for members and building the membership base.

Trading income (retail, licensing and royalties)

Trading income generated by the UK trading subsidiary, together with licensing and royalty income, increased to £1,428,000 (FY23: £1,148,000). Overall net income increased to £1,095,000 (FY23: £905,000). RADE is looking to expand its product range and the profitability of its operations.

Fundraising

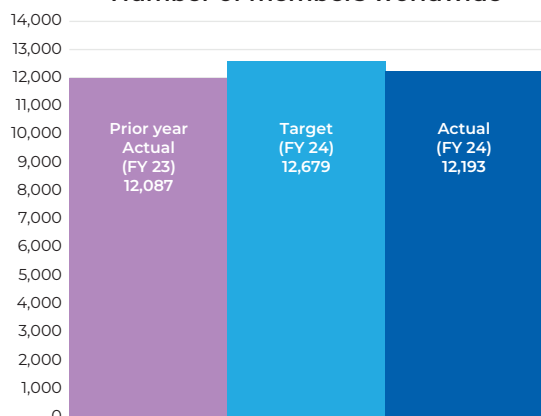
Fundraising income decreased by 22% to £716,000 (FY23: £920,000) and direct expenditure increased by 56% to £819,000 (FY23: £524,000), resulting in net expenditures excluding indirect costs of £103,000 (FY23: £396,000 net income). This decrease in income followed the completion of the capital campaign in FY23 and the transfer of fundraising effort towards revenue. The increase in cost is partly due to The Fonteyn (RAD's annual international ballet competition), which took place in September 2023, although the RAD received £106,000 in sponsorship towards its cost.

Other income

Other income is derived from advertising, property rental and sundry income offset by associated expenditure and taxation on subsidiary company profits.

Indirect costs increased by 6% from £9,308,000 to £9,877,000. This increase was primarily the result of higher IT spend, higher running costs of the headquarters building and higher bank charges, mainly incurred because income from China is now remitted directly to the UK.

Number of members worldwide



Reserves policy

The RAD's current pattern of activities provides fluctuating peaks in income and expenditure. It needs to build up reserves not only to cover these periods but also to ensure that its core activities can be financed in the event of unforeseen and unbudgeted changes in income and expenditure. The RAD reviews its reserves policy annually.

At 31 July 2024, the RAD had total funds of £28,484,000, of which unrestricted funds were £27,146,000 and restricted funds £1,338,000. Of the unrestricted funds, the designated funds total was £24,287,000. £23,724,000 represented the net book value of fixed assets less associated loans and £564,000 other designated funds (see note 28).

The target for group free reserves is £3,265,000, with £2,872,000 being within charity reserves. Actual free reserves at 31 July 2024 for the group were £3,422,000 (including other designated reserves) (FY23: £4,641,000). For the charity only, free reserves at 31 July 2024 were £2,665,000 (FY23: £3,240,000). This reduction is partly explained by the loss for the year. We expect our activity to increase as we introduce enhanced and new product ranges and initiatives with the aim of continuing to build the reserves position to the target level.

The RAD reserves policy recognises that free reserves are only one indicator of financial health. We particularly focus on the group and UK cash position. For FY24, cash balances remained healthy due to tighter cash management across the group.

Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing and communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash outflow for the group of £1,225,000 in FY24 (FY23: £2,155,000), with an outflow from operating activities of £272,000 (FY23: £1,437,000). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £7,310,000 at year end (FY23: £8,584,000).

The RAD generated an overall net loss of £1,245,000. The loss in the year was due mainly to a reduction in exams. This partly reflects the impact of a move to hybrid exams, as well as the results of country-specific activities, such as the emigration from Hong Kong which had a significant impact on the numbers of dance students in the city.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in December 2024. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was also renewed for a further year in December 2024. Neither was used during the year.

RAD has a CBILS loan (originally £800,000) in place with HSBC, which was drawn down in March 2021. This is being repaid over five years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of five years). Both of these loans are secured on the RAD's headquarters at 188 York Road.

Achievement of the RAD's targets for FY25 is dependent on the macroeconomic situation in the countries where we operate. Forecasts have been reviewed for the twelve-month period from the date of signing the accounts, including downside-scenario planning and mitigating actions against these. New product offerings are under development. Possible mitigating actions include implementing further cost reductions and being able to raise additional financing if required, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties.

The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

Future outlook

The past two years have been difficult financially for the RAD, and FY25 is not expected to report significantly better results. However, the RAD is actively pursuing several strategic initiatives that will enhance its financial and operational performance. These will take time to show through in the financial figures but will build a more resilient and diversified operational landscape.

Our new global headquarters offers many exciting opportunities to expand our product offerings, as well as promote hiring of our premises within the dance and performing arts community and for corporate events, which have already attracted valuable clients. We will also manage our cash balances so that we can provide funds for expansion and new projects.

The RAD has set its departments several targets to enhance the RAD's performance in FY25. Among these is the goal of expanding by over 5% both its examinations activities and its worldwide membership, two key drivers of success. We are also looking to build our revenue-fundraising activities so that the RAD can begin to benefit from consistent additional income with forward visibility over a longer period.

Statement of the trustees' responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed, Royal Charter, Supplemental Charters and Bye-laws. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Stephen Moss CBE
Chair, Board of Trustees



James Cane FCA
Trustee, Chair of Finance,
Audit and Risk subcommittee



Renu Randhawa FCA
Director of Finance

16 January 2025

Independent auditor's report on the audit of the financial statements

Opinion

We have audited the financial statements of the Royal Academy of Dance ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2024 which comprise the group consolidated statement of financial activities, group and charity balance sheets, group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2024 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011; and
- have been prepared in accordance with the requirements of the OfS Accounts Direction (issued October 2019) ("the OfS Accounts Direction")

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

Opinion on other matters prescribed by the OfS accounts direction

No funds have been provided to the charity by the OfS.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; 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 trustees' responsibilities statement set out on page 39, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), employment legislation and Office for Students regulation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Audit and Risk subcommittee about their own identification and assessment

of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Office for Students and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor
London

16 January 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



Group consolidated statement of financial activities

For the year ended 31 July 2024

Notes	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from						
2 Donations and legacies	184	532	716	304	616	920
3 Trading	809	-	809	722	-	722
4 Other trading activities	457	162	619	382	44	426
5 Investments	59	4	63	44	7	51
Income from charitable activities						
Examination fees	12,344	-	12,344	12,513	-	12,513
6 Education and training fees	5,248	578	5,826	5,514	411	5,925
Subscription income	1,237	-	1,237	1,223	-	1,223
7 Other income	112	-	112	214	10	224
Total income	20,450	1,276	21,726	20,916	1,088	22,004
Expenditure						
8 Expenditure on raising funds	(1,737)	(323)	(2,060)	(1,453)	(97)	(1,550)
9 Expenditure on charitable activities	(20,180)	(563)	(20,743)	(19,631)	(431)	(20,062)
11 Other expenditure	(168)	-	(168)	(474)	(27)	(501)
Total expenditure	(22,085)	(886)	(22,971)	(21,558)	(555)	(22,113)
Net income/(expenditure)	(1,635)	390	(1,245)	(642)	533	(109)
Transfers						
Transfers between funds	50	(50)	-	462	(462)	-
Other recognised gains/losses						
On revaluation of tangible fixed assets	779	-	779	(147)	-	(147)
Movement on exchange arising from the consolidation of branches and subsidiaries	(143)	2	(141)	(338)	(8)	(346)
Net movement in funds	(949)	342	(607)	(665)	63	(602)
Fund balances brought forward at 1 August	28,095	996	29,091	28,760	933	29,693
Total funds carried forward at 31 July	27,146	1,338	28,484	28,095	996	29,091

There were no recognised gains and losses other than those listed above and the net expenditure/income for the year. All income relates to continuing operations.

Group and charity balance sheets

At 31 July 2024

Notes	Group		Charity		
	2024 £'000	2023 £'000	2024 £'000	2023 £'000	
Fixed assets					
19	Intangible assets	140	6	139	-
20	Tangible assets	26,497	26,361	26,315	26,163
21	Investments	171	159	282	270
		26,808	26,526	26,736	26,433
Current assets					
22	Stocks	372	276	132	148
23	Debtors	2,043	1,767	3,829	3,539
	Cash at bank and in hand	7,310	8,584	5,340	5,678
		9,725	10,627	9,301	9,365
24	Creditors – amounts falling due within one year	(7,771)	(5,387)	(8,205)	(5,637)
	Net current assets	1,954	5,240	1,096	3,728
	Total assets less current liabilities	28,762	31,766	27,832	30,161
25	Creditors – amounts falling due after more than one year	(278)	(2,675)	(278)	(2,675)
	Net assets	28,484	29,091	27,554	27,486
FUNDS					
27	Restricted funds	1,338	996	1,338	996
28	Unrestricted funds	27,146	28,095	26,216	26,490
	Total funds	28,484	29,091	27,554	27,486

The accompanying notes form part of these accounts.

These financial statements were approved and signed on behalf of the Board of Trustees on 16 January 2025 by:



Stephen Moss CBE
Chair, Board of Trustees



James Cane FCA
Trustee, Chair of Finance,
Audit and Risk subcommittee



Renu Randhawa FCA
Director of Finance

Group cash flow statement

For the year ended 31 July 2024

Restricted and unrestricted funds	Notes	2024 £'000	2023 £'000
a. STATEMENT OF CASH FLOWS			
Cash flows from operating activities:			
Net cash (used in) operating activities	b.	(278)	(1,437)
Cash flows from investing activities:			
Interest receivable		63	51
Interest payable		(573)	(301)
Purchase of tangible fixed assets		(220)	(173)
Disposal of tangible fixed assets		12	-
Purchase of tangible fixed assets and construction-in-progress		(139)	-
Net cash (used in) investing activities		(857)	(423)
Cash flows from financing activities:			
Amounts (repaid) to banks		(96)	(295)
Net cash provided by financing activities		(96)	(295)
Change in cash and cash equivalents in the reporting period		(1,231)	(2,155)
Cash and cash equivalents at the beginning of the reporting period		8,584	10,783
Change in cash and cash equivalents due to exchange rate moments		(43)	(44)
Cash and cash equivalents at the end of the reporting period	c.	7,310	8,584
b. Reconciliation of net (expenditure) to net cash flow from operating activities		(1,245)	(109)
Adjustments for:			
(Gain)/loss on revaluation of investments		(5)	1
Interest receivable		(63)	(51)
Interest payable		573	301
Amortisation of intangible fixed assets		6	6
Depreciation - tangible fixed assets		745	879
(Increase)/decrease in stocks		(96)	28
(Increase)/decrease in debtors		(276)	(293)
(Decrease)/increase in creditors		83	(2,199)
Net cash provided by operating activities		(278)	(1,437)

Group cash flow statement

For the year ended 31 July 2024

	2024 £'000	2023 £'000
c. Analysis of cash and cash equivalents		
Cash in hand	7,310	8,584
Total cash and cash equivalents	7,310	8,584

	2023 £'000	Cash flow movement £'000	2024 £'000
Analysis of changes in net cash			
Cash at bank and in hand	8,584	(1,274)	7,310
Total cash and cash equivalents	8,584	(1,274)	7,310
Debt due within one year	(260)	(2,300)	(2,560)
Debt due after one year	(2,663)	2,396	(267)
Total	5,661	(1,178)	4,483

Accounting policies

Year ended 31 July 2024

The RAD is a non-statutory body incorporated by Royal Charter and a charity registered in England and Wales (number RC000436). The address of the registered office is 188 York Road, London SW11 3JZ.

Notes

1(a) Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the SORP applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous SORP: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. The RAD meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value except for investments and certain fixed assets which have been included at revalued amounts. The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the parent entity.

1(b) Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing and communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash outflow for the group of £1,225,000 in FY24 (FY23: inflow £2,155,000), with an outflow from operating activities of £272,000 (FY23: outflow £1,437,000). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £7,310,000 at year end (FY23: £8,584,000).

The RAD generated an overall net loss of £1,245,000. The loss in the year was due mainly to a reduction in exams. This partly reflects the impact of a move to hybrid exams, as well as the results of country-specific activities, such as the large emigration from Hong Kong, which had a significant impact on the numbers of dance students in the city.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in December 2024. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was renewed for a further year in December 2023. Neither was used during the year.

RAD has a CBILS loan (originally £800,000) in place with HSBC, which was drawn down in March 2021. This is being repaid over five years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of five years). Both of these loans are secured on the RAD's headquarters at 188 York Road.

Achievement of the RAD's targets for FY25 is dependent on the macroeconomic situation in the countries where we operate. Forecasts have been reviewed for the twelve-month period from date of signing the accounts, including downside-scenario planning and mitigating actions against these. New product offerings are under development. Possible mitigating actions include implementing further cost reductions and being able to raise additional financing if required, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties.

The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

1(c) Basis of consolidation

The charity accounts include the audited accounts of the RAD in the United Kingdom and its branches for the year ended 31 July 2024, and the consolidated Group accounts include the audited accounts of the charity and its subsidiaries. All activities derive from continuing operations.

1(d) Stocks and work-in-progress

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate. Costs relating to the development of examination syllabi and teaching aids are treated as work-in-progress until the product is ready for sale.

1(e) Tangible fixed assets

All tangible fixed assets, other than freehold land, are stated at historical cost or valuation net of depreciation and any provision for impairment. Depreciation is provided on cost using the straight-line method over the estimated useful lives of the assets. Impairment reviews are conducted when events and changes in circumstances indicate that impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, its value is written down accordingly. Freehold land is not depreciated. Tangible fixed assets under £500 are not capitalised. The rates of depreciation are as follows:

Freehold buildings	2%	Furniture and office equipment	10%
Computer equipment	33%	Motor vehicles	25%

1(f) Intangible fixed assets

Intangible fixed assets consist of computer software and telephone subscription rights of subsidiary companies which are included at cost and amortised in equal instalments over a period of years estimated to be their useful economic life. Provision is made for any impairment.

Software	33%
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1(g) Investments

Listed investments are included in the balance sheet at market value. Investments in subsidiaries and joint ventures are included in the charity's accounts at cost less any provision for impairment.

1(h) Revaluation of assets

Investments and land and buildings held by the group for restricted and unrestricted use are revalued annually to fair value where material. The gain or loss is reflected in the statement of financial activities and, for land and buildings, includes the amount of depreciation provided in that year.

1(i) Overseas currencies

Income, expenditure, assets and liabilities of overseas branches and subsidiaries are translated into sterling at the exchange rates ruling at the balance sheet date. The exchange gains or losses arising from the retranslating of opening net assets of the overseas branches and subsidiaries are shown under 'Other recognised gains or losses' in the statement of financial activities (SOFA). All other exchange gains or losses are dealt with through expenditure within the SOFA.

1(j) Recognition of income

Income is recognised in the SOFA on a receivable basis, namely when the RAD has entitlement to the income, receipt is probable and the amount can be reliably measured. If there are

conditions that must be fulfilled before entitlement to income received is confirmed, the income is deferred and included under creditors.

Assets such as gifts or donations given for use by the RAD are recognised as income at their estimated market value when receivable. If they form part of the fixed assets at the year-end, the amounts are included in the balance sheet at the value at which the gift was included in income.

Income received in advance for examinations or short courses where the activity does not complete until after the year-end is apportioned to the relevant financial year; or for a longer period in the case of fees for programmes such as the Faculty of Education's 'Certificate in Ballet Teaching Studies' and 'Certificate in Dance Teaching', which are two-year programmes that fall across three financial periods.

All income from grants and donations income is accounted for gross when the charity has entitlement to the funds, the amount can be quantified and receipt of the funds is probable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants which have been specified for use in future periods are recognised in deferred income and released in the relevant accounting period.

1(k) Recognition of expenditure

Unrestricted expenditure is accounted for on an accruals basis. Expenditure is allocated directly to the activity to which it relates, including support costs that can be identified as being an integral part of direct charitable expenditure.

- **Costs of raising funds:** costs of raising funds include expenditure related to support departments and staff members engaged in or contributing to those activities
- **Costs of charitable activities:** charitable expenditure includes all expenditure related to the objects of the charity and includes expenditure related to support departments and staff members engaged in or contributing to charitable activities
- **Governance costs:** these are costs associated with the constitutional and statutory requirements of the group, and include expenditure related to the trustees and senior staff members engaged in or contributing to the governance of the group. These are allocated within support costs as per the requirements of the Charities SORP 2019
- **Indirect support costs** have been allocated on the following bases:
 - Salaries and pensions staff numbers per department
 - General administration staff numbers per department
 - Information technology staff numbers per department
 - Rent and property departmental use for office space and income generated for studio space
 - Depreciation estimated use
 - Governance staff numbers per department
 - Finance charges Income-to-cost ratio

1(l) Pension costs

Retirement benefits for employees are provided by defined-contribution pension schemes and for teachers by the Teachers' Pension Scheme (TPS), a defined-benefit scheme. The TPS is a multi-employer scheme where the RAD cannot identify its individual share of assets and is therefore accounted for as a defined-contribution scheme. Contributions payable to the pension schemes in respect of each accounting period are charged to the SOFA.

1(m) Fund accounting

Funds can be classified as designated, general or restricted. General funds are all unrestricted funds which are not designated and can be applied at the discretion of the trustees in accordance with the RAD's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the Charity for particular purposes. The purpose for which restricted funds are held is analysed in note 27.

1(n) Regional advisory committees

The charity carries out some activities through a network of regional advisory committees that include the name of the charity in their title and are located in only some of the countries in which the charity operates. All regional advisory panel and committee transactions are accounted for gross in the accounts of the charity, and all assets and liabilities are included in the charity's balance sheet.

1(o) Treatment of VAT

The RAD is registered as partially exempt for VAT in the UK and is either exempt or liable for VAT or applicable taxes in other parts of the world. Irrecoverable VAT is charged to the activity to which it relates or otherwise forms part of the support costs and is then apportioned as per note 1(k).

1 (p) Financial instruments

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad-debt provision. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1 (q) Operating leases

Operating lease rentals are charged and credited to the SOFA on a straight-line basis over the length of the lease.

1 (r) Critical accounting judgments and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described above, the trustees are required to make judgments (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the opinion of the trustees, there are no key assumptions concerning the future, and no other key sources of estimation uncertainty at the balance sheet date, that would carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
2 Income from:						
Donations, gifts and legacies	163	383	546	89	106	195
Funding grants	21	149	170	215	510	725
	184	532	716	304	616	920

3 Retail trading

Retail trading consists of sales made by Royal Academy of Dance Enterprises Limited and branch outlets of the RAD.

	2024 £'000	2023 £'000
Turnover net of taxes and discounts	809	722
Cost of sales and other costs	(333)	(243)
Net income from retail trading	476	479

	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
4 Other trading activities						
Fundraising activities	1	162	163	8	44	52
Licensing and royalty income	254	-	254	238	-	238
Property and studio hire	202	-	202	136	-	136
	457	162	619	382	44	426
5 Investment income						
Interest received	59	4	63	44	7	51
	59	4	63	44	7	51
6 Education and training fees						
Initial education	2,889	-	2,889	3,319	-	3,319
Continuing education	2,359	578	2,937	2,195	411	2,606
	5,248	578	5,826	5,514	411	5,925
7 Other income						
Advertising income	23	-	23	21	-	21
All other income	89	-	89	193	10	203
	112	-	112	214	10	224

	2024				2023			
	Unrestricted funds	Restricted funds			Unrestricted funds	Restricted funds		
	Direct costs	Direct costs	Support costs	Total funds	Direct costs	Direct costs	Support costs	Total funds
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure								
8 Costs of raising funds								
Fundraising activities	496	323	82	901	427	97	68	592
Retail trading	333	-	826	1,159	243	-	715	958
	829	323	908	2,060	670	97	783	1,550
9 Costs of charitable activities								
Examinations	6,858	-	4,365	11,223	6,681	-	4,198	10,879
Initial education	2,347	21	2,506	4,874	2,405	14	2,418	4,837
Continuing education	1,632	542	1,255	3,429	1,681	417	1,126	3,224
Subscription	374	-	843	1,217	339	-	783	1,122
	11,211	563	8,969	20,743	11,106	431	8,525	20,062

	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
10 Auditor fees payable						
Fees payable to the group's auditor and its associates for the audit of the group's annual accounts						
Audit fees	123	-	123	107		107
Other fees and services	29	-	29	60		60
Fees payable to the group's auditor and its associates for the audit of the group's subsidiaries						
Audit fees	30	-	30	35		35
Other services	13	-	13	7		7
Fees payable to other auditors for the audit of the group's branches and subsidiaries						
Audit fees	61	-	61	54		54
Other fees and services	10	-	10	8		8

	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
11 Other expenditure						
All other expenditure	(87)	-	(87)	128	21	149
Taxation	255	-	255	346	6	352
	168	-	168	474	27	501

12 Analysis of indirect support costs¹

Unrestricted funds 2024

	Examinations	Initial education	Continuing education	Subscription	Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,596	680	355	258	364	24	3,277
General administration	1,034	640	344	240	195	32	2,485
Information technology	359	319	118	102	81	2	981
Financing charges	243	169	81	44	35	-	572
Depreciation	317	227	122	64	50	4	784
Rent and property	573	361	184	99	76	3	1,296
Governance	243	110	50	37	26	16	482
	4,365	2,506	1,254	844	827	81	9,877

Unrestricted funds 2023

	Examinations	Initial education	Continuing education	Subscription	Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,640	681	362	289	318	40	3,330
General administration	893	611	260	169	140	16	2,089
Information technology	308	282	106	90	72	3	861
Financing charges	136	87	38	23	18	-	302
Depreciation	371	268	130	74	58	4	905
Rent and property	577	364	169	98	79	5	1,292
Governance	273	125	61	40	30	-	529
	4,198	2,418	1,126	783	715	68	9,308

¹The basis of allocation of support costs is disclosed in note 1 (k)

13 Related-party transactions

During the financial year three trustees received remuneration for providing services to the RAD. Payments to trustees who are also examiners, tutors and mentors are in accordance with Articles 6.5 and 10 of the Charter.

- Victoria Allport received £26,201 in examining and tuition fees and associated expenses
- Rachel Jackson-Weingärtner received £10,444 in examining fees and associated expenses
- Joshua Tuifua received £13,314 in tuition fees and associated expenses.

These payments were made at market rates and were solely for the provision of examining, tutoring or mentoring, not for their services as trustees.

Trustees were reimbursed for expenses incurred in the performance of their duties as trustees. The total amount reimbursed to trustees during the year was £1,899. All expenses were reimbursed upon submission of valid receipts and were in accordance with the RAD's expenses policy. Trustees received no remuneration for volunteering their time.

Donations were received from three trustees (£36,750) during the year (FY23: £41,690).

The following related-party transactions took place during the year:

Related party: Ulrich Stiehm Filmproduktion (owned by husband of National Director – Germany)

Transaction: Backup and server upload of 10 CBTS videos and video edit for first representative of RAD in Germany and Austria

Cost of transaction: £153 (€179) (FY23: £145 (€167))

Amount due at 31 July 2024: £Nil (€Nil) (FY23: £Nil (€Nil))

Related party: Manny Lume (husband of National Director – South Africa)

Transaction: Property Repairs and Maintenance, General Admin, Consulting fees

Cost of transaction: £1,234 (R29,037) (FY23: £9,133 (R198,437))

Amount due at 31 July 2024: £Nil (R Nil) (FY23: £Nil (R Nil))

Related party: Nicole Lume (daughter of National Director – South Africa)

Transaction: Livestreaming and stock take

Cost of transaction: £97 (R2,273) (FY23: £Nil (RNil))

Amount due at 31 July 2024: £Nil (RNil) (FY23: £Nil (RNil))

Related party: Ross Alexander (son of National Director – USA) as owner of Viabold

Transaction: Website Management services

Cost of transaction: £4,479 (US\$5,640) (FY23: £4,456 (US\$5,400))

Amount due at 31 July 2024: £Nil (US\$Nil) (FY23: £Nil, (US\$Nil))

Related party: Ferrell Alexander (daughter of National Director – USA) as part-time employee

Transaction: payroll costs

Cost of transaction: £8,723 (US\$10,984) (FY23: £8,944 (US\$ 10,838))

Amount due at 31 July 2024: £Nil (US\$Nil) (FY23: £Nil, (US\$Nil))

Related party: Noriko Kobayashi (National Director – Japan) as owner of Kobayashi Ballet Studios

Transaction: Hire of dance studios, office space and seconded staff for exams, courses, summer school and administration

Cost of transaction: £49,393 (¥9,363,029) (FY23: £59,121 (¥9,927,582))

Amount due at 31 July 2024: £0 (¥ 0) (FY23: £0 (¥ 0))

Related party: Dance Etc (National Director – Portugal)

Transaction: Office and studio hire

Cost of transaction: £3,680 (€4,290) (FY23: £3,732 (€4,290))

Amount due at 31 July 2024: £Nil (€Nil) (FY23: £Nil (€Nil))

Related party: Pilar Monteiro (niece of National Director) – as employee of RAD Portugal

Transaction: payroll costs

Cost of transaction: £15,310 (€17,849) (FY23: £15,136 (€17,397))

Amount due at 31 July 2024: £Nil (€Nil) (FY23: £Nil (€Nil))

Related party: Blanca Cortes (daughter of National Director – Spain)

Transaction: Annual office rent

Cost of transaction: £5,730 (€ 6,681) (FY23: £5,565 (€ 6,396))

Amount due at 31 July 2024: £Nil (€Nil) (FY23: £Nil (€Nil))

Related party: Family members (National Director – Malaysia)

Transaction: Office rental and salaries

Cost of transaction: £8,316 (MYR 49,200) (FY23: £10,944 (MYR 59,850))

Amount due at 31 July 2024: £Nil (MYR Nil) (FY23: £Nil (MYR Nil))

Related party: Family member (National Director – Italy)

Transaction: Payroll costs

Cost of transaction: £47,071 (€54,878.59) (FY23: £47,071 (€54,878.59))

Amount due at 31 July 2024: £Nil (€Nil) (FY23: £Nil (€Nil))

Related party: Cambridge Dance Studios Ltd (owned by Imogen Knight (trustee))

Transaction: Studio hire for CPD course and discounted attendance fee for Imogen Knight

Cost of transaction: £93 (FY23: £Nil)

Amount due at 31 July 2024: £Nil (FY23: £Nil)

All transactions were at arm's length.

The related-party transactions and intercompany balances of the charity with subsidiaries and branches are:

		2024					2023				
		Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Royal Academy of Dance	UK	94	-	(531)	-	-	530	-	(559)	-	-
Royal Academy of Dance Enterprises Limited	UK	-	531	-	-	-	-	559	-	-	-
Royal Academy of Dance S/C Ltda	Brazil	-	87	-	-	-	-	57	-	-	-
Royal Academy of Dance gGmbH	Germany	-	127	-	-	-	-	67	-	-	-
Yayasan Royal Academy of Dance Indonesia	Indonesia	-	24	-	-	-	-	25	-	-	-
Royal Academy of Dance Srl	Italy	-	105	-	-	-	-	66	-	-	-
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	-	82	-	-	-	-	93	-	-	-
Royal Academy of Dance de Mexico AC	Mexico	-	56	-	-	-	-	59	-	-	-
Royal Academy of Dance Singapore Pte Ltd	Singapore	-	6	-	-	-	-	86	-	-	-
Royal Academy of Dance s21 Company	South Africa	-	-	-	-	-	-	-	-	-	2
Royal Academy of Dance SL	Spain	-	83	-	-	-	-	70	-	-	-
RAD Dancing (Thailand) Sdn Bhd	Thailand	-	32	-	-	-	-	23	-	-	-
Royal Academy of Dance (Australia Branch)	Australia	-	236	8	-	-	-	87	8	-	-
Royal Academy of Dance - Canadian Branch	Canada	-	(61)	26	(206)	-	-	(119)	56	(206)	-
Royal Academy of Dance (Israeli Branch)	Israel	-	85	-	-	-	-	45	-	-	-
Royal Academy of Dance	Japan	-	38	1	-	-	-	40	3	-	-
Royal Academy of Dance - New Zealand Branch	New Zealand	-	(346)	-	-	-	-	(369)	4	(31)	-
Royal Academy of Dance	Portugal	-	65	-	-	-	-	61	-	-	-
Royal Academy of Dance	South Africa	-	114	5	22	-	-	71	5	22	-
Royal Academy of Dance	USA	-	(33)	-	-	-	-	13	-	-	-

14 Funds held as custodian trustees

At the year end, the group held monies totalling £7,519 (FY23: £7,519) on behalf of its clients and the charity held monies totalling £7,519 (FY23: £7,519). These monies are not included within the balance sheet and are held separately in a clearly identifiable bank account.

15 Indemnity insurance

Indemnity insurance was included as part of the RAD's global policy to indemnify it from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part, in accordance with Article 6(h) of the RAD charter. The cost for the year ended 31 July 2024 was £22,899 (FY23: £25,776).

16 Costs of employees

a) The RAD employed 215.8 (FY23: 215) FTE administrative staff and 8.0 (FY23: 8.0) FTE commission-based staff worldwide, as well as contracting the services of examiners, teachers, tutors and musicians. Employment costs account for 54% (FY23: 57%) of total expenditure (excluding other expenditure):

	2024			2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Employee gross salaries	11,191	-	11,191	10,688	-	10,688
Employee payroll taxes	666	-	666	702	-	702
Employer pension contribution	470	-	470	492	-	492
Employees on commission	521	-	521	856	-	856
Total employment costs	12,848	-	12,848	12,738	-	12,738

Redundancy payments made during the year were £63,336 (FY23: nil) in accordance with our redundancy policy.

The RAD has several Regional Advisory Committees (RAC) in Australia, Greece, South Africa and the UK. These RACs operate through committees consisting of up to ten volunteer members and hold student events and activities throughout the year. Many of these activities are carried out by volunteers who are entitled to reimbursement of their expenses.

b) Employees earning over £60,000 including benefits in kind:

Basic salary	2024	2023
Number of group employees earning:		
Between £120,001 - £130,000	1	1
Between £110,001 - £120,000	1	-
Between £100,001 - £110,000	-	1
Between £70,001 - £80,000	8	8
Between £60,001 - £70,000	9	4

The total employee benefits for the key management personnel of the charity (as listed on page 8), including employer's pension contributions and national insurance, were £864,000 (FY23: £895,000).

Costs of employees (continued)**c) Employees earning over £100,000:**

	2024	2023
Basic salary		
Between £115,001 - £120,000	1	-
Between £110,001 - £115,000	-	1
Between £100,001 - £105,000	1	1

Chief executive – ratios

Basic salary: Average staff salary ratio	3:1	4:1
Total remuneration: Average staff total remuneration	4:1	4:1

Chief executive

	£	£
Basic salary	120,000	120,000
Pension contributions	13,579	13,579
Occupational health insurance	1,083	-
Total remuneration	134,662	133,579

17 Pension costs

The pensions charge for the year ended 31 July 2024 was £470,000 (FY23: £429,000).

In the UK, the RAD currently operates two schemes, representing in total 143 (FY23: 147) employees.

Aegon Scottish Equitable (126 employees)

Defined-contribution scheme

Teachers' Pension Scheme (TPS) (17 employees)

The RAD participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £215,000 (FY23: £210,000) and at the year-end £nil (2023 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay-as-you-go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgment, the remedy proposed was that, when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period from 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Outside the UK, RAD operates or contributes to a variety of defined-contribution schemes, money-purchase schemes or statutory schemes, representing 58 (FY23: 55) employees in 11 (FY23: 11) countries.

18 Taxation

The RAD is a charitable organisation and is entitled to UK tax exemptions available to charities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards). Royal Academy of Dance Enterprises Limited gift aids its "annual profits", as defined by a deed of covenant entered into with the RAD. Provision for UK taxation has only been made in respect of any residual profit of Royal Academy of Dance Enterprises Limited. Subject to the availability of similar charitable exemptions overseas, provision has been made for overseas taxation on the profits of overseas subsidiaries and branches.

19 Intangible fixed assets

	Intangible assets	Intangible assets under construction	Total
Group	£'000	£'000	£'000
Cost or valuation			
At 1 August 2023	66	-	66
Exchange-rate movements	5	-	5
Additions	-	139	139
Disposals	-	-	-
At 31 July 2024	71	139	210
Accumulated depreciation			
At 1 August 2023	(59)	-	(59)
Exchange-rate movements	(5)	-	(5)
Charge for the year	(6)	-	(6)
Eliminated on disposals	-	-	-
At 31 July 2024	(70)	-	(70)
Net book value			
At 31 July 2024	1	139	140
At 31 July 2023	6	-	6
Charity			
	£'000	£'000	£'000
Cost or valuation			
At 1 August 2023	40	-	40
Exchange-rate movements	7	-	7
Additions	-	139	139
Disposals	-	-	-
At 31 July 2024	47	139	186
Accumulated depreciation			
At 1 August 2023	(40)	-	(40)
Exchange-rate movements	(7)	-	(7)
Charge for the year	-	-	-
At 31 July 2024	(47)	-	(47)
Net book value			
At 31 July 2024	-	139	139
At 31 July 2023	-	-	-

20 Tangible fixed assets

	Freehold land and buildings	Furniture and office equipment	Computer equipment	Motor vehicles	Total
Group	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2023	25,142	1,584	3,496	49	30,271
Exchange-rate movements	(194)	(11)	(20)	(2)	(227)
Additions	-	45	175	-	220
Disposals	(8)	(3)	(1)	-	(12)
Revaluation	335	-	-	-	335
At 31 July 2024	25,275	1,615	3,650	47	30,587
Accumulated depreciation					
At 1 August 2023	(91)	(491)	(3,279)	(49)	(3,910)
Exchange-rate movements	92	7	19	2	120
Charge for the year	(463)	(145)	(136)	-	(744)
Eliminated on disposals	-	-	1	-	1
Revaluation	444	-	(1)	-	443
At 31 July 2024	(18)	(629)	(3,396)	(47)	(4,090)
Net book value					
At 31 July 2024	25,257	986	254	-	26,497
At 31 July 2023	25,050	1,094	217	-	26,361
Charity					
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2023	25,015	1,429	3,374	49	29,867
Exchange-rate movements	(191)	(8)	(18)	(2)	(219)
Additions	-	33	171	-	204
Disposals	(8)	(3)	-	-	(11)
Revaluation	335	-	-	-	335
At 31 July 2024	25,151	1,451	3,527	47	30,176
Accumulated depreciation					
At 1 August 2023	(91)	(391)	(3,172)	(49)	(3,703)
Exchange-rate movements	91	6	18	2	117
Charge for the year	(463)	(129)	(128)	-	(720)
Eliminated on disposals	-	1	-	-	1
Revaluation	444	-	-	-	444
At 31 July 2024	(19)	(513)	(3,282)	(47)	(3,861)
Net book value					
At 31 July 2024	25,132	938	245	-	26,315
At 31 July 2023	24,923	1,040	200	-	26,163

20 Tangible fixed assets (continued)

The RAD owns freehold properties in the UK, Australia and South Africa. The current valuations, after depreciation charges and exchange gains arising out of the translation of Group freehold properties at the end of the financial year, are:

	Value at 1 August 2023	Exchange movement	Charge for the year	Additions to freehold	Disposals to freehold	Increase in valuation	Value at 31 July 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom	21,600	-	(444)	-	(8)	779	21,927
Australia	3,323	(98)	(19)	-	-	-	3,206
South Africa	127	(3)	-	-	-	-	124
Total	25,050	(101)	(463)	-	(8)	779	25,257

The freehold property in London, UK was valued as at 31 July 2024 at fair value in accordance with the RICS Valuation – Global Standards effective 31 January 2022, which incorporates the International Valuation Standards (IVS) and, where applicable, the relevant RICS national or jurisdictional supplement (the “RICS Red Book – Global Standards”) and in accordance with UK Generally Accepted Accounting Principles (UK GAAP) – FRS 102. The valuation was carried out by Daniel Watney LLP, Chartered Surveyors.

The freehold property in Sydney, Australia was valued on 31 July 2024 at fair value. This valuation was carried out by Cviker Property Valuations & Consultancy.

The valuation of the freehold property in Johannesburg, South Africa was taken from the latest edition of the Johannesburg Municipality rating, which is revised periodically.

The RAD holds heritage assets which include a unique, internationally significant and continually expanding range of archival and printed sources, exhibits and pictures of ballet memorabilia. These resources are available for use by the staff and students of RAD, the wider community and any member of the public who has an interest in the RAD’s collection. As reliable cost information is not available and conventional valuation approaches lack sufficient meaning, given that certain aspects of these assets are irreplaceable, no value is included on the balance sheet in respect of these assets. No heritage assets were capitalised during the year as none exceeded the capitalisation threshold of £50,000. All subsequent expenditure incurred on the heritage assets is reviewed to determine whether it meets the criteria set out in FRS 102 for capitalising subsequent expenditure on an asset. Where the criteria are not met, the expenditure is accounted for through the SOFA. Expenditure that is required to preserve or prevent further deterioration of individual collection items is recognised in the SOFA when it is incurred.

21 Investments

	Group		Charity	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Quoted investments				
Market value at 1 August	157	153	157	153
Investment during the year	9	7	9	7
Net realised / unrealised gains /(losses)	5	(1)	5	(1)
Market value at 31 July	171	159	171	159
Historical cost at 31 July	92	99	99	99
Investments in subsidiaries				
Balance at 1 August	-	-	111	111
At 31 July	-	-	111	111
Total investments at 31 July	171	159	282	270
<i>Quoted investments</i>				
Held in the United Kingdom	67	62	67	62
Held outside the United Kingdom	104	97	104	97

All quoted investments are held within restricted funds, are listed on a recognised stock exchange and are valued at market value at year-end.

The charity owns 100% of the issued share capital of the subsidiary companies as listed below, whose aims and objectives mirror those of the RAD, with the exception of Royal Academy of Dance S/C Ltda., a company registered in Brazil, and Royal Academy of Dance de Mexico AC, a company registered in Mexico whose issued share capitals are held 100% in trust on behalf of the RAD; and RAD Dancing (Thailand) Co Ltd where the RAD holds 49% of the issued share capital, but has effective control.

The charity also has effective control over a building fund in South Africa which is administered by the Royal Academy of Dance, an association incorporated under s21 of the Republic of South Africa's Companies Act, and Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia. The results of these entities are included in the Group's results as long as the RAD continues to maintain a branch in South Africa, and operations in Indonesia. RAD Dancing (Malaysia) Sdn. Bhd. is a wholly owned subsidiary of Royal Academy of Dance Singapore Pte Ltd.

Investments (continued)

Investments in subsidiaries

Subsidiaries	Country of incorporation	Co Registration number	% of issued share capital	Assets	Liabilities	Net Assets	Capital	Income	Expenditure	Surplus / (deficit)
				£'000	£'000	£'000	£'000	£'000	£'000	£'000
Royal Academy of Dance S/C Ltda	Brazil	CNP-J27907864/0001-48	Held in trust	120	84	36	-	353	378	(25)
Royal Academy of Dance gGmbH	Germany	HRB 103317	100%	393	203	190	64	446	421	25
Yayasan Royal Academy of Dance Indonesia	Indonesia	Yayasan No 138	100% control	64	95	(31)	-	79	77	2
Royal Academy of Dance Srl	Italy	TN-0174567	99%	115	138	(23)	8	532	634	(102)
Royal Academy of Dance de Mexico AC	Mexico	RFC RAD 011026DT5	Held in trust	256	56	200	-	357	340	17
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	No 282399-X	100%	449	291	158	-	307	404	(97)
Royal Academy of Dance Singapore Pte Ltd	Singapore	No 02211/1988-M	100%	370	280	90	-	142	614	(472)
Royal Academy of Dance	South Africa	1990/004233/08	100% control	228	180	48	-	232	253	(21)
Royal Academy of Dance SL	Spain	CIF No B-59915330	100%	267	117	150	2	305	351	(46)
RAD Dancing (Thailand) Sdn Bhd	Thailand	0505554003970	49%	186	65	121	37	177	181	(4)
Royal Academy of Dance Enterprises Ltd	UK	No 2773495	100%	626	609	17	-	582	582	-
Balance as at 31 July 2024				3,074	2,118	956	111	3,512	4,235	(723)

22 Stocks	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Finished goods and goods for resale	372	276	132	148
Balance at 31 July	372	276	132	148

23 Debtors: amounts falling due within one year	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	553	216	325	147
Amounts due from subsidiaries	-	-	2,334	2,149
Other debtors	434	479	324	354
Prepayments and accrued income	1,056	1,072	846	889
Balance at 31 July	2,043	1,767	3,829	3,539

24 Creditors: amounts falling due within one year	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loans	2,560	260	2,560	260
Trade creditors	1,185	1,321	1,076	1,197
Amounts owed to subsidiaries	-	-	1,246	1,141
Taxation and social security	443	239	221	59
Accruals and deferred income	3,583	3,567	3,102	2,980
Balance at 31 July	7,771	5,387	8,205	5,637

During FY24, the RAD breached the covenant associated with the term loan due to unforeseen economic challenges and a decline in income, which resulted in an operating group loss. While the RAD has since obtained a waiver from the bank, it was issued after the year end. As a result, the carrying amount of the term loan (£2.4m) must be classified as a short-term liability in the financial statements. This reclassification does not affect the organisation's ability to meet its financial obligations or to continue as a going concern, as the waiver reflects the bank's continued support and confidence in the RAD's long-term financial position. The financial statements have been prepared on a going-concern basis, reflecting the expectation of continued support from the lender.

Bank overdrafts

At 31 July 2024, the RAD in the United Kingdom had not used any of the £700,000 available in the grouped overdraft facility (FY23: £700,000). The facility is secured on the freehold property at 188 York Road, London SW11 3JZ. The overdraft facility will be renewed for a further year in December 2024.

As at 31 July 2024, Royal Academy of Dance Enterprises Ltd had not utilised any of the £300,000 overdraft facility available. The overdraft facility will be renewed for a further year in December 2024.

Neither facility was utilised during FY24.

An overdraft facility of A\$400,000 with Westpac, secured on the property at 20 Farrell Avenue, Sydney, was made available in March 2012 to facilitate the completion of the building works on the property and to supplement the cyclical nature of the Australian operations cash flow. The facility is continuing.

24 Creditors: amounts falling due within one year
(continued)

Movement on deferred income during the year	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Balance brought forward	2,877	2,434	2,255	1,890
Received in year	3,207	4,555	2,782	3,880
Released to income	(3,255)	(4,112)	(2,559)	(3,515)
Balance carried forward	2,829	2,877	2,478	2,255

25 Creditors: amounts falling due after more than one year

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Provision for long-service award	11	12	11	12
Bank loans	267	2,663	267	2,663
Balance at 31 July	278	2,675	278	2,675

Bank loans

Bank loans of £266,667 (FY23: £2,663,034) relate to two loans in the United Kingdom:

1. Coronavirus Business Interruption Loan (CBILS) is an unsecured loan of £800,000 utilised from March 2021 for general working capital requirements. The loan repayments began 12 months after the drawdown date and comprise interest at a rate of 3.99% per annum above the Bank of England base rate on the outstanding loan balance. An election was made to utilise the business interruption payment scheme (BIP) where interest payments in the first 12 months were covered by the BIP. The loan must be repaid in full no later than March 2027.
2. Term loan of £2,500,000 utilised from July 2021 to facilitate the purchase of a new group headquarters property located at York Road, London, UK. The loan repayments commenced one month after the drawdown date and were to be made in 58 instalments of £12,319 each with a final repayment of the outstanding balance. The monthly instalments increased to £20,212 from February 2024. Interest of 3.25% per annum over the Bank of England base rate will be calculated on the outstanding amount of the loan on a monthly basis. The loan will be renewed for a further five years before July 2026.

As noted in note 24, during FY24, the RAD breached the covenant associated with the term loan due to unforeseen economic challenges and a decline in income, which resulted in an operating group loss. While the RAD has since obtained a waiver from the bank, it was issued after the year end. As a result, the carrying amount of the term loan (£2.4m) must be classified as a short-term liability in the financial statements. This reclassification does not affect the organisation's ability to meet its financial obligations or to continue as a going concern, as the waiver reflects the bank's continued support and confidence in the RAD's long-term financial position. The financial statements have been prepared on a going-concern basis, reflecting the expectation of continued support from the lender.

The Canadian branch of the RAD, which obtained a Canada Emergency Business Account loan of C\$60,000, The branch paid off C\$40,000 before December 31, 2023, with the remaining C\$20,000 forgiven.

26 Commitments

Capital commitments

There were £nil (FY23: £nil) capital commitments as at 31 July 2024.

Operating leases

Equipment is leased by Royal Academy of Dance for defined periods. The full cost over the lease period is shown below:

	2024	2023
	£'000	£'000
Less than 1 year	97,168	115,480
2-5 years	136,625	172,884
Over 5 years	-	10,928

Lease payments of £154,374 (FY23: £182,942) were charged to the Consolidated SOFA during the year.

27 Movement in restricted funds

			Type of Fund	Balance at 1 Aug 2023	Exchange movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2024
				£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted										
Step into Dance programme	UK	Project		-	-	578	(542)	-	-	36
Benesh Projects	UK	Project		68	-	-	(2)	-	-	66
Scholarship / bursary funds	UK	Restricted		548	-	40	(14)	-	-	574
Boys Only! funds	UK	Restricted		50	-	3	(6)	-	-	47
Iris Truscott fund	UK	Restricted		7	-	4	(2)	-	-	9
Regional scholarship funds	UK	Restricted		71	-	12	(15)	-	-	68
RADiate	UK	Restricted		37	-	121	(132)	-	-	26
Christel Addison funds	South Africa	Restricted		51	3	4	(20)	-	-	38
Dancing Times archive	UK	Restricted		60	-	17	(14)	-	(50)	13
Margot Fonteyn International Ballet Competition	UK	Restricted		92	-	304	(139)	-	-	257
Capital asset fund	Canada	Restricted		12	(1)	-	-	-	-	11
Scholarship fund	Australia	Restricted		-	-	193	-	-	-	193
Total Charity				996	2	1,276	(886)	-	(50)	1,338
Total Group				996	2	1,276	(886)	-	(50)	1,338

27 Movement in restricted funds (prior year)

Type of Fund			Balance at 1 Aug 2022	Exchange movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2023
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted									
Step into Dance programme	UK	Project	5	-	411	(417)	-	1	-
Benesh Projects	UK	Project	119	-	10	(22)	-	(39)	68
Scholarship/bursary funds	UK	Restricted	556	-	15	(23)	-	-	548
Boys Only! funds	UK	Restricted	50	-	-	-	-	-	50
Iris Truscott fund	UK	Restricted	10	-	4	(7)	-	-	7
Regional scholarship funds	UK	Restricted	69	-	3	(1)	-	-	71
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	(18)	-
RADiate	UK	Restricted	14	-	95	(72)	-	-	37
Christel Addison Funds	South Africa	Restricted	69	(6)	6	(13)	-	(5)	51
Regional Panel fund	South Africa	Restricted	16	(2)	-	-	-	(14)	-
Scholarship funds	Israel	Restricted	1	-	-	-	-	(1)	-
Dancing Times Archive	UK	Restricted	-	-	60	-	-	-	60
New Headquarters fund	UK	Restricted	-	-	392	-	-	(392)	-
Fonteyn competition	UK	Restricted	-	-	92	-	-	-	92
Capital asset fund	Canada	Restricted	-	-	-	-	-	12	12
Total Charity			927	(8)	1,088	(555)	-	(456)	996
Building fund	South Africa	Restricted	6	-	-	-	-	(6)	-
Total Group			933	(8)	1,088	(555)	-	(462)	996

Restricted funds

Restricted funds are funds arising out of donations, grants, legacies and awards given or raised for specific purposes. These funds listed below are used for specific projects:

- **Step into Dance:** A fully inclusive, community dance programme, a partnership between the RAD, which leads the programme, and Jack Petchey Foundation, which funds it.
- **Benesh Projects:** Funds are raised from the Benesh Institute Endowment Fund to finance changes made in the Benesh Movement website and Benesh course material.
- **Scholarship/bursary funds:** To provide grants to students attending teacher education and notation programmes at the Academy. Awards totalling £14,236 were made in this financial year (FY23: £22,781).
- **Boys Only! funds:** Funds raised at a joint RAD/RBS Billy Elliot preview gala to provide opportunities for male students whose access to dance is limited for economic, geographic or physical reasons. There was spend of £5,769 in the year (FY23: £nil) to support Project B, created to inspire boys and men of all ages to dance.
- **Iris Truscott fund:** A trust deed registered with the Charity Commissioners to give awards to students wishing to progress from either the CBTS to a Level 2 or 3 teaching qualification validated by the University of Bath and delivered by the Academy; or from BA Ballet Education to LRAD programme.
- **Regional Scholarship funds:** Funds are raised and administered by Regional Advisory Committees in England and Wales to provide scholarships for students to further their training.
- **RADiate funds:** Funds are raised from a grant received by City Bridge Trust and school tuition fees for special needs education in primary schools.
- **Christel Addison funds (South Africa):** A legacy left by a South African teacher to fund teacher training opportunities overseas for South African residents. Awards totalling £19,613 were made in the financial year (FY23: £12,435).
- **Dancing Times Archive fund:** Funds raised from a grant received from the Linbury Trust to purchase and maintain the Dancing Times archive which is based in the RAD Archive.
- **Scholarship funds (Israel):** To provide scholarships for students to further their training. No awards were made.
- **The Margot Fonteyn International Ballet Competition** is dedicated to promoting and rewarding standards of excellence in young ballet dancers internationally by offering aspiring dancers the unique opportunity to work with world-renowned choreographers and professionals, as well as the chance to perform on an international stage.
- **Building Fund (South Africa):** The building is owned by Royal Academy of Dance, a company registered in South Africa under its s21 Companies Act. Funds are raised by renting the building.
- **Capital asset fund (Canada)** relates to the purchase of assets in RAD Canada.
- **Scholarship funds (Australia):** To provide scholarships for students to further their training. No awards were made.

28 Movement in unrestricted funds

	Balance at 1 Aug 2023	Exchange movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31 Jul 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity							
Designated funds	275	183	311	(205)	-	-	564
Unrestricted funds	2,965	(261)	14,358	(14,961)	-	-	2,101
Fixed asset reserve	23,250	(100)	343	(721)	779	-	23,551
Total	26,490	(178)	15,012	(15,887)	779	-	26,216

Group

Designated funds	275	183	311	(205)	-	-	564
Unrestricted funds	4,366	(219)	19,792	(21,131)	-	50	2,858
Fixed asset reserve	23,454	(106)	347	(749)	778	-	23,724
Total	28,095	(142)	20,450	(22,085)	778	50	27,146

Movement in unrestricted funds (prior year)

	Balance at 1 Aug 2022	Exchange movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31 Jul 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity							
Designated funds	255	(3)	10	(25)	-	38	275
Unrestricted funds	2,221	(13)	15,726	(15,388)	-	419	2,965
Fixed asset reserve	24,398	(297)	144	(848)	(147)	-	23,250
Total	26,874	(313)	15,880	(16,261)	(147)	457	26,490

Group

Designated funds	255	(3)	10	(25)	-	38	275
Unrestricted funds	3,895	(24)	20,733	(20,662)	-	424	4,366
Fixed asset reserve	24,610	(312)	173	(870)	(147)	-	23,454
Total	28,760	(339)	20,916	(21,557)	(147)	462	28,095

During the year the designated reserve associated with fixed assets was reviewed and updated to reflect the net book value of fixed assets in total less associated loan finance.

Movement in designated funds (Charity and Group)

	Balance at 1 Aug 2023	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Genée legacy funds	6	-	-	-	-	6
Challengenée funds	55	-	303	(139)	-	219
Social Responsibility fund	97	183	7	(66)	-	221
Evans legacy	76	-	-	-	-	76
Fiona Campbell legacy	41	-	1	-	-	42
Designated funds*	275	183	311	(205)	-	564

Prior year

	Balance at 1 Aug 2022	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Genée legacy funds	6	-	-	-	-	6
Challengenée funds	56	-	1	(2)	-	55
Social Responsibility fund	95	(3)	8	(23)	20	97
Evans legacy	58	-	-	-	18	76
Fiona Campbell legacy	40	-	1	-	-	41
Designated funds*	255	(3)	10	(25)	38	275

* Designated funds have been earmarked for specific purposes of the RAD and include support for ballet competitions, student bursaries, and innovation and need in dance education, training and performance, especially in communities where opportunity is limited. A short- to medium-term spending plan will be established for these funds during FY25.

	2024		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
29 Analysis of group net assets between funds			
Tangible and intangible fixed assets	26,637	-	26,637
Investments	162	9	171
Current assets	8,396	1,329	9,725
Current liabilities	(7,771)	-	(7,771)
Amounts falling due after more than one year	(278)	-	(278)
Total net assets	27,146	1,338	28,484
	2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Analysis of group net assets between funds (prior year)			
Tangible and intangible fixed assets	26,367	-	26,367
Investments	152	7	159
Current assets	9,638	989	10,627
Current liabilities	(5,387)	-	(5,387)
Amounts falling due after more than one year	(2,675)	-	(2,675)
Total net assets	28,095	996	29,091

Group

The results of the eleven subsidiary companies below are consolidated with the results of the Charity (Branch Offices and UK Group) to form the Group:

Subsidiary companies

Germany	Royal Academy of Dance gGmbH, Waldenserstrasse 2-4, 10551 Berlin
Indonesia	Yayasan RAD Indonesia, Serpong Park Block G 10 / No.9 Jelupang
Italy	Royal Academy of Dance SRL, Via Vannetti 12, 38122 Trento
Malaysia	RAD Dancing (Malaysia) Sdn Bhd., No 16F 1 Sentral, Jalan Stesen, Sentral, Kuala Lumpur 50470
Mexico & Central America	Royal Academy of Dance de Mexico AC, Amates 18 Fracc Alconfores, San Mateo, Naucalpan CP 53240, Mexico
Singapore	Royal Academy of Dance Singapore Pte Ltd., Farrer Road Post Office, PO Box 106, Singapore 912804
South Africa	Royal Academy of Dance s21 Company, 51 Silwood Road, Bramley 2090, Johannesburg
South America	Royal Academy of Dance Brasil Ltda, Av. Angelica, 566/86, Santa Cecília, 01228-000 São Paulo-SP, Brasil
Spain, Andorra & Gibraltar	Royal Academy of Dance SL., Ventura i Gassol, 3, 5è-3a, 43203 Reus, Tarragona, Spain
Thailand	RAD Dancing (Thailand) Co Ltd, 121/12, Moo 10, Chiangmai-Hangdong Road, Tambon: Pae Dad, Ampur: Muang, Chiangmai 50100
United Kingdom	Royal Academy of Dance Enterprises Ltd, 188 York Road, London, SW11 3JZ

Charity

The results of the eight branch offices below are consolidated with the results of the UK Group to form the Charity:

Branch offices

Australia	20 Farrell Avenue, Darlinghurst, NSW 2010
Canada	5775 Yonge Street, Suite 1810, Toronto, Ontario M2M 4J1
Israel	Hadar Street 491, Neve Yamin 449200
Japan	Trad Mejiro B2F, 2-39-1 Mejiro, Toshima-Ku, Tokyo 171-0031
New Zealand	Ground Floor, 40 Taranaki Street, Wellington, 6011
Portugal	Rua 4 de Infancia 86, 1350-241 Lisboa
Southern Africa & Mauritius	51 Silwood Road, Bramley 2090, Johannesburg, South Africa
USA	2625 S Greeley Street Suite 360, Milwaukee, WI 53207

UK Group

The results of the eleven representative offices below are included in the results of the UK entity to form the UK Group:

Representative Offices

Caribbean	PO Box 1433, 8 Rockhampton Drive, Kingston 8, Jamaica
China	Jin Zuo, Room 201A, 108 Chuang Yi Plaza, 11 Yu Jing Gang Road, Shanghai 200070
Cyprus	71 Irinis Street, 3041 Limassol
Greece	British Council, 17 Kolonaki Square, Athens 10673
Hong Kong	Unit 1905, 19/f, 135 Bonham Strand Trade Centre, 135 Bonham Strand, Hong Kong
Ireland	Egool, Kilmovee, Ballaghaderreen, County Mayo, F45 PK59, Ireland
Malta	c/o 29/10 Sir Luigi Camilleri Street, Sliema SLM1281
Scandinavia	Smedstuveien 25, 7040 Trondheim, Norway
South Asia	40a Lake Gardens, off Lake Drive, Rajagiriya 10100, Sri Lanka
South Korea	109-603, 50 Gaepo-ro 110 gil, Gangnam-gu, Seoul 06344
Taiwan	5f, No 122, Sect 7 Chung Shan N. Road, Taipei 11151

Bankers

UK bank	HSBC Bank Plc	31 Holborn Circus, London EC1N 2HR
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Advisers

UK law firm	Fieldfisher LLP	41 Vine Street, London EC3N 2AA
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UK and Group auditor	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW
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Crowe U.K. LLP is the auditor of the consolidated group. Where not audited by Crowe U.K. LLP, branches and subsidiaries are audited or reviewed by the firms shown below:

Australia	Crowe Australia	Level 24, 1 O'Connell Street, Sydney, NSW 2000
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Brazil	Liberty Assessoria Contabil S/S Ltda.	Rua Mituto Mizumoto, 56, Liberdade, 01513 040 São Paulo-SP
---------------	---------------------------------------	--

Canada	Grant Thornton LLP	15 Allstate Parkway, Suite 200, Markham, Ontario L3R 5B4
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Indonesia	KAP Ekna Masni, Bustaman & Rekan	Gedung Sentra Kramat B No. 18, JL Kramat Raya 7-9, Jakarta Pusat 10450
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Israel	Hannan Gabriel CPA	8 Hayod-Chef Street, Hod Hasharon 45200
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Portugal	CERB	Beloura Office Park, Rua do Centro Empresarial, Edifício EE06 – Escritório 12, Quinta da Beloura, 2710-444 Sintra
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Malaysia	Crowe Malaysia PLT	Level 16, Tower C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia
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Singapore	Crowe Singapore	9 Raffles Place, #19-20 Republic Plaza Tower 2, Singapore 048619
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Spain	Asesoria Berzosa	Donoso Cotres 85, 28015 Madrid
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Thailand	KT&R Business Consultant Co Ltd	59/1 Sukhumvit 64 Bangchak, Prakanong, Bangkok 10260
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Southern Africa & Mauritius	Crowe Johannesburg	9 Autumn Street, Rivonia, Sandton, South Africa
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P5: Martin Bell






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ROYAL ACADEMY OF DANCE

England & Wales - Charity number 312826

Accounts

ROYAL
ACADEMY
OF DANCE



Annual Report and Financial Statements
For the year ended 31 July 2023



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Report of the Chair of the Board of Trustees



We are pleased to present the Annual Report and Financial Statements for the Royal Academy of Dance for the year to 31 July 2023.

This is my first Annual Report as the new Chair of the RAD and I would like to say what a joy and a privilege it is to be a part of an organisation that does so much to improve wellbeing, to nurture talent and to serve our diverse dance communities all over the globe.

Early in the year under review, we reached the end of our successful capital campaign that secured funds to support a move into our impressive new global headquarters and many of our activities are now operating at pre-pandemic levels.

In April, we hosted a successful hybrid Members' Day event at our headquarters with over 600 attendees from around the world. We have also held similarly well-attended events welcoming our local community into our home of dance. In contrast to

last year, when we had to hold a virtual Awards Day, in September we celebrated the achievements of our students at an in-person event with over 300 graduates from around the world in attendance at the ceremony.

For those just starting out on their dance journey, I am pleased to report that, once again, every one of our GCSE and A Level students achieved a pass in their exams. This is something that makes us

all delighted and proud in equal measure and is a testament to the hard work of teachers and students alike.

During the year, our RADiate programme for children with special educational needs and disabilities expanded into even more schools. In addition, the RAD now has 115 secondary schools across London and Essex taking part in our Step into Dance programme, run in partnership with the Jack Petchey Foundation.

It has not all been plain sailing. The RAD globally has faced numerous challenges and hurdles, which our dedicated and hard-working staff and management have overcome with typical resilience and dedication. On behalf of my fellow trustees, I would like to offer our thanks and gratitude to our global network of colleagues for their unwavering loyalty to the RAD and for their enthusiasm and passion in fulfilling our mission of teaching the world to dance.

I would also like to express the RAD's appreciation to all our members, supporters, sponsors, donors and friends for their continuing help and support. Their contributions and generosity, from grants and donations through to gifts-in-kind of IT equipment, allow us to introduce dance into ever more communities, making a tangible difference to so many people's lives. We will continue to extend our global reach with increasing vigour and purpose.

These are exciting times for the wider development of dance and for the RAD. We intend to remain at the forefront of spreading the message of dance across the world. I look forward to reporting on our progress over the coming years.

A handwritten signature in black ink, appearing to be 'S Moss', written in a cursive style.

Stephen Moss CBE

Chair, Board of Trustees

On behalf of my fellow trustees, I would like to offer our thanks and gratitude to our global network of colleagues for their unwavering loyalty to the RAD and for their enthusiasm and passion in fulfilling our mission of teaching the world to dance

Chief Executive's Report



The highlights of the year show that we have continued to innovate and to develop our offering while always maintaining the high standards for which we are renowned

Looking back on the financial year 2022-2023, we have continued seeking opportunities in new markets and technologies to deliver our mission.

The highlights of the year, which are described later in this report, show that we have continued to innovate and to develop our offering while always maintaining the high standards for which we are renowned. We have only been able to achieve this through the

tireless dedication and commitment of our staff around the world and the unwavering loyalty of our members. I thank them all.

A key focus during the period has been developing our safeguarding protocols. We have taken further steps to raise awareness of issues among our staff and membership, including introducing mandatory safeguarding requirements for all teachers as part of

their professional membership. These include the requirement for regular criminal record checks and annual workshops as part of members' continuing professional development (CPD).

This was one of a slew of other improvements and benefits for our members, including our Member Event Series, headquarters tours, Members' Days and the new Céline Gittens Dance Scholarship, which allows teachers to support new students in their community.

Our new global headquarters has seen its popularity grow as both a venue and a community hub. We have hosted several high-profile

open days and member events as well as accommodating over 800 students taking part in the RAD's various summer activities. Since the new building opened, we have focused on building partnerships with our local and international communities to welcome increasingly diverse audiences.

New technologies have helped to raise the profile of our work. In 2022, our 'Who Inspires You to Dance?' TikTok video reached over one million views and our podcast 'Why Dance Matters' ranked in the top quartile of the world's most popular podcasts.

Globally, our teachers supervised over 220,000 exams, an increase of 16% over the previous 12 month period. The RAD has been at the forefront of the development of filmed submissions to provide greater flexibility to students not able to travel to examinations. During the year, these accounted for around a third of the examinations.

Most recently, we launched a worldwide collaboration with Rambert Grades to offer courses and training in contemporary dance. This is part of our commitment to offer dance in other genres besides our traditional focus on ballet. The successful Margot Fonteyn International Ballet Competition held in London in October 2023 will be featured in my report next year.

Once again, I must pay tribute to our staff around the world for their continuing dedication, commitment and hard work and their willingness to adapt to a changing world. They continue to deliver to the highest standards and ensure that we maintain the RAD's position as a world leader in dance education for all and as a champion of wellbeing and inclusion.

A handwritten signature in black ink, appearing to read 'Tim Arthur'.

Tim Arthur
Chief Executive

Vice Patron, President and Officers

Vice Patron

Her Majesty The Queen

President

Dame Darcey Bussell DBE

Trustees

Stephen Moss CBE (Chair of the Board of Trustees, appointed September 2023)

Ida Levine BA Juris Doctor JD (appointed Deputy Chair of the Board of Trustees, September 2022)

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD
RAD RTS

Andrew Mcintee BA (Hons) Bus Econ
(resigned May 2023)

Chi Cao PDTD

David Nixon OBE

Deborah Cornelius MA (Cantab)

Esther Chesterman LLM LLB Dip Ed

Hilary Clark ARAD (dip PDDC) RTS
(resigned May 2023)

Imogen Knight ARAD BA (Hons) DDE, RAD TD,

RAD RTS

James Cane FCA

Joshua Tuifua PDTD (Dist), RAD RTS

Matthew Paluch MA, PDTD (Dist) RBS Dip.

Penny Parks RAD RTS
(resigned April 2023)

Professor Peter Flew Associate Pro-Vice Chancellor
(Academic Portfolio Development),
University of Roehampton

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC
Dip, LISTD Dip

Stephen Sacks

Vikki Allport RAD RTS T.DIP (Dist)

Coopted Trustees

Catherine Quinn BA (Hons), MA, MBA (appointed September 2023)

Jane Karczewski

Executive Board

Chief Executive

Tim Arthur

Chief Operating Officer

Ash Sharma

Artistic Director

Gerard Charles (resigned September 2023)

Director of Education

Dr Michelle Groves EdD MA BSc (Hons) BPhil (Hons)

Director of Development

Katy Shaw MCIOF (appointed November 2022)

Esther McLaughlin MinstF (resigned October 2022)

Director of Marketing and Communications

Melanie Murphy Dip IPR MICPR
(resigned November 2022)

Director of Membership

Penny Cotton (appointed January 2023)

Director of Examinations

Mary Keene (appointed November 2023)

James Stockdale MioD (resigned October 2023)

Director of Finance

Renu Randhawa ACA

Associate Director of Marketing and Communications

Susi Pink DipM (appointed January 2023)

Vice Presidents

David Bintley CBE

Li Cunxin AO

Dame Beryl Grey (died December 2022)

Dame Monica Mason DBE

David McAllister AC

Wayne Sleep OBE

Sir Peter Wright CBE DMus DLitt FBSM

Advisory Council

Joy W Brown

Barbara Fewster OBE FISTD

Lady Porter

Sir Roy Strong CH DLitt PhD FRSA FRSL

Report of the Trustees

The Trustees of the Royal Academy of Dance (RAD or 'The Academy') present their report and audited financial statements for the year ended 31 July 2023. This contains information to satisfy the requirements of trustees' reports under the Charities Act 2011, and to comply with current statutory requirements, the RAD's Charter, the Statement of Recommended Practice for Accounting and Reporting by Charities (2019), and Financial Reporting Standard FRS 102.

This report contains information about the group and charity. In the context of these financial statements, the group accounts include the audited accounts of the charity and its subsidiaries, and the charity accounts include the audited accounts of the RAD in the United Kingdom and its branches for the year to 31 July 2023. The entities comprising the group and the charity are shown on page 16.

Our registered and head office is 188 York Road, London, SW11 3JZ. The RAD has 29 international offices which manage branches, representative offices, and subsidiary companies, in which the RAD holds, either in trust or outright, 100 percent of the issued share capital. The RAD also has effective control over an association incorporated under Section 21 of the Republic of South Africa's Companies Act which owns the freehold property in South Africa; Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in

Indonesia; and RAD Dancing (Thailand) Co Ltd where it holds a minority shareholding.

The RAD is recognised to award regulated qualifications in England, Wales and Northern Ireland and is required, through our board of trustees, to issue an annual Statement of Compliance to the Office of Qualifications and Examinations Regulation (Ofqual), Qualifications Wales and the Council for the Curriculum, Examinations and Assessment (CCEA). We are also recognised as an approved awarding body in Scotland by SQA Accreditation, part of the Scottish Qualifications Authority.

Through our Faculty of Education, the RAD is registered with the Office for Students (OfS) as a provider of higher education and is designated by the Office for Standards in Education, Children's Services and Skills (Ofsted) as an 'outstanding provider of initial teacher training'.

The RAD is required to report any safeguarding (including Prevent) incidents to the Charity Commission and to the OfS, Ofqual, Qualifications Wales and CCEA, where there is an event which could have an adverse effect in leading to a loss of standards, integrity, or public confidence in qualifications, and to Ofsted according to the circumstances. We follow the Charity Governance Code.

Statement of Corporate Governance

Governing documents

The Academy is governed by its Supplemental Charter and Bye-laws, last amended on 10 July 2019.

Governing body

The Academy's Board of Trustees ('The board') is the statutory governing board of the legal entity.

The board is legally responsible for the overall management and control of the Academy and, as such, has oversight and management of the strategic, financial and operational areas of the RAD's activities and all other aspects of the Academy's existence save for responsibilities delegated to the Academic Board in respect of the regulating and directing of the academic work of the RAD, including teaching (undergraduate and postgraduate degrees as well as degree apprenticeship programmes) and research.

The board has ownership, oversight and management of the regulatory responsibilities and relationships of the Academy. It meets at least four times a year.

In accordance with the Supplemental Charter and Bye-laws, the board has the power to delegate responsibility (but not accountability) to committees, directors and the management of the RAD.

The board has established certain committees to carry out its responsibilities. The number of members of any such committee and the terms on which they hold and vacate office shall be determined by the board. Reports (at least annually) from these committees shall be received and considered by the board where appropriate.

See the 'Organisational management' section below.

Recruitment of trustees and training of trustees

The board shall consist of such trustees, with such qualifications and appointed or elected in such manner and shall hold office for such periods and on such terms as may be prescribed by the Bye-Laws.

The training of the trustees depends on each individual's area of expertise, but common areas of training are carried out as part of the board meetings.

Organisational management

The board delegates responsibility for Academy management onto the following subcommittees:

- Finance, Audit and Risk
- Examinations and Regulatory
- Artistic
- Education
- Fundraising and Development
- Global Membership and Marketing
- Royal Academy of Dance Enterprises Ltd (RADE) Enterprises

This structure ensures regularity and propriety in the use of public and donor funding.

Consideration of the financial position of the Academy is a standing item for both the Board of Trustees and the executive committee.

Statement of Internal Control & Risk Management

The trustees are responsible for the system of internal control operating within the Academy and for reviewing its effectiveness as well as ensuring they are linked to achieving its objectives.

The trustees identify areas of improvement in the system of internal control based on reports and internal reviews. The trustees approach this responsibility from the perspective of discharging their duties, as specified in the 'Regulatory framework for higher education in England' published by the OfS in February 2018, also as specified by the Charity Commission for England and Wales.

The risk-management strategy is designed to support this mission by assessing and managing the risks to the Academy of achieving its stated mission and to ensure that it is also protecting stakeholders to which it has responsibilities, such as students, staff, funding bodies, partners, suppliers and the general public. This strategy forms part of the Academy's control and governance structure and is designed to give summary guidance for those different parts of the Academy that are responsible for managing risk and for ensuring that their decisions are implemented.

The Academy does not have an internal audit function and relies on external audits to review the controls in operations.

The risk management objectives of the Academy are to:

- Integrate an awareness of managed risk-taking and effective risk management into the culture of the Academy
- Manage risk in accordance with good practice
- Embed risk management within strategic and operational management processes
- Consider legal compliance as a minimum standard
- Anticipate and respond to changing economic, social, environmental and legislative requirements
- Prevent injury and damage and reduce the cost of risk

These objectives will be achieved by:

- Maintaining and updating a risk register which details those risks which, in the view of senior management and the board, pose the greatest challenge to the achievement of the Academy's mission and of its continuing function
- Assessing the likelihood of these risks occurring and the likely impact of an occurrence
- Putting in place arrangements to manage and monitor risk
- Maintaining effective communication with and the active involvement of staff
- Preparing contingency plans in areas where there is a potential for an occurrence having a negative effect

- Monitoring and reviewing arrangements on an ongoing basis
- Insuring against risk where this is deemed to be cost-effective

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, a system of delegation and accountability, and independent scrutiny. In particular, the system includes:

- Comprehensive budget setting and monitoring systems
- Regular reviews of periodic financial reports which indicate financial performance against budgets and forecasts
- Access by all finance staff and appropriate departmental staff to systems providing a suite of enquiries and reports to facilitate effective financial management on an ongoing basis
- Clearly defined capital expenditure guidelines
- Scrutiny by trustees, OfS, other inspectorates, external auditors and other stakeholders

The trustees have ultimate responsibility for the total risk exposure of the Academy by:

- Setting the tone and influence of the culture of risk management across the Academy
- Determining the extent to which the Academy is 'risk taking' or 'risk averse' as a whole and setting the Academy's 'risk appetite'
- Approving major decisions affecting the Academy's risk profile or exposure
- Determining what types of risk are acceptable/not acceptable, monitoring significant risks and control improvements to mitigate risks
- Twice-yearly review of the Academy's approach to risk management and approving changes or improvements to key elements of the process and procedures
- Establishing, maintaining, and reviewing controls for monitoring risks
- Having particular focus on the financial risks that could impact the Academy and its provision of world-class dance education and training

The Chief Executive will report to the trustees on a bi-annual basis as to the approach to risk faced by the Academy, and the management of it, and in each, the trustee meeting will report on any incidents and/or changes to the level of risk faced by the Academy and the approach to managing those changed circumstances. The framework for these discussions will be the risk register.

Principal Activities

At the RAD, we provide dance training, dance-teacher education, and dance-assessment services to students and teachers. We are also:

- A registration organisation for dance teachers, providing opportunities for the education and training of young people and adults in dance, and employment opportunities for dance teachers
- A higher education provider, offering programmes of study and associated qualifications for aspiring dance teachers
- An awarding organisation, devising and administering a portfolio of examinations in dance which form part of the assessment process of

courses of study, delivered by teachers, leading to proficiency in dance at a high level

- The owner of Benesh Movement Notation, and a provider of programmes of study and qualifications for dance notators
- An organisation that delivers dance projects for specifically targeted groups, as well as offering a global programme of activities, events, competitions, awards, bursaries, and scholarships aimed at engaging local communities in the world of dance

Our services can be seen at

www.royalacademyofdance.org and through local websites internationally.

Public Benefit

The RAD is a charity registered in England and Wales. Our trustees are required to ensure that they carry out the charity's aims for the public benefit whenever the exercise of any powers or duties may be relevant. As such, the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the RAD and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which are set.

The charitable objectives as set out in our charter are to:

1. Elevate and advance the art of dance by promoting the correct tuition of dance in its highest forms,
2. Advance education in the art of dance, by:
 - Providing facilities for dance, dance education and training

- Setting up and maintaining programmes of study for the education and training of dancers, teachers and notators of dance (such programmes to include, but not be limited to, the study of Benesh Movement Notation)
- Setting and conducting exams in dance and the teaching of dance
- Educating, training, assessing, registering, licensing and chartering teachers of dance who meet standards determined by the board from time to time
- Promoting the teaching of dance

The trustees have reviewed these aims and consider that our activities meet the main principles of public benefit: that they are identifiable and are related to our aims of the RAD, that the public are the beneficiaries, and that there is no significant exclusion as to who can benefit.

Mission and Vision

Our mission is to inspire the world to dance.

Our vision is to be:

- **The voice of expertise** – globally recognised as a leader in dance education and training
- **Flourishing** – financially healthy and agile with a diversified income to support our ambitions

- **Welcoming** – with a belief in the power of dance to transform lives, and the value of a diverse workforce and community
- **In step** – working collaboratively to deliver our vision
- **Choreographed to deliver** – with the right people and processes to realise our objectives.

Highlights during the year to 31 July 2023

100%

of our A Level and GCSE students achieved a pass or above for the academic year

115

secondary schools across London and Essex took part in the Step into Dance programme

Over

800

students took part in our summer activities

We conducted

220,000

exams worldwide, of which

36%

were filmed submissions

Our awards ceremony in September 2022 was attended by

313

graduands

Our 'Who inspires you to dance?' TikTok video reached

1,000,000

and

245,000

likes

According to stats from Buzzsprout, our 'Why Dance Matters' podcast was listed as the UK's top dance podcast and is in the

top 25%

of podcasts in the world

This year's RADiate has been able to facilitate

5,058

participations by children from eight primary schools over a 33-week period

Strategic Objectives and Achievements

Our strategic plan for the year from August 2022 to July 2023 had three objectives. Two of these (SO1 and SO2) focused on how we operated and ensured financial stability, and the third (SO3) focused on why we exist – our purpose – and how to use our position as a leading dance, education, and training organisation to attract, retain and support our members and students.

SO1: Review and adapt structures and systems to focus use of people, skills and resources to maximise impact:

Achievements and Performance

Artistic

- In June 2023, we launched a worldwide collaboration with Rambert Grades, which offers a syllabus in contemporary dance. This also gives RAD members Rambert Grades annual membership
- A cultivation dinner was held for Goldman Sachs in September 2022 to attract philanthropic sponsorship. We curated and introduced a performance from Royal Ballet principals, Steven McRae and Anna Rose O'Sullivan, as well as a Q&A with Dame Darcey Bussell. There were also performances from RAD Dance School students and schools from Step into Dance
- Development started on a Silver Swans framework and resources, to be launched in early 2024 along with an early year's framework to be piloted in 2024-2025

Examinations

- The recently designed marking app used by our examiners has considerably improved the turnaround time for issuing exams results to students. We expect to make further enhancements in the current year
- We developed checklists for use by teachers that provide guidance on how to score filmed exam submissions
- We are developing the RADius database to improve regulatory compliance and other processes, including the issuing of exam certificates

Faculty of Education

- Our graduation awards ceremony in September 2022 was attended by 313 graduands out of a total of 718 students who completed the various programmes
- RAD arranged seven focus groups drawn from national offices to pre-validate the new Certificate in Dance Teaching (Ballet). These were followed by 11 information webinars attended by nearly 1,000 people

- The new Professional Dancers' Graduate Teaching Diploma was validated in November 2022. This diploma combines the best features of the Professional Dancers' Teaching Diploma and the Professional Dancers' Postgraduate Teaching Certificate and will comply with the regulatory requirements of a Level 6 qualification.
- A new and extended Pathways to RTS portfolio was approved in November 2022, to extend eligibility for Registered Teacher status
- The Assistant Teacher Award was launched, with the first Approved Tutor Training and Induction taking place in May 2023
- Development of digital platforms such as Moodle, Turnitin and Padlet continued to improve efficiency and student learning experiences
- 'Outstanding' External Examiner reports were received for all Faculty of Education programmes
- We delivered the second 'Imagining the Future of Dance Education' symposium with presentations from Faculty of Education Early Career Researcher graduates
- We joined Data Future, a new statutory requirement for all providers of higher education
- Student wellbeing remains a priority. We appointed a Student Support and Welfare Officer and have seen good uptake of Talk Campus, a 24/7 student-support app available in 26 languages. Recruitment to Faculty of Education onsite programmes remained difficult as a result of a competitive market, cost-of-living concerns and limited bursary support
- We were not successful in our re-accreditation application for delivery of PGCE provision (along with over 200 other Accredited Providers of Initial Teacher Education). 2023-2024 will see the last delivery of the PGCE: Dance Teaching (with QTS). We will consider other options to remain in compulsory education teacher training

SO2: To secure capital funding and investment to transform access to dance

Achievements and Performance

Fundraising and Development

- The capital campaign to support the move to the new global headquarters closed in the year with generous gifts from The Dorfman Foundation and the Kusuma Trust
- The priority for fundraising activity switched to securing revenue donations to fund our cultural engagement plans and continuing work in communities
- We launched a new Patrons' Circle in autumn 2022
- We established a syndicate of donors and trusts to fund The Margot Fonteyn International Ballet Competition, held in London in October 2023
- We were very fortunate to secure a number of major grants and donations during the year, including an investment from Mastercard to transform our IT equipment, a grant from The Linbury Trust to secure The Dancing Times photographic collection for the RAD, and the first year of multi-year funding from Paul Hamlyn Foundation

SO3: To set teaching and learning standards for dance teachers and students worldwide to enhance the RAD's global reputation

Achievements and Performance

Examinations

- We worked with approximately 230 examiners worldwide to conduct exams, including working on recruitment, training, standardisation and engagement
- Examiners have been travelling at pre-pandemic levels, though we have aimed to minimise our carbon footprint by reducing examiner and staff travel
- In December 2022, we submitted the RAD Ofqual Statement of Compliance, showing fulfilment of the regulatory framework demands
- RAD again demonstrated full compliance with SQA's Principles of Regulation
- The Safeguarding Manager used feedback from the work the NSPCC completed to improve the RAD's safeguarding guidance and operations
- In September 2022 we launched the Member Event Series, including online member welcome events, in-person tours of RAD headquarters and a series of online/hybrid events divided into the three themes of Connect and Inspire, Inform and Educate, and Entertain and Delight
- We organised a hybrid Members' Day with over 600 attendees from 49 countries
- In April 2023, the RAD held its 86th AGM, a hybrid event allowing 117 members to join us from around the world
- We introduced an offer qualifying all RTS members to receive a 20% discount on professional Benesh membership. Similarly, professional Benesh members benefit from a 20% discount on RAD RTS membership
- At the year-end, there were 12,087 active members, a small increase on the previous year. Although we recruited 1,182 new members, 1,005 members gave up their membership for a variety of reasons. We continue to develop our products to improve member retention

Membership

- The number of registered teachers increased from 7,934 to 8,126. Other members increased from 3,938 to 3,961
- We introduced mandatory safeguarding requirements for teachers as part of their professional membership. They must obtain a criminal record check at least every three years, declare criminal convictions, and take part in annual safeguarding as part of their CPD. New and reinstating applicants must also provide a copy of their curriculum vitae
- In May 2023, we launched the Céline Gittens Dance Scholarship, generously supported by Gallagher, the insurance company, to provide funds to support a UK RAD Registered Teacher to introduce new students into their dance community. We received six applications, and the scholarship was awarded following a panel discussion
- In the year to 31 July 2023, 404 students from the Faculty of Education graduated. Of these, 43% have become members, and of these, 98% have become

RAD Registered Teachers. The average graduate conversion rate for the wider membership sector is around 20%, which we are seeking to increase by improving our offer

Library & Archive

- The Library & Archive received 4,443 visitors in the year, surpassing the number of annual visitors before the pandemic
- Funded by the Benesh Foundation, the Benesh Movement Notation Score collection was digitally scanned. Video recordings of off-air broadcasts and those previously in obsolete formats are now available on request for visitors to view within the Library & Archive
- We curated a series of displays showcasing selected archive collections and demonstrating our commitment to preserving UK dance heritage to support events for donors and patrons
- We published a new collections-development policy for the archive to provide guidance for stakeholders and donors on suitable material and acquisition procedures
- We started a cataloguing project to improve access to the collection. The RAD acquired another significant collection of photographs and press cuttings from the estate of the late Dame Beryl Grey, one of the RAD's vice-presidents
- We have postponed the introduction of an upgraded central storage system to allow digital material (AV files, databases and images) to be viewed by visitors pending the roll-out of our improved IT systems
- In consultation with external conservators, we designed a response plan for the Library & Archive to prioritise which items to salvage in the event of an emergency. We also drew up an integrated cleaning and pest-management strategy

Learning and Participation

Our London summer activities included:

- Two weeks of Junior Summer School and Senior Summer School,
- An Intensive Syllabus Course,
- Children's Summer Classes, two Adult Summer Courses featuring Ballet and Pilates, and Contemporary Dance and Yoga in partnership with The Place,
- Adult Repertoire Workshop and Adult Intensive Repertoire Weekend,
- Two Silver Swans Summer Courses.
- These events saw over 800 students aged from four to 83 take part. Compared to 2021/2022, numbers were up as we were able to run a fuller schedule

and we were delighted to see many international students returning

- We held a successful RAD Dance Challenge event in autumn 2022, alongside The Bedells Bursary
- An expanded Exploring Repertoire event took place in autumn 2022. Over 200 participants across all ages took part and saw performances from English National Ballet School students studying on their pre-professional dance programme and RAD Faculty of Education students. We held a further instalment in spring 2023, welcoming participants from around the UK
- Our Boys Only! partnerships with Trinity Laban in autumn and The Place in the spring reached 70 students aged eight to 15
- 40 Silver Swans joined our Easter Course. We want to expand with a regional weekend offer in 2024
- Our A Level and GCSE students achieved a 100% pass rate for the 2022-2023 academic year. Students achieved the following percentage of grades:

A Level		GCSE	
Grade		Grade	
A*	–	9	12.5%
A	50%	8	–
B	50%	7	25%
C	–	6	12.5%
		5	37.5%
		4	12.5%

- 75% of this year's A Level candidates will be going on to further Higher Education from September 2023, with 83% of those students planning to study Dance. The remaining students have opted to take a gap year to pursue further study in September 2024.

Dance School

- Increased overall enrolment saw an average class capacity of 80% with just under 1,500 students enrolled - nearly 500 of whom take multiple classes

Step into Dance

- 115 secondary schools across London and Essex took part in the Step into Dance programme, reaching 3,374 young people. We grew a cohort of 22 Ambassadors, 34 Company Dancers and five Step into Dance Leaders, and hosted a number of successful events

RADiate

- This year's RADiate has been able to facilitate 5,058 participations by children from eight primary schools, a mix of mainstream and specialist, across London over a 33-week period, in weekly inclusive dance and movement sessions delivered by specialist dance artists

Marketing and Communications

- In November 2022, Mikhail Baryshnikov received the Queen Elizabeth II Coronation Award from Her Majesty The Queen. This press campaign garnered 370 pieces of coverage across the UK and internationally with highlights in *The Guardian*, *The Evening Standard* and *Vanity Fair*
- In August 2022, one of our TikTok videos went viral, reaching over one million views and 245,000 likes. The caption asked audiences 'Who inspires you to dance?' and showed young dancers watching older dancers through one of our studio windows
- The Fonteyn microsite launched in January 2023 and by September 2023 had nearly 8,000 views by nearly 4,000 unique users. All traffic has been organic
- In March 2023, our 'Why Dance Matters' podcast was listed as the UK's top dance podcast. Currently, it is placed in the top 25% of podcasts in the world. The podcast has also surpassed 22,000 listeners
- Silver Swans came to the forefront of the news because Her Majesty The Queen is a Silver Swan, as is our ambassador Angela Rippon, who reached the Blackpool week of *Strictly Come Dancing 2023*

Continuing Professional Development (CPD)

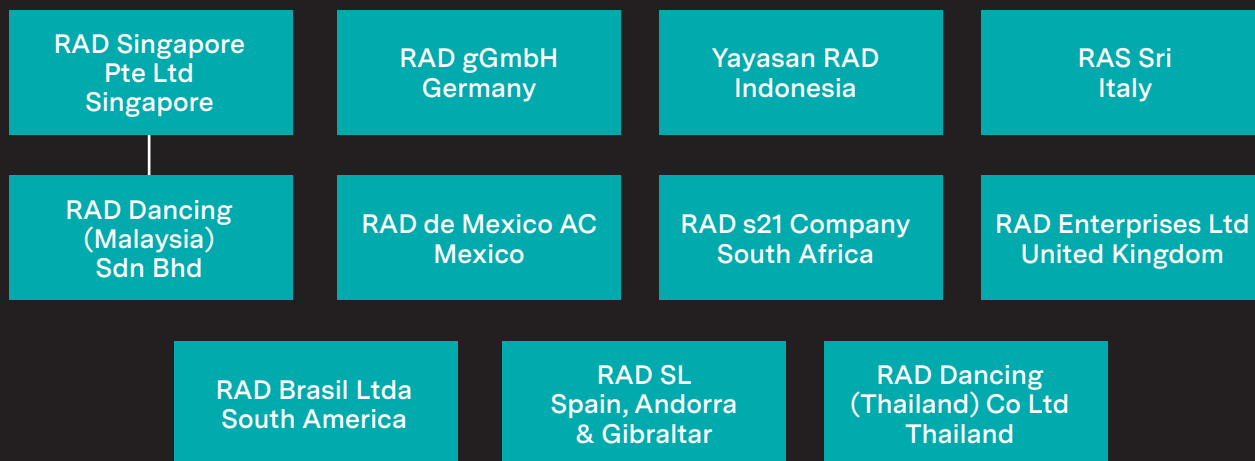
- CPD partnered with Child Poverty Action Group to offer a free webinar to highlight the reality of child poverty in the UK and its impact on opportunities to take part in music, arts, sports and dance. 61 teachers attended activities focusing on wellbeing as part of Finding Your Balance: Nurturing Self and Others, a two-day online event
- 80 teachers took part in activities focusing on inclusive dance as part of Dance for All, a three-day event in Salford, UK and online
- June 2023 saw the first in a series of Discovering the Karsavina Syllabus events

RAD Corporate Structure

RAD

Subsidiary companies

The results of the subsidiary companies are consolidated with the results of the Charity (Branch offices and UK Group) to form the Group.



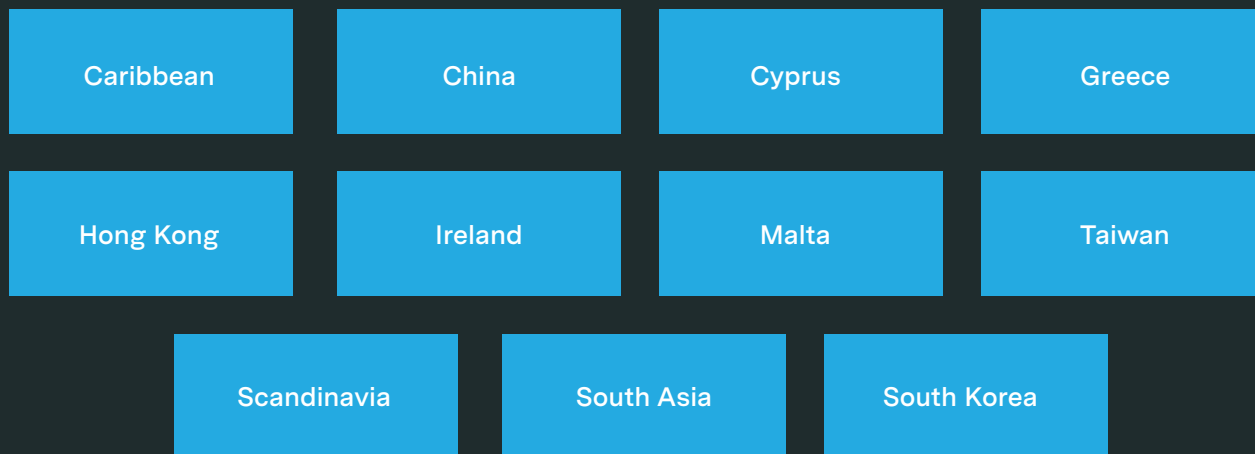
Charity

RAD

Branch offices



Representative offices



The results of the representative offices are included in the results of the UK to form the UK Group.

Corporate Governance

The group relies on a robust governance framework to support the organisation. Responsibility for good governance lies with the trustees, who are accountable to the members. The trustees oversee the RAD's worldwide operations through a trustee board and seven separate subcommittees.

President and Vice Presidents

We currently have six elected vice presidents. They do not have to be Full Members of the RAD at the time of election but are deemed to become Full Members following election. Candidates for the office of president and up to nine vice presidents can be nominated by Full Members or be recommended by the Board of Trustees and are elected by members at the AGM. Since the revision of the charter in 2008, the president and vice presidents elected since that date can only hold office for a maximum of two terms of five years, in accordance with clause 52.7 of the bye-laws.

Advisory Council

The advisory council consists of the president, vice presidents and any other persons appointed by the board to provide advice. The advisory council did not meet during the year.

International Advisers

The trustees may appoint up to five international advisers whose ordinary residence is not in the UK and who may attend meetings of the Board of Trustees in an advisory capacity. There are no current appointments.

The Board of Trustees

- The board comprises a maximum of 20 members, of whom ten are Full Members of the RAD (List A) and ten, including the chair, are List B trustees. List B trustees, who may or may not be Full Members, have been recommended by the board as persons likely to bring skills or experience in areas other than dance or education
- Candidates for the office of trustee can be nominated by Full Members or recommended by the Board of Trustees and are elected by members at the AGM. Trustees are elected to hold office for a term of three years and may be re-appointed for two further consecutive terms in accordance with clauses 33 to 38 of the bye-laws
- Individuals may be co-opted by the trustees to fill vacancies arising during the year
- The board's role and responsibilities are set out in formal Terms of Reference and Standing Orders. There are currently 15 elected trustees on the board, and in addition, co-opted members serve on each of the subcommittees

List A Trustees

Hilary Clark ARAD (dip PDTTC) RTS
(resigned May 2023)
Imogen Knight ARAD BA (Hons) DDE, RAD TD,
RAD RTS
Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD
RAD RTS
Chi Cao PDTT
Vikki Allport RAD RTS T.DIP (Dist)
Joshua Tuifua PDTT (Dist), RAD RTS
Matthew Paluch MA, PDTT (Dist), RBS Dip
Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC
Dip, LISTD Dip
Penny Parks RAD RTS (resigned April 2023)

List B Trustees

Stephen Moss CBE
(Chair, appointed September 2023)
Ida Levine BA Juris Doctor JD (Deputy chair)
James Cane FCA
Professor Peter Flew Associate Pro-Vice Chancellor
(Academic Portfolio Development),
University of Roehampton
David Nixon OBE
Esther Chesterman LLM LLB Dip Ed
Deborah Cornelius MA (Cantab)
Stephen Sacks
Guy Perricone (resigned December 2022)
Andrew McIntee BA (Hons) Bus Econ
(resigned May 2023)

Co-opted Trustees

Catherine Quinn BA (Hons), MA, MBA
(appointed September 2023)
Jane Karczewski (appointed September 2023)

Meetings

The board schedules at least four meetings a year, plus an annual strategy day. Comprehensive papers, including minutes of previous meetings, are presented to the board.

Constitution

The chair is responsible for the leadership and management of the board.

The chief executive is responsible for the leadership and day-to-day management of the RAD to ensure the delivery of the strategy agreed by the board. The chief executive is supported by members of the executive board.

Induction

All trustees are provided with a handbook, and take part in induction sessions with senior staff to familiarise themselves with the work of the RAD.

Related parties

The RAD has entered into a number of transactions with related parties during the year. These are in the form of management charges made to overseas branches and subsidiaries to cover the cost of administration of the group by UK headquarters, fees and expenses paid to four trustees in their capacity as examiners, tutors or mentors, and rental paid on property used for RAD business. Further detail can be found in note 13.

Independence

Trustees are required to sign a code of conduct on appointment. Up to one half of the trustees may receive an emolument for services rendered to the RAD, but where the trustee has received payment in the preceding twelve months, may not take part in any debate or vote considering emoluments, whether specific or general, and should not be present at a meeting at which a specific payment to that trustee is discussed or an appointment which involves payment is made.

Trustees are required to disclose any third-party interests annually and to disclose any gifts received. These are disclosed in note 13.

Indemnities and insurance

In accordance with Article 6(h) of the RAD's charter, the RAD takes out indemnity insurance as part of its global policy to indemnify it against loss arising from the neglect or default of its trustees, employees, or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part.

Board subcommittees

The board operates seven subcommittees, created under bye-law 40 of the RAD's charter. All subcommittees have formal terms of reference and standing orders which are reviewed annually.

All subcommittees have regular and unscheduled meetings, and papers are made available to all members and those in attendance. The Chairman is an ex-officio member of all subcommittees.

Finance, Audit and Risk subcommittee

The Finance, Audit and Risk subcommittee's key function is to support the board in fulfilling its responsibilities in reviewing the effectiveness of financial reporting, internal controls and risk management. In addition, the subcommittee considers the statutory accounts and meets annually with the external auditors to receive and discuss their report on the annual audit.

As part of this role, the subcommittee provides advice to the board on whether these financial statements are fair, balanced and understandable, and provides information for members to assess the RAD's performance.

The Finance, Audit and Risk subcommittee also advises the board of trustees on all financial matters and considers the management and financial accounts, budgets, general salaries policy, and financial resources of the group together with the strategic plan prepared on a five-year rolling basis with annual revisions. The subcommittee also assesses the risks to which the RAD is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention. It holds five scheduled meetings a year.

Trustee members

James Cane (Chair)
Stephen Moss
Ida Levine
Amy Giancarlo

Co-opted members

Michelle McGrath
Sandra McAlister
Catherine Quinn

Directors

Chief Operating Officer
Director of Finance

Examinations and Regulatory subcommittee

The Examinations and Regulatory subcommittee advises and supports the director of examinations (and other directors) in overseeing the regulatory aspects that govern the work and policies of the examinations board and the RAD. The subcommittee seeks to ensure that our examination policies and standards are maintained and enhanced; that the RAD's examinations board is fully accountable; that it complies with the requirements of the external regulators (including annual submissions to the regulators); maintains the highest standards of efficiency and quality assurance in its policies and procedures; and that programmes remain practically and financially viable.

Trustee members

Esther Chesterman (Chair)

Co-opted members

Edith Devoy
Michael Smith
Brenda Soar
Tim Arnold
Louise Norman
Barbara Amponsa-Abedi

Director

Director of Examinations

Artistic subcommittee

The Artistic subcommittee is a source of advice, support and debate for the artistic director on advances and changes in the dance, arts and education sectors that may affect the RAD. It supports the artistic director in ensuring that the RAD's artistic ideals and standards, and the aims of the RAD's Royal Charter and Strategic Plan, are articulated, visible and upheld in all of our activities (including student training, community provision, competitions, syllabus, member teacher and independent contractor support, and outreach programming); and that our artistic initiatives are artistically, practically, and financially viable. The subcommittee may form limited-time working groups with members outside the subcommittee. It may also receive items for review delegated from the Board of Trustees and may report recommended actions for approval.

Trustee members

Imogen Knight (Chair)
Chi Cao
Hilary Clark (resigned February 2023)
Penny Parks
David Nixon
Vikki Allport (appointed September 2022)
Joshua Tuifua (appointed September 2023)

Co-opted members

Amanda Eyles
Wade Lewin
Vidya Patel
Kylie Ann Aliferis (appointed September 2022)
Ana Maria Campos (appointed September 2022)
Anuschka Roes (appointed September 2022)
David Steele (appointed September 2022)

Director

Artistic Director

Education subcommittee

The Education subcommittee advises and supports the director of education on advances and changes in education that may have an impact on the work and policies of the Faculty of Education and the RAD. It ensures that all programmes of study are fully accountable, developed and maintained to the highest standards, and are financially viable. It also seeks to ensure that, as a provider of higher education, we uphold our public interest governance principles including, but not limited to, the principles of freedom of speech and academic freedom. The RAD complies with its duties under section 29 of the Counter-Terrorism and Security Act 2015.

Trustee members

Professor Peter Flew
Hilary Clark
Amy Giancarlo
Rachel Jackson-Weingärtner

Co-opted members

Prue Huddleston, Professor Emeritus at the Centre of Education Studies, University of Warwick
Professor Ting Tina Chen, Chief Representative, RAD China
Shelley Yacopetti, Education and Engagement Manager for FoE/Australia, RAD
Dr Anne Chappell, Head of Department, Reader in Education (Brunel University of London)
Maria Clutterbuck, Partnership Quality Manager, University of Bath
Dr Janet Rose, Principal, Norland College, Bath
Fiona Sheehan, RAD Examiner, Principal (Mayhew School of Dance and Performing Arts)
Dr Joanne Cliffe, Senior Lecturer, University of Birmingham
Sophie Coster, Student Representative (DDTS)
Naomi Wallis, Student Representative (MAE)
Paula Scales, Tutor, Burnley Dance Centre

Director

Director of Education

Global Membership and Marketing subcommittee

The Global Membership and Marketing subcommittee advises and supports the director of membership and associate director of marketing and communications on matters pertaining to membership and marketing. This includes focussing on strategies to attract and retain members, as well as promoting the organisation and its members through various marketing channels. This can involve developing the global membership scheme and enhancing the visibility and engagement of RAD within the dance community and beyond. The subcommittee also seeks to ensure that, as a membership organisation, the RAD upholds the aims and objectives of the charter and its bye-laws in an open and transparent way, and that it is fair in all its dealings with members of the RAD and the public.

Trustee members

Stephen Sacks (Chair)
Imogen Knight
Rachel Jackson-Weingärtner
Joshua Tuifua

Co-opted members

Carol Marlow
Lloyd Stringer
Grace Buskell
Jane Karczewski (appointed September 2022)
Akua Acheampong (appointed September 2022)

Directors

Director of Membership
Associate Director of Marketing and Communications

Fundraising and Development subcommittee

The Fundraising and Development subcommittee advises on fundraising efforts that support the charitable purposes of the RAD, such as social benefits to the wider community. It also advises and supports the Director of Development and Fundraising on matters relating to the development of fundable programmes and fundraising strategy.

Membership comprises trustees and members co-opted from the wider arts, business, and philanthropy sectors, and meets four times a year.

Trustee members

Ida Levine (Chair)
Stephen Moss
James Cane
Guy Perricone (resigned April 2023)
Jane Karczewski

Co-opted members

David Banks (resigned June 2023)
Phil Dolling
Joanne Muller
Christopher Nourse
Tristan Davies
Georgina Robbins
Michael Cole-Fonteyn
Mauro Beretta (appointed March 2023)

Director

Director of Development and Fundraising

Development department

The Development department follows the rules of the Fundraising Regulator's Code of Fundraising Practice, the Chartered Institute of Fundraising guidance, and the Charities Commission guidance on Charitable Law, including fundraising.

The objectives of the department include raising funds for the organisation and its charitable purposes through individual gifts, trusts and foundations grants, legacies, corporate sponsorship and support and the public sector.

Research and vetting of potential supporters are key parts of fundraising, and the processing and storing of biographical information is necessary. All staff are GDPR trained, and we follow a strict procedure for storing and maintaining such data. All data are stored and protected, with limited access to details allowed within the wider team. Briefing of the chief executive and trustees is also strictly controlled by the team.

We develop strong personal relationships with our funders and listen to their preferences and requirements. The department seeks to encourage donations and does not engage in pressuring potential donors. We take into account the needs of any possible donor who may be in vulnerable circumstances and ensure that all communication is clear and does not place any pressure on them to donate. For trusts and foundations, there are strict guidelines for applying to and reporting on grants. Personal correspondence, relationship management and donor engagement help us to build trust with our supporters. We make every effort to ensure that our fundraising does not intrude on people's privacy, that it is not unreasonably persistent and that it does not place pressure on anyone to donate.

We consider the ethical impacts of our fundraising and seek to ensure that the RAD does not accept gifts or donations from organisations or individuals where to do so would represent a conflict of interest, a reputational risk or would impact adversely on our ability to fulfil our mission.

We do not engage external fundraisers other than consultants who are vetted, selected and contracted to deliver specific strategies, following rigorous due diligence and conflict-of-interest guidelines. We do not engage in face-to-face solicitation through third parties.

The development and events team includes three members of the Chartered Institute of Fundraising. The Director of Development reports directly to the chief executive and takes advice from the Fundraising and Development subcommittee and the trustees. There is ongoing investment in fundraising to ensure future growth.

There have been no fundraising complaints to date, but any arising will be handled swiftly and interrogated thoroughly, being referred to the chief executive. We will also respond to all Freedom of Information requests from individuals.

Enterprises subcommittee

The board of RADE also acts as the Enterprises subcommittee of the RAD. Its members comprise directors of RADE and trustees.

RADE is a separately constituted private limited company owned by the RAD. It is our primary publishing and distribution arm for the RAD and its examination board. It sells examination syllabi in various media including print, audio-visual and apps, as well as recommended uniform wear, teaching resources, dance-related products, and gift items. Its products are sold and distributed through its website, mail order, printed catalogues, book distributors, RAD branches and the RAD itself.

The Enterprises subcommittee considers the management and financial accounts, budgets and financial resources of the RADE in the context of its relationship to the group. The subcommittee also assesses the risks to which the company is exposed, and considers any other matters of a legal, statutory or financial nature brought to its attention.

Company directors

Tim Arthur
Ash Sharma
Sue Bacchus

Trustee members

Deborah Cornelius
Guy Perricone (resigned April 2023)

Co-opted member

Mark Richardson

Acknowledgements

The RAD gratefully acknowledges the invaluable contribution of the following donors who have supported the work of the RAD during the year ended 31 July 2023:

Jack Petchey Foundation
The Dorfman Foundation
Kusuma Trust
Paul Hamlyn Foundation
The Linbury Trust
Julia and Hans Rausing
The Dame Margot Fonteyn Scholarship Fund
Jo Manoukian
The Gerald and Gail Ronson Family Foundation
Capital Group
Ida Levine
Maria Björnson Memorial Fund
The Late Alec J Custerson
Stephen Moss CBE and Joy Moss MBE
The Ethos Foundation
Buffini Chao Foundation
Christopher and Sarah Smith
Sir Simon and Lady Robertson
Henrietta Gold
Chris and Imogen Knight
Richard and Jennie Cunis
The Benesh Institute Endowment Fund
Arthur J Gallagher & Co Ltd
Harlequin Floors
Freed of London
Diptyque

The RAD extends its sincere thanks to all RAD's other donors, supporters and partners.

Principal risks and uncertainties

Governance, risk, and control

The trustees are responsible for the group's system of internal control and risk management and consider this system to be fundamental to the achievement of the RAD's policies. Some of the key elements of the governance, risk and control framework in which the RAD operates are set out below. The work of the trustees, subcommittees, management and staff lies at the heart of its processes.

The board approves strategic plans and annual budgets, reviews quarterly results with comparisons against forecast, requests analytical reports as and when necessary and debates topics requiring attention. The relevant subcommittees receive papers and provide assurance to the board. The trustees review the effectiveness of governance, risk, and control through this reporting mechanism as well as management concerns raised by the external auditor through the Finance, Audit and Risk subcommittee. As with any such system, the processes are designed to manage rather than eliminate the risk of failure to achieve objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Operational Risk Management

The chief executive, chief operating officer, directors and heads of departments review the Corporate and Activity Registers and act as the Business Continuity Committee in the event of a disaster.

Exposure to risk

Management continually reviews the risks to which the RAD could be exposed, particularly in terms of governance and operations. Risks are assessed for likelihood and severity of impact. This information is then used to develop a risk-management strategy, including the identification of existing operational controls and any new controls the trustees consider necessary. Several risks and uncertainties have been identified, which are listed below (in no particular order of likelihood of occurrence):

- **Marketplace and products**

Other awarding organisations, which offer dance examinations across multiple genres at a lower cost, and higher-education bodies that offer places funded by government, compete against the RAD, which currently focuses on a single genre. Members may no longer wish to retain membership of the RAD or to use its products and services. A change in syllabus can have an adverse effect on the ability of teachers to continue to provide candidates for examination at previous levels due to the challenges of acquiring new knowledge and passing it on to candidates.

In mitigation of these risks, we use internal impact statements to assess risk, and use social media

to publicise, promote and sell our products and services. We regularly consult members to ensure product relevance and help shape future initiatives.

- **World events**

As shown in the past three years, like many international organisations, we are vulnerable to pandemics, natural phenomena, changes in weather patterns, conflict and terrorism. All these may impede or prevent activities from taking place, including travel by examination candidates, course attendees and RAD staff such as examiners and tutors, thereby reducing business and income. We have developed policies and procedures to minimise the loss of income caused by such events and to ensure the safety of staff and examiners.

- **Economic climate**

In common with most organisations, we are vulnerable to changes in the global economic climate. Our core business depends on the purchasing power of our customers, and we have no control over their financial circumstances – whether member, teacher, examination candidate, higher-education student or dance class attendee.

It is difficult to forecast the effects of the economic climate on individual customers and therefore we endeavour - through better planning - to react to downturns which might adversely affect our performance. However, the global reach of our operations can mitigate against this risk, as markets experiencing strong economic conditions can support those in a downturn.

- **Statutory and regulatory compliance**

The complexity of the group structure could lead to non-compliance with statutory and regulatory requirements, through lack of oversight, knowledge or training, at both local and group level. Non-compliance can lead to loss of status, recognition, reputation, public confidence, customers and the imposition of penalties. To mitigate this risk, subject to considerations around cost and benefit, we employ qualified personnel at group and local levels, as well as using external professionals, and work with regulatory or statutory authorities to ensure compliance by obtaining guidance and instruction and implementing these.

- **People**

Working with young people brings safeguarding responsibilities and as such, we have a safeguarding committee with designated safeguarding and senior safeguarding officers. Training needs are identified and addressed, and we work with lawyers or other professionals to ensure policies are fit for purpose. We review our safeguarding policies annually.

The behaviour of members and organisations associated with the RAD can lead to reputational loss. We perform due diligence before entering

into partnerships, ensure legally sound contracts are in place and operate Codes of Conduct and Professional Practice for our teaching members.

We seek to attract and retain high-quality employees and to manage them so that they contribute to the RAD and further their careers. However, as in most organisations, high staff turnover could expose the RAD to lack of continuity and loss of knowledge. We undertake annual performance reviews to ensure that staff are motivated and retained, and the RAD offers a range of benefits. Succession planning is undertaken for senior staff.

It is the RAD's policy to invest in the right people needed to support our operations. We provide training for all our staff, including external training where relevant to specialisms. We have a performance-review process, linked to its strategic goals and outcomes, which identifies and addresses development needs. We have also developed a series of human resource policies, the most important of which deal with equality, diversity, health and safety, information management and safeguarding. These are designed to guide employees to improve fairness and safety both in the workplace and for our customers, to ensure compliance with legal responsibilities and to ensure that employees respect one another.

Each of these areas has a policy group that monitors compliance with the relevant area, and which reports directly to senior management.

All policies and procedures are reviewed and approved annually by the trustees and employees are informed of changes.

Financial Risk Management

Our risk-management process is overseen by the Finance, Audit and Risk subcommittee. In controlling and underpinning financial risk, the following are key control procedures:

- **Operating unit financial controls**

The Finance Manual is updated regularly and sets out the key financial disciplines expected of staff in managing their role, responsibility, operation or entity. The Finance Manual forms part of an employee's induction and can be found on our internal HR homepage.

The central finance function performs quarterly reviews of the results of the international offices. There are monthly finance clinics for all international finance staff where best practice is shared and regular finance training is provided.

- **Information and computer systems**

Our financial and management information is processed and stored on several computer systems. This can lead to concerns about integrity, duplication, security and other data issues. A disaster-recovery centre operates in the UK. Back-up systems are installed in major international offices and our servers are in a hosted data centre, providing additional resilience.

We set out data-protection compliance in a framework of policies and procedures. We also monitor compliance with data-protection policies and regularly review the effectiveness of data handling/processing activities and security controls. We have implemented a basic GDPR training programme for all staff, supplemented by a needs-based data-protection training programme for staff across different functions and at different levels. The RAD does not meet the criteria for an obligatory Data Protection Officer. However, due to our commitment to GDPR compliance, combined with the lack of internal expertise, we employ an external professional data protection services firm to support the work of the information management committee.

- **Foreign exchange**

The RAD operates in many jurisdictions, setting fees in local currencies, while at the same time incurring central costs in sterling. The results of the RAD are therefore prone to fluctuations due to currency gains and losses.

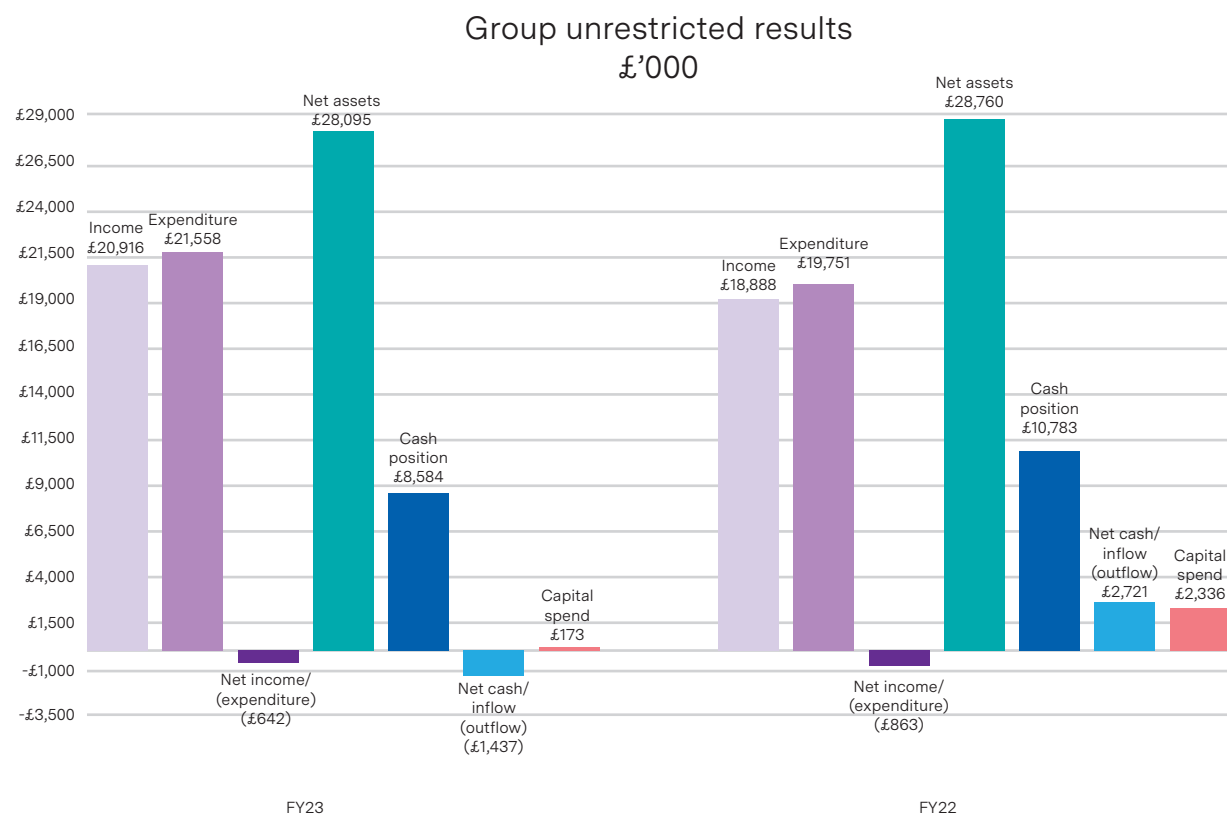
It is not possible to forecast movements in all foreign exchange and therefore we track movements in those currencies that might adversely affect our performance. We take account of these movements when making decisions about the timing of moving funds between countries.

These risks and uncertainties are included in the corporate and activity risk registers. These are reviewed by the relevant subcommittees and board of trustees, along with actions to mitigate the risks. A further function of the risk registers is to inform business continuity plans, which are underpinned by an offsite IT disaster recovery centre to provide the necessary technological backup in the event of unforeseen problems.



Financial Review

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP), FRS 102 applicable from 2019.



During the year ending 31 July 2023 (FY23), the group continued to recover from the effects of the pandemic and reported an increase of 11% in worldwide group income to £20,916,000 (FY22: £18,888,000). This was due to a strong return to normal trading and activity levels. Expenditure increased by 9% to £21,558,000 (FY22: £19,751,000) primarily because in-person delivery of activities such as examinations returned in most countries, resulting in higher costs of travel for freelance examiners and tutors. The global headquarters was operational for 12 months in FY23 compared to only six months in the previous year.

The group net loss before transfers and other recognised gains and losses reduced to £642,000 (FY22: net loss £863,000). Pandemic-related government subsidy and furlough schemes did not operate during the year (FY22: £174,000).

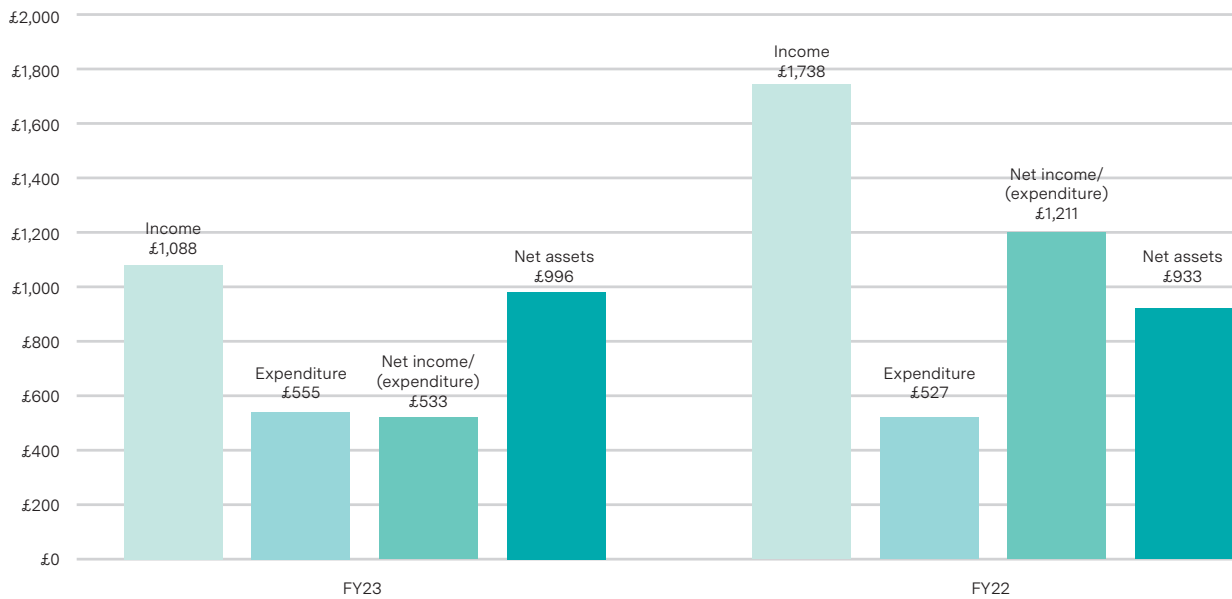
The value of RAD's unrestricted net assets decreased by 2% to £28,095,000 (FY22: £28,760,000) resulting from a loss on valuation of tangible fixed assets of

£147,000 (FY22: gain £5,576,000) and an exchange loss on consolidation of £346,000 (FY22: gain £349,000).

The group's overall cash position was £8,584,000, a decrease on prior year (FY22: £10,783,000). There was a net cash outflow from operations of £1,437,000 (FY22: inflow £2,721,000) primarily the result of a VAT payment of £2.3m in relation to the property transaction. Capital expenditure of £173,000 (FY22: £2,336,000) reflected the completion of the headquarters in March 2022.

The RAD has a number of funds which have been built up from donations, legacies, trusts, grants, fundraising events and appeals. These are administered in accordance with the accounting policy in Note 1 (m) Fund Accounting. There was a net income of £533,000 in FY23 before transfers and other recognised gains and losses (FY22: net income £1,211,000 (Note 26)). This decrease in funds is due to the winding down of the capital campaign headquarters fundraising initiative on 31 July 2022.

Group restricted results £'000

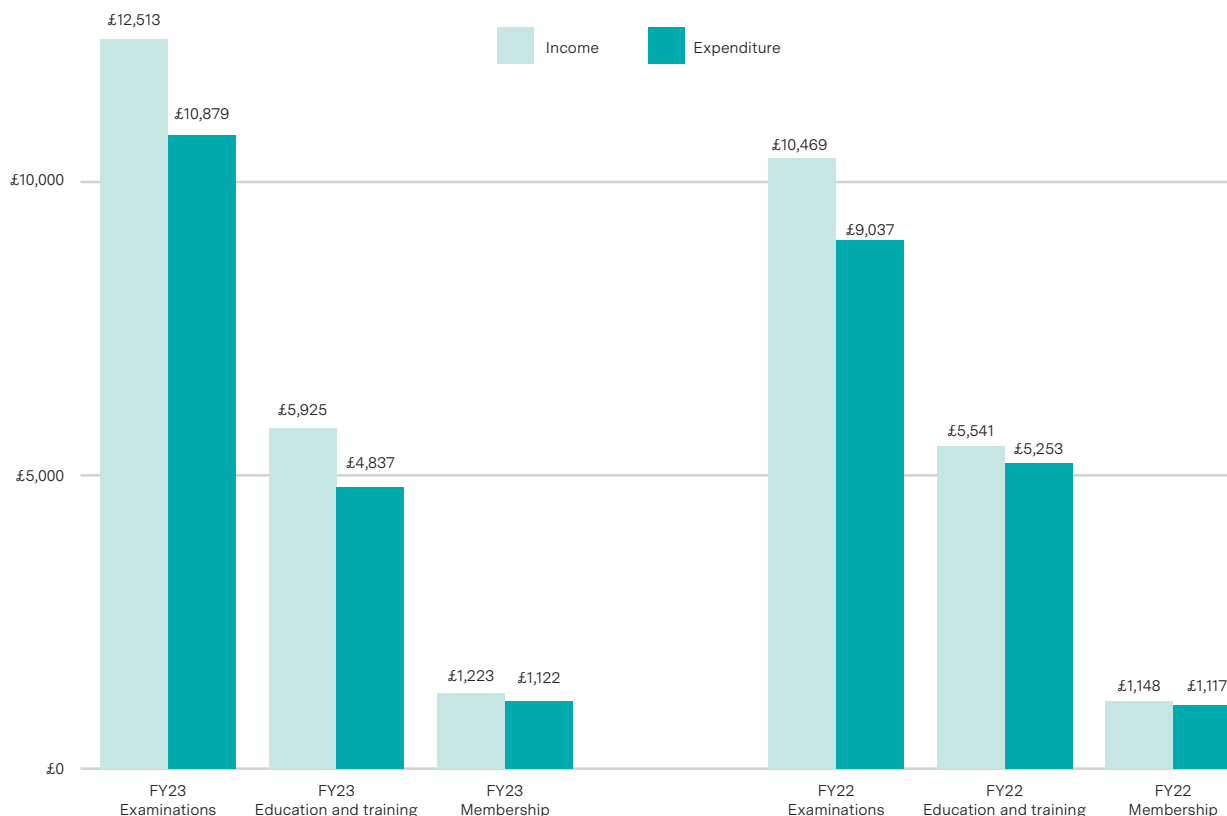


The RAD is in receipt of a funding grant through to 2022-23 from the Jack Petchey Foundation to run the Step into Dance programme (a fully inclusive, community dance programme in every London borough, and in some Essex schools) as well as using its own funds. All monies received from the Foundation were spent in accordance with the programme's aims.

Bursaries, awards and scholarships were awarded through various Scholarship Funds, Trusts, Jubilee Award and Regional schemes.

Performance by Activity

Group performance by principal activity
£'000



Examinations

Examination fees income increased by 20% to £12,513,000 (FY22: £10,469,000) with direct expenditure increasing by 29% to £6,681,000 (FY22: £5,170,000). This resulted in an increase in net income to £5,832,000 (FY22: £5,299,000). Total examination entries increased by 12% to 220,000 (FY22: 196,173).

During the year RAD operated a hybrid model of in-person and filmed examinations. Although many countries returned to in-person examinations, filmed options proved to be more efficient for some countries and was also popular amongst their customers. In order to offer more flexibility, filmed exams are now a part of the RAD's product offer, affording teachers and learners the ability to film at a time and venue suitable to them.

During the year to 31 July 2023, 80,000 candidates (FY22: 94,464) were assessed by video, 36% of total entries (FY22: 48% of total entries).

Education and training income

Initial Education income decreased by £95,000 on prior year to £3,319,000, with net income increasing from £744,000 to £900,000. During the year, the Faculty of Education returned to in-person delivery of programmes, in particular BA (Hons) Ballet Education

and Licentiate of the RAD, both of which were delivered onsite. In some countries delivery of programmes was carried out through hybrid models.

The number of Faculty of Education students decreased from 1,484 to 1,321, mainly due to global economic financial constraints affecting both new and continuing students.

Income from Continuing Education increased by 23% to £2,606,000 (FY22: £2,127,000) which demonstrated that CPD activity was also recovering during the year. More face-to-face courses in comparison to the prior year resulted in an increase in expenditure of 10%, with overall net income of £508,000 (FY22: £222,000).

Membership

As a result of the Member Event Series and a 98% graduate conversion rate, subscription income increased by 7% to £1,223,000 (FY22: £1,148,000) and direct expenditure of £339,000 was marginally lower (FY22: £364,000). Net income not including indirect costs increased to £884,000 (FY22: £784,000).

The number of Registered Teachers increased from 7,934 to 8,126. The numbers of other members increased marginally (3,938 to 3,961).

Trading income (retail, licensing and royalties)

Income generated by the RADE, the UK trading subsidiary, including licensing and royalty income, increased to £1,148,000 (FY22: £1,022,000). Net income increased to £905,000 (FY22: £714,000).

Fundraising

Fundraising income decreased by 47% to £920,000 and direct expenditure increased by 66% to £524,000, resulting in net income excluding indirect costs of £396,000 (FY22: £1,421,000). This substantial decrease

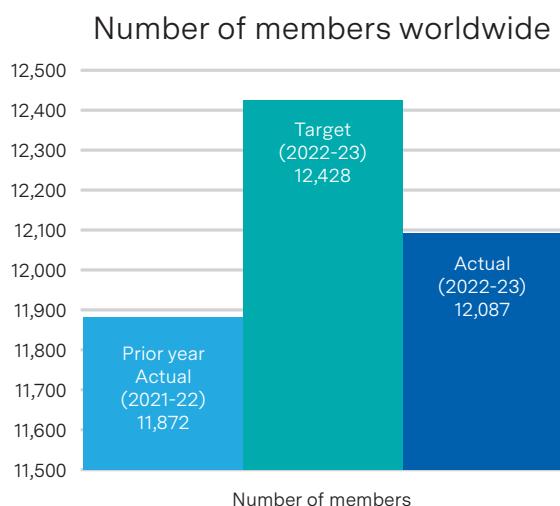
followed the end of the capital campaign initiative on 31 July 2022.

Other income

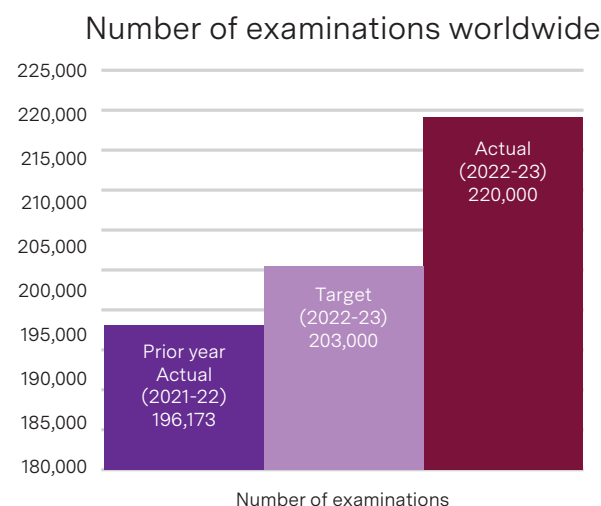
Other income is derived from advertising, property rental, sundry income with associated expenditure and taxation on subsidiary company profits.

Indirect costs increased from £9,064,000 to £9,308,000, mainly the result of incurring a full year of running costs in the new headquarters compared to six months in FY22.

Performance against targets for FY23



There were 12,087 members globally on 31 July 2023, achieving 97% of the total target. The team focused mostly on enhancing benefits for members and building the membership base. Recruitment campaigns were rolled out during FY23.



We exceeded our FY23 target of delivering 203,000 dance examinations by 12%, achieving 220,000, of which 80,000 were filmed assessments. This demonstrates a strong recovery towards pre-pandemic levels despite the current difficult economic climate.

That 36% of examinations were filmed highlights the continued importance of that option, particularly in key markets for the RAD such as China and Hong Kong, which mostly carried out filmed examinations during FY23.

Reserves policy

The RAD's current pattern of activities provides fluctuating peaks and troughs in income and expenditure. The RAD needs to build up reserves not only to cover fallow periods but also to ensure that its core activities can be financed in the event of unforeseen and unbudgeted changes in income and expenditure.

At 31 July 2023, RAD had total funds of £29,091,000, of which unrestricted funds were £28,095,000 and restricted funds £996,000. Of the unrestricted funds, the designated funds total was £23,729,000. £23,454,000 represents the net book value of fixed assets less associated loans, and £275,000 other designated funds (see note 27). RAD reviews its reserves policy annually.

The target for group free reserves is £3,062,000, of which £2,542,000 are targeted within charity reserves. Actual free reserves at 31 July 2023 for the group were £4,641,000 (including other designated reserves) (FY22: £4,150,000). For the charity only, free reserves at 31 July 2023 were £3,240,000 (FY22: £2,476,000).

During FY23 we have seen a return to pre-pandemic levels of operations. We expect activity to increase throughout FY24 as we introduce enhanced and new product ranges and initiatives with the aim of continuing to build the reserves position to the target level.

The RAD reserves policy recognises that free reserves are only one indicator of financial health. We particularly focus on the Group and UK cash position. For FY23, cash balances have remained healthy due to a return to full-scale operations and tighter cash management across the Group.

Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, and communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash outflow for the Group of £2,155,000 in FY23 (FY22: inflow £19,000), with an outflow from operating activities of £1,437,000 (FY22: inflow £2,721,000). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £8,584,000 at year end (FY22: £10,783,000).

The RAD generated an overall net loss of £109,000. Having spent a full year in the new global headquarters, we have seen increased running costs coupled with a rise in depreciation following the significant upward revaluation of the property at 31 July 2022. Furthermore, stronger recovery of in-person delivery of examinations and courses gave rise to increased travel costs for tutors and examiners. During the year, we have continued to operate a hybrid model of in-person and filmed examinations. Although many countries returned to in-person examinations, filmed options proved to be more efficient for some of our international operations and were also popular amongst their customers.

In September 2023, HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year. At that time, Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was also renewed for a further year.

RAD has a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is being repaid over five years (starting in April 2022). A term loan of £2,500,000 was taken out in July 2021 over 25 years (with an initial term of five years). Both of these loans are secured on the RAD's headquarters at 188 York Road.

Achievement of the RAD's targets for FY24 is dependent on the ongoing impact of the global recession but results to date have been broadly in line with targets and plans are in progress to facilitate greater investment and subsequent growth. Forecasts have been reviewed for the 12-month period from the date of signing the accounts, including downside-scenario planning and mitigating actions against these. Possible mitigating actions include further cost reductions, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, the opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall due for the 12-month period from the date of signing the accounts and for this reason RAD has prepared the accounts on a going-concern basis.

Future outlook

While this has been another challenging year, it has again highlighted the dedication of all those involved with the organisation around the world. In particular, we should pay tribute to the staff, examiners, tutors, teachers, students and parents who make the RAD the great organisation that it is.

Having now been in our new headquarters for a full year we are beginning to see many exciting opportunities arise in order to grow and expand our product offerings as well as promote hire of our premises within the dance and performing arts community as well as commercial hires.

We continued to adapt our ways of operating, particularly in terms of digital and online systems. This flexibility not only allowed us to regain pre-pandemic levels of activity but will provide further benefits and efficiencies in the future.

Our main targets for FY24 are to:

- Deliver at least 227,000 examinations, an increase of 3% over FY23
- Achieve worldwide membership of 12,679, an increase of 5% over FY23
- Achieve gross fundraising income of £768,000
- Generate unrestricted net income of £200,000.

Statement of the trustees' responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed, Royal Charter and Bye Laws. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

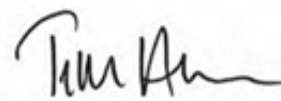
The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Stephen Moss CBE
Chair, Board of Trustees



James Cane FCA
Trustee, Chair of Finance,
Audit and Risk subcommittee



Tim Arthur
Chief Executive

14 December 2023

Independent auditor's report to the trustees of the Royal Academy of Dance

Opinion

We have audited the financial statements of The Royal Academy of Dance ('the charity') and its subsidiaries ('the Group') for the year ended 31 July 2023 which comprise the group consolidated statement of financial activities, group and charity balance sheets, group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Group's and the parent charity's affairs as at 31 July 2023 and of the group's income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011
- Have been prepared in accordance with the requirements of the OfS Accounts Direction (issued October 2019) ("the OfS Accounts Direction")

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 charity's or the group's ability to continue as a going concern for a period of at least 12 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

Opinion on other matters prescribed by the OfS accounts direction

No funds have been provided to the charity by the OfS.

Matters on which we are required to report by exception

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

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; 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 trustees' responsibilities statement set out on page 31, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as

the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of



material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Office for Students regulation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Audit and Risk Subcommittee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Office for Students and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

15 December 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Group consolidated statement of financial activities

For the year to 31 July 2023

Notes

	2023			2022		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from						
2 Donations and legacies	304	616	920	547	1,190	1,737
3 Trading	722	-	722	722	-	722
4 Other trading activities	382	44	426	261	39	300
5 Investments	44	7	51	17	6	23
Income from charitable activities						
Examination fees	12,513	-	12,513	10,469	-	10,469
6 Education and training fees	5,514	411	5,925	5,054	487	5,541
Subscription income	1,223	-	1,223	1,148	-	1,148
7 Other income	214	10	224	670	16	686
Total income and endowments	20,916	1,088	22,004	18,888	1,738	20,626
Expenditure						
8 Expenditure on raising funds	(1,453)	(97)	(1,550)	(1,424)	(26)	(1,450)
9 Expenditure on charitable activities	(19,631)	(431)	(20,062)	(17,846)	(501)	(18,347)
11 Other expenditure	(474)	(27)	(501)	(481)	-	(481)
Total expenditure	(21,558)	(555)	(22,113)	(19,751)	(527)	(20,278)
Net income/(expenditure) before investment gains and losses and transfers between funds	(642)	533	(109)	(863)	1,211	348
Net income/(expenditure)	(642)	533	(109)	(863)	1,211	348
Transfers						
Transfers between funds	462	(462)	-	1,919	(1,919)	-
Other recognised gains and losses						
On revaluation of tangible fixed assets	(147)	-	(147)	5,576	-	5,576
Movement on exchange arising from the consolidation of branches and subsidiaries	(338)	(8)	(346)	351	(2)	349
Net movement in funds	(665)	63	(602)	6,983	(710)	6,273
Fund balances brought forward at 1 August	28,760	933	29,693	21,777	1,643	23,420
Total funds carried forward at 31 July	28,095	996	29,091	28,760	933	29,693

There were no recognised gains and losses other than those listed above and the net expenditure/income for the year. All income relates to continuing operations.

Group and charity balance sheets

At 31 July 2023

Notes

	Group		Charity	
	2023 £000	2022 £000	2023 £000	2022 £000
Fixed assets				
19 Tangible and intangible assets	26,367	27,523	26,163	27,311
20 Investments	159	165	270	276
	26,526	27,688	26,433	27,587
Current assets				
21 Stocks	276	304	148	153
22 Debtors	1,767	1,473	3,539	2,566
Cash at bank and in hand	8,584	10,783	5,678	7,379
	10,627	12,560	9,365	10,098
23 Creditors – amounts falling due within one year	(5,387)	(7,577)	(5,637)	(6,900)
Net current assets	5,240	4,983	3,728	3,198
Total assets less current liabilities	31,766	32,671	30,161	30,785
24 Creditors – amounts falling due after more than one year	(2,675)	(2,978)	(2,675)	(2,978)
Net assets	29,091	29,693	27,486	27,807
FUNDS				
26 Restricted funds	996	933	996	933
27 Unrestricted funds	28,095	28,760	26,490	26,874
Total funds	29,091	29,693	27,486	27,807

The accompanying notes form part of these accounts.

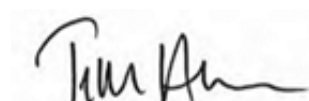
These financial statements were approved and signed on behalf of the Board of Trustees on 14 December 2023 by:



Stephen Moss CBE
Chair, Board of Trustees



James Cane FCA
Trustee, Chair of Finance,
Audit and Risk subcommittee



Tim Arthur
Chief Executive

Group cash flow statement

For the year to 31 July 2023

Restricted and unrestricted funds	Notes	2023 £000	2022 £000
a. STATEMENT OF CASH FLOWS			
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	b.	<u>(1,437)</u>	<u>2,721</u>
Cash flows from investing activities:			
Interest receivable		51	24
Interest payable		(301)	(212)
Purchase of tangible fixed assets and construction-in-progress		(173)	(2,336)
Net cash used in investing activities		<u>(423)</u>	<u>(2,524)</u>
Cash flows from financing activities:			
Amounts borrowed from/ (repaid) to banks		(295)	(178)
Net cash provided by financing activities		<u>(295)</u>	<u>(178)</u>
Change in cash and cash equivalents in the reporting period		(2,155)	19
Cash and cash equivalents at the beginning of the reporting period		10,783	10,914
Change in cash and cash equivalents due to exchange rate moments		(44)	(150)
Cash and cash equivalents at the end of the reporting period	c.	<u>8,584</u>	<u>10,783</u>
b. Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		(109)	348
Adjustments for:			
Revaluation/(impairment) on investment		1	(1)
Interest receivable		(51)	(23)
Interest payable		301	212
Amortisation of intangible fixed assets		6	5
Overseas tax paid		-	(1)
Depreciation – tangible fixed assets		879	740
Decrease in stocks		28	255
(Increase) in debtors		(293)	(385)
(Decrease)/increase in creditors		(2,199)	1,571
Effect of foreign exchange on net assets		-	-
Net cash provided by operating activities		<u>(1,437)</u>	<u>2,721</u>
c. Analysis of cash and cash equivalents			
Cash in hand		8,584	10,783
Total cash and cash equivalents		<u>8,584</u>	<u>10,783</u>

	2022	Cash flow movement	2023
	£000	£000	£000
Analysis of changes in net debt			
Cash at bank and in hand	10,783	(2,199)	8,584
Total cash and cash equivalents	10,783	(2,199)	8,584
Debt due within one year	(266)	6	(260)
Debt due after one year	(2,951)	288	(2,663)
Total	7,566	(1,905)	5,661

Accounting policies

Year ended 31 July 2023

The RAD is a non-statutory body incorporated by Royal Charter and a charity registered in England and Wales (number RC000436). The address of the registered office is 188 York Road, London SW11 3JZ.

Notes

1(a) Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the SORP applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous SORP: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. The RAD meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value except for investments and certain fixed assets which have been included at revalued amounts. The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the parent entity.

1(b) Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing and communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash outflow for the group of £2,155,000 in FY23 (FY22: inflow £19,000), with an outflow from operating activities of £1,437,000 (FY22: inflow £2,721,000). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £8,584,000 at year end (FY22: £10,783,000).

The RAD generated an overall net loss of £109,000. Having spent a full year in the global headquarters, we have seen increases in running costs as well as a rise in depreciation due to the significant upward revaluation of the property at 31 July 2022. Furthermore, stronger recovery of in-person delivery of examinations and courses gave rise to increased travel costs for tutors and examiners. During the year, we have continued a hybrid model of in-person and filmed examinations. Although many countries returned to in-person examinations, filmed options proved to be more efficient for some of our international operations and were also popular amongst their customers.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in September 2023. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was renewed for a further year in September 2023.

RAD has a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is being repaid over five years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of five years). Both of these loans are secured on the RAD's headquarters at 188 York Road.

Achievement of the RAD's targets for FY24 is dependent on the macroeconomic situation in the countries where we operate. Forecasts have been reviewed for the 12-month period from date of signing the accounts, including downside-scenario planning and mitigating actions against these. Possible mitigating actions include implementing further cost reductions and being able to raise additional financing if required, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties.

The RAD will have sufficient resources available to meet its liabilities as they fall for the 12-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

1(c) Basis of consolidation

The charity accounts include the audited accounts of the Royal Academy of Dance in the United Kingdom and its branches for the year to 31 July 2023, and the consolidated Group accounts include the audited accounts of the charity and its subsidiaries. All activities derive from continuing operations.

1(d) Stocks and work-in-progress

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate. Costs relating to the development of examination syllabi and teaching aids are treated as work-in-progress until the product is ready for sale.

1(e) Tangible fixed assets

All tangible fixed assets, other than freehold land, are stated at historical cost or valuation net of depreciation and any provision for impairment. Depreciation is provided on cost using the straight-line method over the estimated useful lives of the assets. Impairment reviews are conducted when events and changes in circumstances indicate that impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, its value is written down accordingly.

Freehold land is not depreciated. Tangible fixed assets under £500 are not capitalised. The rates of depreciation are as follows:

Freehold buildings	2%	Furniture and office equipment	10%
Computer equipment	33%	Motor vehicles	25%

1(f) Intangible fixed assets

Intangible fixed assets consist of computer software and telephone subscription rights of subsidiary companies which are included at cost and amortised in equal instalments over a period of years estimated to be their useful economic lives. Provision is made for any impairment.

Included within this category are also heritage assets which are books, manuscripts, specimens, objects or other assets that have historic or artistic qualities and are held and maintained principally for their contribution to knowledge and culture. In so far as heritage assets are used as operational assets, as in the case of historic buildings, they are capitalised in accordance with the policies set out in 1(e) above. Other heritage assets – principally printed materials, pictures and objects of artistic interest – are, for individual items exceeding £50,000, capitalised at cost or valuation on acquisition, but only where a reliable valuation is available. Valuations reflect any impairment or restrictions on use of the assets by the university. No heritage assets acquired prior to 1 August 2022 have been capitalised, as reliable information concerning their cost or value on acquisition is not available.

1(g) Investments

Listed investments are included in the balance sheet at market value. Investments in subsidiaries and joint ventures are included in the charity's accounts at cost less any provision for impairment.

1(h) Revaluation of assets

Investments and land and buildings held by the Group for restricted and unrestricted use are revalued annually to fair value where material. The gain or loss is reflected in the statement of financial activities and, for land and buildings, includes the amount of amortisation provided in that year.

1(i) Overseas currencies

Income, expenditure, assets and liabilities of overseas branches and subsidiaries are translated into sterling at the exchange rates ruling at the balance sheet date. The exchange gains or losses arising from the retranslating of opening net assets of the overseas branches and subsidiaries are shown under 'Other recognised gains or losses' in the statement of financial activities. All other exchange gains or losses are dealt with through expenditure within the statement of financial activities.

1(j) Recognition of income

Income is recognised in the statement of financial activities on a receivable basis, namely when the RAD has entitlement to the income, receipt is probable, and the amount can be reliably measured. If there are conditions that must be fulfilled before entitlement to income receivable is confirmed, the income is deferred and included under creditors.

Assets such as gifts or donations given for use by the RAD are recognised as income at their estimated market value when receivable. If they form part of the fixed assets at the year-end, the amounts are included in the balance sheet at the value at which the gift was included in income.

Income received in advance for examinations or short courses where the activity does not complete until after the year-end is apportioned to the relevant financial year; or for a longer period in the case of fees for programmes such as the Faculty of Education's 'Certificate in Ballet Teaching Studies', which is a two-year programme that falls across three financial periods.

All grants and donations income is accounted for gross when the charity has entitlement to the funds, the amount can be quantified and receipt of the funds is probable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants which have been specified for use in future periods are recognised in deferred income and released in the relevant accounting period.

Government grant income has been included within "Other income". This grant income relates to the UK government job-retention scheme (furlough) introduced in March 2020 to mitigate some of the financial impact of the Covid-19 pandemic. The grant is classified as a revenue-based grant as per the FRS102 accrual model and stipulates that the revenue must be recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. The furlough scheme ceased to operate with effect from 1 October 2021.

1(k) Recognition of expenditure

Unrestricted expenditure is accounted for on an accruals basis. Expenditure is allocated directly to the activity to which it relates, including support costs that can be identified as being an integral part of direct charitable expenditure.

- **Costs of raising funds:** costs of raising funds include expenditure related to support departments and staff members engaged in or contributing to those activities
- **Costs of charitable activities:** charitable expenditure includes all expenditure related to the objects of the charity and includes expenditure related to support departments and staff members engaged in or contributing to charitable activities
- **Governance costs:** these are costs associated with the constitutional and statutory requirements of the Group, and include expenditure related to the trustees and senior staff members engaged in or contributing to the governance of the group. These are allocated within support costs as per the requirements of the Charities SORP 2019

- **Indirect support costs** have been allocated on the following bases:
 - Salaries and pensions staff numbers per department
 - General administration staff numbers per department
 - Information technology staff numbers per department
 - Rent and property departmental use for office space and income generated for studio space
 - Depreciation estimated use
 - Governance staff numbers per department
 - Finance charges Income-to-cost ratio

1(l) Pension costs

Retirement benefits for employees are provided by defined-contribution pension schemes and for teachers by the Teachers' Pension Scheme (TPS), a defined-benefit scheme. The TPS is a multi-employer scheme where the RAD cannot identify its individual share of assets and is therefore accounted for as a defined-contribution scheme. Contributions payable to the pension schemes in respect of each accounting period are charged to the statement of financial activities.

1(m) Fund accounting

Funds can be classified as designated, general or restricted. General funds are all unrestricted funds which are not designated and can be applied at the discretion of the trustees in accordance with the RAD's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the Charity for particular purposes. The purpose for which restricted funds are held is analysed in note 26.

1(n) Regional advisory committees

The charity carries out some activities through a network of regional advisory committees that include the name of the charity in their title and are located in only some of the countries in which the charity operates. All regional advisory panel and committee transactions are accounted for gross in the accounts of the charity, and all assets and liabilities are included in the charity's balance sheet.

1(o) Treatment of VAT

The RAD is registered as partially exempt for VAT in the UK and is exempt or liable for VAT or applicable taxes in other parts of the world. Irrecoverable VAT is charged to the activity to which it relates or otherwise forms part of the support costs and is then apportioned as per note 1(k).

1 (p) Financial instruments

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad-debt provision. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the Group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1 (q) Operating Leases

Operating lease rentals are charged and credited to the Statement of Financial Activities on a straight-line basis over the length of the lease.

1 (r) Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, the trustees are required to make judgments (other than those involving estimations) that may have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the opinion of the trustees, there are no key assumptions concerning the future, and no other key sources of estimation uncertainty at the balance sheet date that would carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the accounts

Year ended 31 July 2023

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	2023			2022		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
2 Income from:						
Donations, gifts and legacies	89	106	195	270	-	270
Funding grants	215	510	725	277	1,190	1,467
	304	616	920	547	1,190	1,737

3 Retail Trading

Retail trading consists of sales made by Royal Academy of Dance Enterprises Limited and branch outlets of the RAD.

	2023 £000	2022 £000
Turnover net of taxes and discounts	722	722
Cost of sales and other costs	(243)	(308)
Net income from retail trading	479	414

	2023			2022		
	Unrestricted funds £000	Restricted funds £000	Total funds £000	Unrestricted funds £000	Restricted funds £000	Total funds £000
4 Other trading activities						
Fundraising activities	8	44	52	4	39	43
Licensing and royalty income	238	-	238	242	-	242
Property and studio hire	136	-	136	15	-	15
	382	44	426	261	39	300
5 Investment income						
Interest received	44	7	51	17	6	23
	44	7	51	17	6	23
6 Education and training fees						
Initial Education	3,319	-	3,319	3,414	-	3,414
Continuing Education	2,195	411	2,606	1,640	487	2,127
	5,514	411	5,925	5,054	487	5,541
7 Other income						
Advertising income	21	-	21	24	-	24
Furlough income*	-	-	-	174	-	174
All other income	193	10	203	472	16	488
	214	10	224	670	16	686

* Furlough income relates to income received as a result of worldwide coronavirus government support grants. The total amount received in the UK for the year was £nil (FY22: £36,751) and no staff were furloughed or part-furloughed in the year (FY22: 47). The grants are accounted for on a revenue basis and therefore there are no unfulfilled conditions or other contingencies attached.

Notes to the accounts

Year ended 31 July 2023

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	2023	2022
	£'000	£'000
Australia	-	-
Canada	-	29
New Zealand	-	-
USA	-	-
Germany	-	59
Israel	-	-
Italy	-	41
Singapore	-	8
UK	-	37
	<u>-</u>	<u>174</u>

	2023				2022			
	Unrestricted funds	Restricted funds	Support costs	Total funds	Unrestricted funds	Restricted funds	Support costs	Total funds
	Direct costs	Direct costs			Direct costs	Direct costs		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure								
8 Costs of raising funds								
Fundraising activities	427	97	68	592	290	26	49	365
Retail trading	243	-	715	959	308	-	777	1,085
	<u>670</u>	<u>97</u>	<u>783</u>	<u>1,550</u>	<u>598</u>	<u>26</u>	<u>826</u>	<u>1,450</u>
9 Costs of charitable activities								
Examinations	6,681	-	4,198	10,879	5,170	-	3,867	9,037
Initial Education	2,405	14	2,418	4,837	2,670	-	2,583	5,253
Continuing Education	1,681	417	1,126	3,224	1,404	501	1,035	2,940
Subscription	339	-	783	1,122	364	-	753	1,117
	<u>11,106</u>	<u>431</u>	<u>8,525</u>	<u>20,062</u>	<u>9,608</u>	<u>501</u>	<u>8,238</u>	<u>18,347</u>

Notes to the accounts

Year ended 31 July 2023

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	2023			2022		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
10 Auditor fees payable						
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts						
Audit fees						
2022-23	107	-	107	80	-	80
2021-22 additional fees	-	-	-	12	-	12
Other services	60	-	60	1	-	1
Fees payable to the Group's auditor and its associates for the audit of the Group's subsidiaries						
Audit fees	35	-	35	44	-	44
Other services	7	-	7	-	-	-
Fees payable to other auditors for the audit of the Group's branches and subsidiaries						
Fees	54	-	54	79	-	79
Other fees and services	8	-	8	-	-	-
11 Other expenditure						
All other expenditure	128	21	149	286	-	286
Taxation	346	6	352	195	-	195
	474	27	501	481	-	481

Notes to the accounts

Year ended 31 July 2023

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12 Analysis of indirect support costs¹

	2023					
	Examinations	Initial education	Continuing education	Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,640	681	362	318	40	3,330
General administration	893	611	260	140	16	2,089
Information technology	308	282	106	72	3	861
Financing charges	136	87	38	18	-	302
Depreciation	371	268	130	58	4	905
Rent and property	577	364	169	79	5	1,292
Governance	273	125	61	30	-	529
	4,198	2,418	1,126	715	68	9,308

	2022					
	Examinations	Initial education	Continuing education	Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,719	971	407	411	28	3,863
General administration	677	470	214	143	11	1,673
Information technology	180	182	58	43	4	534
Financing charges	92	69	24	12	-	213
Depreciation	273	255	100	45	3	735
Rent and property	627	521	187	89	1	1,538
Governance	289	115	45	35	1	518
	3,867	2,583	1,035	778	48	9,064

¹ The basis of allocation of support costs is disclosed in note 1 (k)

Notes to the accounts

Year ended 31 July 2023

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13 Related-party transactions

Seven trustees (FY22: Seven) who are also examiners, tutors or mentors received a total of £55,434 (FY22: £43,195) in relation to fees and expenses. Payments to trustees who are also examiners, tutors and mentors are in accordance with Articles 6.5 and 10 of the Charter.

Trustees received no remuneration for volunteering their time. Donations were received from eight trustees (£41,690) during the year (FY22: £1,450)

The following related-party transactions took place during the year:

Related-party: Ulrich Stiehm Filmproduktion (owned by husband of National Director - Germany)

Transaction: Backup and server upload of 14 exam videos including recording and IT hardware usage

Cost of transaction: £145 (€167) (FY22: €119)

Amount due at 31 July 2023: £Nil (R Nil)

Related-party: Manny Lume (husband of National Director - South Africa)

Transaction: Property Repairs and Maintenance, General Admin, Consulting fees

Cost of transaction: £9,133 (R198,437) (FY22: £10,864 (R219,811))

Amount due at 31 July 2023: £Nil (R Nil) (FY22: £Nil (R Nil))

Related-party: Ross Alexander (son of National Director - USA) as owner of Viabold

Transaction: Website Management services

Cost of transaction: £4,456 (US\$5,400) (FY22: £5,183 (US\$6,820))

Amount due at 31 July 2023: £Nil (US\$Nil) (FY22: £Nil, (US\$Nil))

Related-party: Ferrell Alexander (daughter of National Director - USA) as part time employee

Transaction: payroll costs

Cost of transaction: £8,944 (US\$ 10,838) (FY22: £7,984 (US\$ 10,506))

Amount due at 31 July 2023: £Nil (US\$Nil) (FY22: £Nil, (US\$Nil))

Related-party: Noriko Kobayashi (National Director - Japan) as owner of Kobayashi Ballet Studios

Transaction: Hire of dance studios, office space and seconded staff for examinations, courses, summer school and administration

Cost of transaction: £59,121 (¥9,927,582) (FY22: £62,894 (¥9,236,852))

Amount due at 31 July 2023: £0 (¥ 0) (FY22: £0 (¥ 0))

Related-party: Dance Etc (National Director - Portugal)

Transaction: Office and studio hire

Cost of transaction: £3,732 (€4,290) (FY22: £3,110 (€3,674))

Amount due at 31 July 2023: £Nil (€Nil) (FY22: £Nil (€Nil))

Related-party: Pilar Monteiro (niece of National Director) - as employee of RAD Portugal

Transaction: payroll costs

Cost of transaction: £15,136 (€17,397) (FY22: £14,545 (€17,182))

Amount due at 31 July 2023: £Nil (€Nil) (FY22: £Nil (€Nil))

Related-party: Blanca Cortes (daughter of National Director - Spain)

Transaction: Annual office rent

Cost of transaction: £5,565 (€ 6,396) (FY22: £5,384 (€ 6,360))

Amount due at 31 July 2023: £Nil (€Nil) (FY22: £Nil (€Nil))

Related-party: Family members (National Director - Malaysia)

Transaction: Office rental and salaries

Cost of transaction: £10,944 (MYR 59,850) (FY22: £3,090 (MYR 82,814))

All transactions were at arm's length.

Notes to the accounts

Year ended 31 July 2023

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The related party transactions and intercompany balances of the charity with subsidiaries and branches are:

		2023						2022				
		Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Royal Academy of Dance	United Kingdom	530	-	(559)	-	-	307	-	(566)	-	-	
Royal Academy of Dance Enterprises Limited	United Kingdom	-	559	-	-	-	-	566	-	-	-	
Royal Academy of Dance S/C Ltda	Brazil	-	57	-	-	-	-	-	-	-	-	
Royal Academy of Dance gGmbH	Germany	-	67	-	-	-	-	122	-	-	-	
Yayasan Royal Academy of Dance Indonesia	Indonesia	-	25	-	-	-	-	89	-	-	-	
Royal Academy of Dance Srl	Italy	-	66	-	-	-	-	55	-	-	-	
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	-	93	-	-	-	-	60	-	-	-	
Royal Academy of Dance de Mexico AC	Mexico	-	59	-	-	-	-	47	-	-	-	
Royal Academy of Dance Singapore Pte Ltd	Singapore	-	86	-	-	-	-	89	-	-	-	
Royal Academy of Dance s21 Company	South Africa	-	-	-	-	2	-	-	-	-	7	
Royal Academy of Dance SL	Spain	-	70	-	-	-	-	56	-	-	-	
RAD Dancing (Thailand) Sdn Bhd	Thailand	-	23	-	-	-	-	14	-	-	-	
Royal Academy of Dance (Australia Branch)	Australia	-	87	8	-	-	-	-	13	-	-	
Royal Academy of Dance - Canadian Branch	Canada	-	(119)	56	(206)	-	-	(69)	12	-	-	
Royal Academy of Dance (Israeli Branch)	Israel	-	45	-	-	-	-	37	-	-	-	
Royal Academy of Dance	Japan	-	40	3	-	-	-	40	3	-	-	
Royal Academy of Dance - New Zealand Branch	New Zealand	-	(369)	4	(31)	-	-	(370)	17	(60)	-	
Royal Academy of Dance	Portugal	-	61	-	-	-	-	52	-	-	-	
Royal Academy of Dance	South Africa	-	71	5	22	-	-	45	15	22	-	
Royal Academy of Dance	USA	-	13	-	-	-	-	9	31	-	-	

Notes to the accounts

Year ended 31 July 2023

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14 Funds held as custodian trustees

At the year end, the Group and the Charity held monies totalling £7,519 (FY22: £7,519) on behalf of its clients. These monies are not included within the balance sheet and are held separately in a clearly identifiable bank account.

15 Indemnity insurance

Indemnity insurance was included as part of the RAD's global insurance policy to indemnify the RAD from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part, in accordance with Article 6(h) of the Charter. The cost for the year to 31 July 2023 was £25,776 (FY22: £27,465).

16 Costs of employees

a) The Academy employed 215.0 (FY22: 232.8) administrative staff and 8.0 (FY22: 10.0) commission-based staff worldwide, as well as contracting the services of examiners, teachers, tutors and musicians. Employment costs account for 57% (FY22: 58%) of total expenditure (excluding other expenditure):

	2023			2022		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Employee gross salaries	10,688	-	10,688	10,104	-	10,104
Employee payroll taxes	702	-	702	728	-	728
Employer pension contribution	492	-	492	531	-	531
Employees on commission	856	-	856	333	-	333
Total employment costs	12,738	-	12,738	11,696	-	11,696

The RAD has a number of Regional Advisory Committees (RAC) in Australia, Greece, South Africa and the UK. These RACs operate through committees consisting of up to ten volunteer members and hold student events and activities throughout the year. Many of these activities are carried out by volunteers who are entitled to reimbursement of their expenses.

b) Employees earning over £60,000 including benefits in kind:

Basic salary	2023	2022
Number of group employees earning:		
Between £120,001 - £130,000	1	-
Between £100,001 - £110,000	1	1
Between £70,001 - £80,000	8	5
Between £60,001 - £70,000	4	8

The total employee benefits for the key management personnel of the charity (as listed on page 6), including employer's pension contributions and national insurance, were £895,000 (FY22: £784,000).

Notes to the accounts

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Costs of employees (continued)

c) Employees earning over £100,000:

Basic salary	2023	2022
Between £115,001 - £120,000	1	-
Between £100,001 - £105,000	1	1

Former chief executive (retired April 2022)

Basic salary: Average staff salary ratio	-	4:1
Total remuneration: Average staff total remuneration	-	4:1

Incumbent chief executive (started March 2022)

Basic salary: Average staff salary ratio	4:1	4:1
Total remuneration: Average staff total remuneration	4:1	4:1

The chief executive's salary is based on current market rates for similar roles in the not-for profit sector.

Former chief executive (retired April 2022)

	2023	2022
	£	£
Basic salary	-	100,585
Pension contributions	-	11,386
Occupational health insurance	-	4,376
Total remuneration	-	116,347

Incumbent chief executive (started March 2022)

	2023	2022
	£	£
Basic salary	120,000	50,000
Pension contributions	13,579	2,263
Occupational health insurance	-	-
Total remuneration	133,579	52,263

There were no redundancy payments made during the year (FY22: £62,660).

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Year ended 31 July 2023

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17 Pension costs

The pensions charge for the year to 31 July 2023 was £492,000 (FY22: £531,000).

In the UK, the RAD currently operates two schemes, representing in total 147 (FY22: 152) employees.

Provider	Type of scheme
Aegon Scottish Equitable	Defined-contribution scheme
Teachers' Pension Scheme (TPS)	<p>An unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.</p> <p>The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and is detailed in the valuation report, which was published in October 2023.</p> <p>Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.</p> <p>The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.</p>

Outside the UK, RAD operates or contributes to a variety of defined-contribution schemes, money-purchase schemes or statutory schemes, representing 55 (FY22: 69) employees in 11 (FY22: 12) countries.

18 Taxation

The RAD is a charitable organisation and is entitled to UK tax exemptions available to charities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards). Royal Academy of Dance Enterprises Limited gift aids its "annual profits", as defined by a Deed of Covenant entered into with the RAD. Provision for UK taxation has only been made in respect of any residual profit of Royal Academy of Dance Enterprises Limited. Subject to the availability of similar charitable exemptions overseas, provision has been made for overseas taxation on the profits of overseas subsidiaries and branches.

Notes to the accounts

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19 Tangible and intangible fixed assets

	Intangibles	Freehold land and buildings	Furniture and office equipment	Computer equipment	Motor vehicles	Total
Group	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 August 2022	68	25,907	1,559	3,467	53	31,054
Exchange-rate movements	(2)	(216)	(17)	(52)	(5)	(292)
Additions	-	49	43	90	-	182
Disposals	-	-	(1)	(8)	-	(9)
Revaluation	-	(598)	-	-	-	(598)
At 31 July 2023	66	25,142	1,584	3,497	48	30,337
Accumulated depreciation						
At 1 August 2022	56	-	370	3,051	53	3,530
Exchange-rate movements	(2)	92	(16)	(48)	(5)	21
Charge for the year	6	451	137	285	-	879
Eliminated on disposals	-	-	(1)	(8)	-	(9)
Revaluation	-	(451)	-	-	-	(451)
At 31 July 2023	60	92	490	3,280	48	3,970
Net book value						
At 31 July 2023	6	25,050	1,094	217	-	26,367
At 31 July 2022	12	25,907	1,188	416	-	27,523
Charity						
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 August 2022	43	25,762	1,428	3,351	53	30,637
Exchange-rate movements	(3)	(199)	(18)	(53)	(5)	(278)
Additions	-	49	20	75	-	144
Disposals	-	-	-	-	-	-
Revaluation	-	(598)	-	-	-	(598)
At 31 July 2023	40	25,014	1,430	3,373	48	29,905
Accumulated depreciation						
At 1 August 2022	43	-	283	2,948	53	3,327
Exchange-rate movements	(3)	91	(16)	(49)	(5)	18
Charge for the year	-	451	123	274	-	848
Eliminated on disposals	-	-	-	-	-	-
Revaluation	-	(451)	-	-	-	(451)
At 31 July 2023	40	91	390	3,173	48	3,742
Net book value						
At 31 July 2023	-	24,923	1,040	200	-	26,163
At 31 July 2022	1	25,763	1,145	402	-	27,311

Notes to the accounts

Year ended 31 July 2023

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19 Tangible and intangible fixed assets (continued)

The RAD owns freehold properties in the UK, Australia and South Africa. The current valuations, after amortisation charges and exchange gains arising out of the translation of Group freehold properties at the end of the financial year, are:

	Value at 1 August 2022	Exchange movement	Charge for the year	Additions to freehold	Disposals to freehold	Increase / (decrease) in valuation	Value at 31 July 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom	22,489	-	(451)	49	-	(487)	21,600
Australia	3,188	(117)	-	-	-	252	3,323
South Africa	229	(99)	-	-	-	(3)	127
Total	25,906	(216)	(451)	49	-	(238)	25,050

The freehold property in London, UK was valued as at 31 July 2023 at fair value in accordance with the RICS Valuation – Global Standards effective 31 January 2022, which incorporates the International Valuation Standards (IVS) and, where applicable, the relevant RICS national or jurisdictional supplement (the “RICS Red Book – Global Standards”) and in accordance with UK Generally Accepted Accounting Principles (UK GAAP) – FRS 102. The valuation was carried out by Daniel Watney LLP, Chartered Surveyors.

The freehold property in Sydney, Australia was valued as at 31 July 2023 at fair value. This valuation was carried out by Cviker Property Valuations & Consultancy.

The valuation of the freehold property in Johannesburg, South Africa was taken from the latest edition of the Johannesburg Municipality rating, which is revised periodically.

The RAD holds heritage assets which include a unique, internationally significant and continually expanding range of archival and printed sources, exhibits and pictures of ballet memorabilia. These resources are available for use by the staff and students of RAD, the wider community and any member of the public who has an interest in the RAD’s collection. As reliable cost information is not available and conventional valuation approaches lack sufficient meaning, given that certain aspects of these assets are irreplaceable, no value is included on the balance sheet in respect of these assets. No heritage assets were capitalised during the year as none exceeded the capitalisation threshold of £50,000. All subsequent expenditure incurred on the heritage assets is reviewed to determine whether it meets the criteria set out in FRS 102 for capitalising subsequent expenditure on an asset. Where the criteria is not met, the expenditure is accounted for through the Statement of Financial Activities. Expenditure that is required to preserve or prevent further deterioration of individual collection items is recognised in the Statement of Financial Activities when it is incurred.

Notes to the accounts

Year ended 31 July 2023

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20 Investments

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Quoted investments				
Market value at 1 August	153	151	153	151
Investment during the year	7	13	7	13
Net realised / unrealised gains /(losses)	(1)	1	(1)	1
Market value at 31 July	159	165	159	165
Historical cost at 31 July	99	99	99	99
Investments in subsidiaries				
Balance at 1 August	-	-	111	114
Exchange differences	-	-	-	(3)
At 31 July	-	-	111	111
Total investments at 31 July	159	165	270	276
<i>Quoted investments</i>				
Held in the United Kingdom	62	64	62	64
Held outside the United Kingdom	97	101	97	101

All quoted investments are held within restricted funds, are listed on a recognised stock exchange and are valued at market value at year-end.

The charity owns 100% of the issued share capital of the subsidiary companies as listed below, whose aims and objectives mirror those of the RAD, with the exception of Royal Academy of Dance S/C Ltda., a company registered in Brazil, and Royal Academy of Dance de Mexico AC, a company registered in Mexico whose issued share capitals are held 100% in trust on behalf of the RAD; and RAD Dancing (Thailand) Co Ltd where the RAD holds 49% of the issued share capital, but has effective control.

The charity also has effective control over a building fund in South Africa which is administered by the Royal Academy of Dance, an association incorporated under s21 of the Republic of South Africa's Companies Act, and Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia. The results of these entities are included in the Group's results as long as the RAD continues to maintain a branch in South Africa, and operations in Indonesia. RAD Dancing (Malaysia) Sdn. Bhd. is a wholly owned subsidiary of Royal Academy of Dance Singapore Pte Ltd.

Notes to the accounts

Year ended 31 July 2023

Notes

Investments (continued)

Investments in subsidiaries

Subsidiaries	Country of incorporation	Co Registration number	% of issued share capital	Assets £'000	Liabilities £'000	Net assets £'000	Capital £'000	Income £'000	Expenditure £'000	Surplus / (deficit) £'000
Royal Academy of Dance S/C Ltda	Brazil	CNP-J27907864/0001-48	Held in trust	133	63	70	-	321	335	(14)
Royal Academy of Dance gGmbH	Germany	HRB 103317	100%	322	154	168	64	438	403	35
Yayasan Royal Academy of Dance Indonesia	Indonesia	Yayasan No 138	100% control	43	105	(62)	-	73	53	20
Royal Academy of Dance Srl	Italy	TN-0174567	99%	210	127	83	8	589	613	(24)
Royal Academy of Dance de Mexico AC	Mexico	RFC RAD 011026DT5	Held in trust	270	63	207	-	266	222	44
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	No 282399-X	100%	519	270	249	-	229	360	(131)
Royal Academy of Dance Singapore Pte Ltd	Singapore	No 02211/1988-M	100%	985	426	559	-	343	555	(212)
Royal Academy of Dance	South Africa	1990/004233/08	100% control	221	148	73	-	262	275	(13)
Royal Academy of Dance SL	Spain	CIF No B-59915330	100%	284	86	198	2	345	353	(8)
RAD Dancing (Thailand) Sdn Bhd	Thailand	0505554003970	49%	180	50	130	37	177	161	16
Royal Academy of Dance Enterprises Ltd	United Kingdom	No 2773495	100%	607	622	(15)	-	460	460	-
Balance as at 31 July				3,774	2,114	1,660	111	3,503	3,790	(287)

Notes to the accounts

Year ended 31 July 2023

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21 Stocks	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Finished goods and goods for resale	276	304	148	153
Balance at 31 July	276	304	148	153

22 Debtors: amounts falling due within one year	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors	216	205	147	132
Amounts due from subsidiaries	-	-	2,149	1,430
Other debtors	479	612	354	513
Prepayments and accrued income	1,072	656	889	491
Balance at 31 July	1,767	1,473	3,539	2,566

23 Creditors: amounts falling due within one year	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loans	(260)	(266)	(260)	(266)
Trade creditors	(1,321)	(1,042)	(1,197)	(903)
Amounts owed to subsidiaries	-	-	(1,141)	(384)
Taxation and social security	(239)	(2,840)	(59)	(2,582)
Accruals and deferred income	(3,567)	(3,429)	(2,980)	(2,765)
Balance at 31 July	(5,387)	(7,577)	(5,637)	(6,900)

Bank overdrafts

At 31 July 2023, the Royal Academy of Dance in the United Kingdom had not utilised any of the £700,000 available in the grouped overdraft facility (FY22: £700,000). The facility is secured on the freehold property at 188 York Road, London SW11 3JZ. The overdraft facility was renewed for a further 12 months in September 2023.

As at 31 July 2023, Royal Academy of Dance Enterprises Ltd had not utilised any of the £300,000 overdraft facility available. The overdraft facility was renewed for a further year in September 2023.

An overdraft facility of A\$400,000 with Westpac, secured on the property at 20 Farrell Avenue, Sydney, was made available in March 2012 to facilitate the completion of the building works on the property and to supplement the cyclical nature of the Australian operations cash flow. The facility is continuing.

Notes to the accounts

Year ended 31 July 2023

Notes

Movement on deferred income during the year	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Balance brought forward	2,434	3,228	1,890	2,990
Received in year	4,555	3,491	3,880	2,959
Released to income	(4,112)	(4,285)	(3,515)	(4,059)
Balance carried forward	<u>2,877</u>	<u>2,434</u>	<u>2,255</u>	<u>1,890</u>

24 Creditors: amounts falling due after more than one year	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Provision for long-service award	(12)	(27)	(12)	(27)
Bank loans	(2,663)	(2,951)	(2,663)	(2,951)
Balance at 31 July	<u>(2,675)</u>	<u>(2,978)</u>	<u>(2,675)</u>	<u>(2,978)</u>

Bank loans

Bank loans of £2,663,034 (FY22: £2,951,587) relate to:

- The Canadian branch obtained the Canada Emergency Business Account loan of C\$60,000. The loan is interest free and due no later than December 31, 2023. If the branch is able to pay C\$40,000 on or before December 31, 2023 the remaining C\$20,000 will be forgiven. If the loan cannot be repaid by December 31, 2023, the loan will be converted into a two-year term loan, with an interest rate of 5%, with repayment due no later than December 31, 2025.

The Royal Academy of Dance in the United Kingdom has two loans:

- Coronavirus Business Interruption Loan (CBILS) is an unsecured loan of £800,000 utilised from March 2021 for general working capital requirements. The loan repayments commenced 12 months after the drawdown date and comprise interest at a rate of 3.99% per annum above the Bank of England base rate on the outstanding loan balance. An election has been made to utilise the business interruption payment scheme (BIP) where interest payments interest in the first 12 months will be covered by the BIP. The loan must be repaid in full no later than March 2027.
- Term Loan of £2,500,000 utilised from July 2021 to facilitate the purchase of a new group headquarters property located at York Road, London, UK. The loan repayments commenced one month after the drawdown date and made in 58 instalments of £12,319 each with a final repayment of the outstanding balance. Interest of 3.25% per annum over the Bank of England base rate will be calculated on the outstanding amount of the loan on a monthly basis. The loan must be repaid in full no later than July 2026

25 Commitments

Capital commitments

There are £nil (FY22: £nil) capital commitments as at 31 July 2023.

Operating leases

Equipment is leased by Royal Academy of Dance for defined periods.

The full cost over the lease period is shown below:

	2023	2022
	£'000	£'000
Less than 1 year	115,480	124,193
2-5 years	172,884	248,414
Over 5 years	<u>10,928</u>	<u>23,163</u>

Lease payments of £182,942 (FY22: £150,786) were charged to the Consolidated Statement of Financial Activities during the year.

Operating leases for Canada, China, Germany, Italy, Japan, Malaysia, Spain and Thailand were not reported in the prior year and these have been included in the restated figures.

Notes to the accounts

Year ended 31 July 2023

Notes

26 Movement in restricted funds

		Type of Fund	Balance at 1 Aug 2022	Exchange movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2023
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted									
Step into Dance programme	UK	Project	5	-	411	(417)	-	1	-
Benesh Projects	UK	Project	119	-	10	(22)	-	(39)	68
Scholarship / bursary funds	UK	Restricted	556	-	15	(23)	-	-	548
<i>Boys Only!</i> funds	UK	Restricted	50	-	-	-	-	-	50
Iris Truscott fund	UK	Restricted	10	-	4	(7)	-	-	7
Regional Scholarship funds	UK	Restricted	69	-	3	(1)	-	-	71
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	(18)	-
RADiate	UK	Restricted	14	-	95	(72)	-	-	37
Christel Addison funds	South Africa	Restricted	69	(6)	6	(13)	-	(5)	51
Regional panel fund	South Africa	Restricted	16	(2)	-	-	-	(14)	-
Scholarship funds	Israel	Restricted	1	-	-	-	-	(1)	-
Dancing Times archive		Restricted	-	-	60	-	-	-	60
New Headquarters fund	UK	Restricted	-	-	392	-	-	(392)	-
Margot Fonteyn International Ballet Competition	UK	Restricted	-	-	92	-	-	-	92
Capital asset fund	Canada	Restricted	-	-	-	-	-	12	12
Total Charity			927	(8)	1,088	(555)	-	(456)	996
Building fund	South Africa	Restricted	6	-	-	-	-	(6)	-
Total Group			933	(8)	1,088	(555)	-	(462)	996

Notes to the accounts

Year ended 31 July 2023

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26 Movement in restricted funds (prior year)

	Type of Fund	Balance at 1 Aug 2021	Exchange movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2022
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted								
Step into Dance programme	UK	Project	18	-	487	(500)	-	5
Benesh Projects	UK	Project	103	-	16	-	-	119
Scholarship / bursary funds	UK	Restricted	536	-	41	(21)	-	556
<i>Boys Only!</i> funds	UK	Restricted	53	-	-	(3)	-	50
Iris Truscott fund	UK	Restricted	8	-	11	(9)	-	10
Regional Scholarship funds	UK	Restricted	74	-	1	(6)	-	69
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	18
RADiate	UK	Restricted	14	-	-	-	-	14
Christel Addison funds	South Africa	Restricted	67	(2)	4	-	-	69
Regional panel fund	South Africa	Restricted	-	-	-	-	16	16
Scholarship funds	Israel	Restricted	1	-	-	-	-	1
New headquarters fund	UK	Restricted	745	-	1,190	-	(1,935)	-
Total Charity			1,637	(2)	1,750	(539)	-	927
Building fund	South Africa	Restricted	6	-	-	-	-	6
Total Group			1,643	(2)	1,750	(539)	-	933

Notes to the accounts

Year ended 31 July 2023

Notes

Restricted funds

Restricted funds are funds arising out of donations, grants, legacies and awards given or raised for specific purposes. These funds are used for specific projects:

- Step into Dance: A fully inclusive, community dance programme, a partnership between the RAD, which leads the programme and The Jack Petchey Foundation, which funds it.
- The Community Learning and Innovation Fund (CLIF): Funded research into Dance for Lifelong Wellbeing.
- Benesh Projects: Funds are raised from the Benesh Institute Endowment Fund to finance changes made in the Benesh Movement website and Benesh course material.
- Scholarship/bursary funds: To provide grants to students attending teacher education and notation programmes at the Academy. Awards totalling £22,781 were made in this financial year (FY22: £20,579).
- *Boys Only!* funds: Funds raised at a joint RAD/RBS Billy Elliot preview gala to provide opportunities for male students whose access to dance is limited for economic, geographic or physical reasons. There was spend of £nil in the year (FY22: £nil) to support Project B, created to inspire boys and men of all ages to dance.
- Iris Truscott fund: A trust deed registered with the Charity Commissioners to give awards to students wishing to progress from either the CBTS to a Level 2 or 3 teaching qualification validated by the University of Bath and delivered by the Academy; or from BA Ballet Education to LRAD programme.
- Regional Scholarship funds: Funds are raised and administered by Regional Advisory Committees in England and Wales to provide scholarships for students to further their training.
- Jubilee Awards 2012: One of four awards made to the Royal Academy of Arts, the Royal Academy, the Royal Academy of Dramatic Art and the Royal Academy of Dance to honour HM The Queen's patronage of the four Academies in her Golden Jubilee Year.
- RADiate funds: Funds are raised from a grant received by City Bridge Trust and school tuition fees for special needs education in primary schools.
- Christel Addison funds (South Africa): A legacy left by a South African teacher to fund teacher training opportunities overseas for South African residents. No awards were made.
- Scholarship funds (Israel): To provide scholarships for students to further their training. No awards were made.
- Transfer of HQ building capital campaign fund from restricted to unrestricted – In the prior year all expenditure against the building was recorded as unrestricted but the corresponding income was recorded as restricted. To reflect the correct position, a prior year transfer has been made from restricted to unrestricted funds to recognise that the grants received had been fully spent on the building.
- The Margot Fonteyn International Ballet Competition is dedicated to promoting and rewarding standards of excellence in young ballet dancers internationally by offering aspiring dancers the unique opportunity to work with world-renowned choreographers and professionals, as well as the chance to perform on an international stage.
- Building Fund (South Africa): The building is owned by Royal Academy of Dance, a company registered in South Africa under its s21 Companies Act. Funds are raised by renting the building.



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Year ended 31 July 2023

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27 Movement in unrestricted funds

	Balance at 1 Aug 2022	Exchange movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31 Jul 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity							
Designated funds	255	(3)	10	(25)	-	38	275
Unrestricted funds	2,221	(13)	15,726	(15,388)	-	419	2,965
Fixed asset reserve	24,398	(297)	144	(848)	(147)	-	23,250
Total	26,874	(313)	15,880	(16,261)	(147)	457	26,490
Group							
Designated funds	255	(3)	10	(25)	-	38	275
Unrestricted funds	3,895	(24)	20,733	(20,662)	-	424	4,366
Fixed asset reserve	24,610	(312)	173	(870)	(147)	-	23,454
Total	28,760	(339)	20,916	(21,557)	(147)	462	28,095

Movement in unrestricted funds (prior year)

	Balance at 1 Aug 2021	Exchange movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31 Jul 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity							
Designated funds	236	14	5	-	-	-	255
Unrestricted funds	-	91	1,441	(1,415)	185	1,919	2,221
Fixed asset reserve	19,483	246	14,682	(15,589)	5,576	-	24,398
Total	19,719	351	16,128	(17,004)	5,761	1,919	26,874
Group							
Designated funds	236	14	5	-	-	-	255
Unrestricted funds	1,845	91	4,203	(4,163)	-	1,919	3,895
Fixed asset reserve	19,696	246	14,680	(15,588)	5,576	-	24,610
Total	21,777	351	18,888	(19,751)	5,576	1,919	28,760

During the year the designated reserve associated with fixed assets was reviewed and updated to reflect the net book value of fixed assets in total less associated loan finance.

Notes to the accounts

Year ended 31 July 2023

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Movement in designated funds (Charity and Group)

	Balance at 1 Aug 2022	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Genée legacy funds	6	-	-	-	-	6
Challengenée funds	56	-	1	(2)	-	55
Social Responsibility fund	95	(3)	8	(23)	20	97
Evans legacy	58	-	-	-	18	76
Fiona Campbell legacy	40	-	1	-	-	41
Designated funds*	255	(3)	10	(25)	38	275

Prior year

	Balance at 1 Aug 2021	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Genée legacy funds	6	-	-	-	-	6
Challengenée funds	56	-	-	-	-	56
Social Responsibility fund	83	7	5	-	-	95
Evans legacy	51	7	-	-	-	58
Fiona Campbell legacy	40	-	-	-	-	40
Designated funds*	236	14	5	-	-	255

* Designated funds have been earmarked for specific purposes of the RAD and include support for ballet competitions, student bursaries and innovation and need in dance education, training and performance, especially in communities where opportunity is limited. A short to medium-term spending plan will be established for these funds during FY24.

	2023		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
28 Analysis of group net assets between funds			
Tangible and intangible fixed assets	26,367	-	26,367
Investments	152	7	159
Current assets	9,638	989	10,627
Current liabilities	(5,387)	-	(5,387)
Amounts falling due after more than one year	(2,675)	-	(2,675)
Total net assets	28,095	996	29,091
	2022		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Analysis of group net assets between funds (prior year)			
Tangible and intangible fixed assets	27,523	-	27,523
Investments	149	16	165
Current assets	11,643	917	12,560
Current liabilities	(7,577)	-	(7,577)
Amounts falling due after more than one year	(2,978)	-	(2,978)
Total net assets	28,760	933	29,693

Group

The results of the 12 subsidiary companies below are consolidated with the results of the Charity (Branch Offices and UK Group) to form the Group:

Subsidiary companies

Germany	Royal Academy of Dance gGmbH, Waldenserstrasse 2-4, 10551 Berlin
Indonesia	Yayasan RAD Indonesia, Jl. Angur III / No:1 Cipete, Jakarta Selatan 12410
Italy	Royal Academy of Dance SRL., Via Vannetti 12, 38122 Trento
Malaysia	RAD Dancing (Malaysia) Sdn Bhd., No 16F 1 Sentral, Jalan Stesen, Sentral, Kuala Lumpur 50470
Mexico & Central America	Royal Academy of Dance de Mexico AC, Amates 18 Fracc Alconfores, San Mateo, Naucalpan CP 53240, Mexico
Singapore	Royal Academy of Dance Singapore Pte Ltd., Farrer Road Post Office, PO Box 106, Singapore 912804
South Africa	Royal Academy of Dance s21 Company, 51 Silwood Road, Bramley 2090, Johannesburg
South America	Royal Academy of Dance Brasil Ltda, Av. Angelica, 566/86, Santa Cecília, 01228-000 São Paulo-SP, Brasil
Spain, Andorra & Gibraltar	Royal Academy of Dance SL., Ventura i Gassol, 3, 5è-3a, 43203 Reus, Tarragona, Spain
Thailand	RAD Dancing (Thailand) Co Ltd, 121/12, Moo 10, Chiangmai-Hangdong Road, Tambon: Pae Dad, Ampur: Muang, Chiangmai 50100
United Kingdom	Royal Academy of Dance Enterprises Ltd, 188 York Road, London, SW11 3JZ

Charity

The results of the eight branch offices below are consolidated with the results of the UK Group to form the Charity:

Branch offices

Australia	20 Farrell Avenue, Darlinghurst, NSW 2010
Canada	Suite 601, 1210 Sheppard Avenue East, Suite 601, Toronto, Ontario M2K 1E3
Israel	Hadar Street 491, Neve Yamin 449200
Japan	Trad Mejiro B2F, 2-39-1 Mejiro, Toshima-Ku, Tokyo 171-0031
New Zealand	Level 11 49 Boulcott Street, Wellington 6011
Portugal	Rua 4 Infantaria 86, 138 C/V Esq, 1350-241 Lisboa
Southern Africa & Mauritius	51 Silwood Road, Bramley 2090, Johannesburg, South Africa
United States	2625 S Greeley Street Suite 360, Milwaukee, WI 53207

UK Group

The results of the 11 representative offices below are included in the results of the UK entity to form the UK Group:

Representative Offices

Caribbean	PO Box 1433, 8 Rockhampton Drive, Kingston 8, Jamaica
China	Jin Zuo, Room 201A, 108 Chuang Yi Plaza, 11 Yu Jing Gang Road, Shanghai 200070
Cyprus	71 Irinis Street, 3041 Limassol
Greece	British Council, 17 Kolonaki Square, Athens 10673
Hong Kong	Unit 1905, 19/f, 135 Bonham Strand Trade Centre, 135 Bonham Strand, Hong Kong
Ireland	Egool, Kilmovee, Ballaghaderreen, County Mayo, F45 PK59, Ireland
Malta	c/o 29/10 Sir Luigi Camilleri Street, Sliema SLM1281
Scandinavia	Smedstuveien 25, 7040 Trondheim, Norway
South Asia	40a Lake Gardens, off Lake Drive, Rajagiriya 10100, Sri Lanka
South Korea	109-603, 50 Gaepo-ro 110 gil, Gangnam-gu, Seoul 06344
Taiwan	5f, No 122, Sect 7 Chung Shan N. Road, Taipei 11151

Bankers

UK bank	HSBC Bank Plc	31 Holborn Circus, London EC1N 2HR
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Advisers

UK law firm	Fieldfisher LLP	41 Vine Street, London EC3N 2AA
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UK and Group auditor	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW
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Crowe U.K. LLP is the auditor of the consolidated group. Where not audited by Crowe U.K. LLP, branches and subsidiaries are audited or reviewed by the firms shown below:

Australia	Crowe Australia	Level 24, 1 O'Connell Street, Sydney, NSW 2000
Brazil	Liberty Assessoria Contabil S/S Ltda.	Rua Mituto Mizumoto, 56, Liberdade, 01513 040 São Paulo-SP
Canada	Grant Thornton LLP	15 Allstate Parkway, Suite 200, Markham, Ontario L3R 5B4
Indonesia	KAP Ekna Masni, Bustaman & Rekan	Gedung Sentra Kramat B No. 18, JL Kramat Raya 7-9, Jakarta Pusat 10450
Israel	Hannan Gabriel CPA	8 Hayod-Chef Street, Hod Hasharon 45200
Portugal	CERB	Beloura Office Park, Rua do Centro Empresarial, Edifício EE06 – Escritório 12, Quinta da Beloura, 2710-444 Sintra
Malaysia	Crowe Malaysia PLT	Level 16, Tower C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia
Singapore	Crowe Singapore	9 Raffles Place, #19-20 Republic Plaza Tower 2, Singapore 048619
Spain	Asesoria Berzosa	Donoso Cotres 85, 28015 Madrid
Thailand	KT&R Business Consultant Co Ltd	59/1 Sukhumvit 64 Bangchak, Prakanong, Bangkok 10260
Southern Africa & Mauritius	Crowe Johannesburg	9 Autumn Street, Rivonia, Sandton, South Africa





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ROYAL ACADEMY OF DANCE

England & Wales - Charity number 312826

Accounts



ROYAL
ACADEMY
OF
DANCE

Annual Report and Financial Statements

For the year ended 31 July 2022



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Report of the Chair of the Board of Trustees

We are pleased to present the Annual Report and Financial Statements for the Royal Academy of Dance for the year to 31 July 2022.

While the impact of the global Covid-19 pandemic on the RAD's operations eased during the period under review, it still significantly hindered the operations of our global family as they sought to return to pre-pandemic levels of activity. To mitigate the difficulties that we faced, the RAD continued to offer hybrid and online events, workshops and conferences across the world. An example was The Fonteyn competition – our flagship event – which we had been forced to cancel in 2020 but was held as a fully virtual event in 2021. It was remarkably successful, and a testament to the adaptability of the contestants and organisers, but we are delighted that the RAD will be holding a fully in-person Fonteyn in London in October 2023.

Our first virtual Awards Day, with three simultaneous online ceremonies taking place across several time zones, demonstrated the RAD's global reach and the benefits that technology can sometimes bring to integrating the organisation. We were delighted that over 300 students graduated from our Faculty of Education programmes despite Covid-19 restrictions.

The RAD across the world has overcome numerous new and frightening challenges through the exceptional hard work, dedication and commitment of its staff and management. I would like to express, on behalf of my fellow trustees, our sincere thanks and gratitude to them all for their continued resilience, enthusiasm, and loyalty.

I would also like to thank all our members, friends, supporters, sponsors, and donors for their help and support. It means so much to all of us that they are prepared to dedicate their time and energy to enable us to fulfil our mission, to teach the world to dance. The donations from foundations and individuals were pivotal in enabling us to move to a facility that will provide wonderful opportunities for a far wider audience to enjoy the pleasures of dance.

Our move to the RAD's new global headquarters in March was marked by a series of high-profile opening events. The building was formally opened by HRH The Duchess of Cornwall and there were well-attended gatherings for our members and to introduce the RAD to our friends and neighbours in Wandsworth, an event attended by the mayor. We aim to make York Road the centre of dance in the UK and the hub of its global activities.

The death in September of our patron, Her Majesty Queen Elizabeth II, was a loss felt by everyone around the world. The Royal Academy of Dance was fortunate to have enjoyed her patronage since 1953.

Upon Luke Rittner's retirement at the end of April after 22 years at the RAD, we were delighted to welcome Tim Arthur as our new chief executive. His report follows this.

In a year of change, I am sad that this will be my final annual report as chair of the RAD. It has been an honour, a privilege, and a joy to be associated with this wonderful institution and the incredible work it does in promoting the importance and benefits of dance. I am so grateful to all our staff, members, donors, supporters, and friends for their hard work, support and kindness over the years. Without them, this great academy would not exist. I wish the RAD and all those associated with it every success in the future, and I will follow its progress with keen interest.



Guy Perricone
Chair

Chief Executive's report

As we look back on the financial year 2021-22, we remain determined to ensure the smooth running of the business, and to support our staff, members, and students through the continuing effects of Covid-19 and the increasingly troubled economic scenario in which we are now operating. The highlights of the year in review, outlined under our strategic objectives later in this report, show that we have continued to be successful in achieving this due to the tremendous dedication and commitment of our staff around the world, and the loyalty of our membership.

In March, we moved into our new global headquarters on the back of a monumental fundraising effort. We are indebted to the generosity of donors, foundations, and sponsors for making this possible, as well as the vision and enthusiasm of our Capital Campaign Committee led by Dame Monica Mason.

The new building has already come to life. Our community-engagement strategy is paying off as it begins to be seen as an arts destination. We are continuing to work on building partnerships with our local and international communities while expanding the breadth of our activities as a world leader in dance education, engaging with increasingly diverse audiences.

We have continued to prioritise support for our members, introducing new resources on safeguarding and wellbeing as well as providing flexibility around payment and replenishing our hardship scheme for teachers. Along with delivering online member events, this year has also seen the development of a new online Register of Teachers. This register makes it easier for teachers to show their RAD qualifications while also offering assurance to the public that they can be confident of finding the best teachers.

Despite the many obstacles caused by the pandemic, our global network exceeded its budgets by delivering over 190,000 examinations, a testament to the adaptability and hard work of our colleagues around the world. Necessity created an increased need for filmed submissions, and we have been developing processes over the last two years to deliver filmed exams to provide greater flexibility to students not able to travel.

I must acknowledge once again our dedicated staff worldwide for their continuing hard work and willingness to adapt in a post-pandemic environment that has forced so many changes on them and the organisation. They continue to deliver every day to the highest standards, and they ensure that the RAD maintains its position as a world leader in dance education.

On a personal note, I would like to thank the trustees and colleagues around the world for their warm welcome into the RAD fold. I have loved working with them and look forward to building on the firm foundations that I inherited from Luke.

A handwritten signature in black ink, appearing to read 'Tim Arthur', with a long horizontal flourish extending to the right.

Tim Arthur
Chief Executive

Patron, President and Officers

Patron

The Late Queen Elizabeth II

Vice Patron

HM The Queen Consort

President

Dame Darcey Bussell DBE

Trustees

Guy Perricone (Chair)

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS

Andrew McIntee BA (Hons) Bus Econ

Chi Cao PDTD

David Nixon OBE

Deborah Cornelius MA (Cantab)

Esther Chesterman LLM LLB Dip Ed

Hilary Clark ARAD (dip PDTC) RTS

Ida Levine BA Juris Doctor JD

Imogen Knight ARAD BA (Hons) DDE, RAD TD, RAD RTS

James Cane FCA

Joshua Tuifua PDTD (Dist)

Matthew Paluch MA, PDTD (Dist) RBS Dip.

Penny Parks RAD RTS

Professor Peter Flew

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip

Stephen Sacks

Vikki Allport RAD RTS T.DIP (Dist)

Executive Board

Chief Executive

Tim Arthur (appointed March 2022)

Luke Rittner CBE (resigned April 2022)

Chief Operating Officer

Ash Sharma ACCA (appointed June 2022)

Artistic Director

Gerard Charles

Director of Education

Dr Michelle Groves EdD MA BSc (Hons) BPhil (Hons)

Director of Development

Katy Shaw MCIOF (appointed Nov 2022)

Esther McLaughlin MInstF (resigned Oct 2022)

Director of Marketing and Communications

Melanie Murphy Dip IPR MICPR

Director of Finance

Renu Randhawa ACA (appointed March 2022)

Ian Pogue BA (Hons) ACA (resigned Jan 2022)

Director of Examinations

James Stockdale MloD

Vice Presidents

David Bintley CBE

Li Cunxin AO

Dame Beryl Grey (deceased Dec 2022)

Dame Monica Mason DBE

David McAllister OAM

Wayne Sleep OBE

Advisory Council

Joy W Brown

Barbara Fewster OBE FISTD

Lady Porter

Sir Roy Strong CH DLitt PhD FRSA

FRSL

Report of the Trustees

The Trustees of the Royal Academy of Dance (RAD) present their report and audited financial statements for the year ended 31 July 2022. This contains information to satisfy the requirements of trustees' reports under the Charities Act 2011, and to comply with current statutory requirements, the RAD's Charter, the Statement of Recommended Practice for Accounting and Reporting by Charities (2019), and Financial Reporting Standard FRS 102.

This report contains information about the group and charity. In the context of these financial statements, the group accounts include the audited accounts of the charity and its subsidiaries, and the charity accounts include the audited accounts of the RAD in the United Kingdom and its branches for the year to 31 July 2022. The entities comprising the group and the charity are shown on page 12.

Our registered and head office is 188 York Road, London, SW11 3JZ. The RAD has 29 international offices which manage branches, representative offices, and subsidiary companies, in which the RAD holds, either in trust or outright, 100 per cent of the issued share capital. The RAD also has effective control over an association incorporated under Section 21 of the Republic of South Africa's Companies Act which owns the freehold property in South Africa; Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia; and RAD Dancing (Thailand) Co Ltd where it holds a minority shareholding.

The RAD is recognised to award regulated qualifications in England, Wales and Northern Ireland and are required, through our board of trustees, to issue an annual Statement of Compliance to the Office of Qualifications and Examinations Regulation (Ofqual), Qualifications Wales and the Council for the Curriculum, Examinations and Assessment (CCEA). We are also recognised as an approved awarding body in Scotland by SQA Accreditation, part of the Scottish Qualifications Authority.

Through our Faculty of Education, the RAD is registered with the Office for Students (OfS) as a provider of higher education and is designated by the Office for Standards in Education, Children's Services and Skills (Ofsted) as an 'outstanding provider of initial teacher training'.

The RAD is required to report any safeguarding (including Prevent) incidents to the Charity Commission and to the OfS, Ofqual, Qualifications Wales and CCEA, where there is an event which could have an adverse effect in leading to a loss of standards, integrity, or public confidence in qualifications, and to Ofsted according to the circumstances. We follow the Charity Governance Code.

Principal activities

At the RAD, we provide dance training, dance-teacher education, and dance-assessment services to students and teachers. We are also:

- a registration organisation for dance teachers, providing opportunities for the education and training of young people and adults in dance, and employment opportunities for dance teachers,
- a higher education provider, offering programmes of study and associated qualifications for aspiring dance teachers,
- an awarding organisation, devising and administering a portfolio of examinations in dance which form part of the assessment process of courses of study, delivered by teachers, leading to proficiency in dance at a high level,
- the owner of Benesh Movement Notation, and a provider of programmes of study and qualifications for dance notators, and
- an organisation that delivers dance projects for specifically targeted groups, as well as offering a global programme of activities, events, competitions, awards, bursaries, and scholarships aimed at engaging local communities in the world of dance.

Our services can be seen at www.royalacademyofdance.org and through local websites internationally.

Public benefit

The RAD is a charity registered in England and Wales. Our trustees are required to ensure that they carry out the charity's aims for the public benefit whenever the exercise of any powers or duties may be relevant. As such, the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the RAD and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which are set.

The charitable objectives as set out in our charter are to:

1. elevate and advance the art of dance by promoting the correct tuition of dance in its highest forms, and
2. advance education in the art of dance, by:
 - providing facilities for dance, dance education and training,
 - setting up and maintaining programmes of study for the education and training of dancers, teachers and notators of dance (such programmes to include, but not be limited to, the study of Benesh Movement Notation),
 - setting and conducting exams in dance and the teaching of dance,
 - educating, training, assessing, registering, licensing and chartering teachers of dance who meet standards determined by the board from time to time, and
 - promoting the teaching of dance.

The trustees have reviewed these aims and consider that our activities meet the main principles of public benefit: that they are identifiable and are related to our aims of the RAD, that the public are the beneficiaries, and that there is no significant exclusion as to who can benefit.

Mission and vision

Our mission is to inspire the world to dance.

Our vision is to be:

- **The voice of expertise** – globally recognised as a leader in dance education and training
- **Flourishing** – financially healthy and agile with a diversified income to support our ambitions
- **Welcoming** – with a belief in the power of dance to transform lives, and the value of a diverse workforce and community
- **In step** – working collaboratively to deliver our vision
- **Choreographed to deliver** – with the right people and processes to realise our objectives

57 entries

from 23 countries for
our Members' photo
competition

341 students

graduated across nine
FoE programmes

45.1 million

reached by The
Fonteyn coverage

600+

local people
attended our
house warming

96.2%

retention rate
(members)

£3.2 m

raised by
our capital
campaign

196,000

exams delivered
worldwide

Strategic objectives and achievements

Our strategic plan has three objectives. Two of these (SO1 and SO2) focus on how we operate and ensure financial stability, and the third (SO3) focuses on why we exist – our purpose – and how to use our position as a leading dance, education, and training organisation to attract, retain and support our members and students.

SO1: Review and adapt structures and systems to focus use of people, skills, and resource to maximise impact

Achievements and Performance

Artistic

- After holding The Fonteyn online in 2021, we are planning the first post-pandemic competition in London in October 2023. Although the online event was profitable, we are looking at new ideas for an event that brings back the valued in-person aspect and connects to a bigger audience.
- Our plans for 2023 are based on post-pandemic participation numbers and we are looking into new activities to raise our income.

Exams

- The roll-out of the new marking app for examiners (to replace hard copy reports) was completed by the end of 2022. A big project, this will see benefits to both marking and customer service.
- We recruited a full-time Safeguarding Manager and carried out a global review of our internal safeguarding controls. We also increased our engagement with teachers and members to highlight the importance of safeguarding and added new resources to the membership portal.
- Our team continue to refine exam systems and processes around certification and regulatory compliance. This has reduced to only two days the turnaround time from results being published to the printing of certificates.
- We completed a partial restructuring of the exams team to bring the regional management team under the guidance of the exams director.

Faculty of Education

- In August 2021, we held the first virtual Awards Day with three ceremonies for graduates in different time zones.
- Nine hundred and forty-nine students were enrolled on our programmes in 2021-22, a decrease of 26% on the previous year.
- Three hundred and forty-one students across nine programmes graduated in 2021-22.
- Our Mapping Dance and Dance Teaching: Past(s), Present and Future(s) conference was held online in September, with over 150 attendees, and 50 presenters from around the world.
- We launched our first digital prospectus in October 2021 and ran three virtual open days ahead of an onsite open day at York Road, with over 100 prospective students attending during the year.
- Promotional webinars were held for prospective students in Singapore, Malaysia, Hong Kong, Canada, New Zealand and the USA, seeing an increase in applications for BA Ballet Education and Certificate in Ballet Teaching Studies in 2022-23. We also recruited 11 student ambassadors to represent our programmes at various events in England, Scotland, and Australia.
- We refined our data-collection systems to allow us to capture information on Equality, Diversity and Inclusion (EDI).
- Global economic uncertainty and Covid-19 restrictions were big barriers to student recruitment in 2021-22, with many not beginning studies, or suspending and withdrawing from programmes, mostly down to personal finance pressures.

Continuing Professional Development (CPD)

- Bookings for our events were moved from Eventbrite to the Cvent platform to allow payments to be made in US Dollars as well as Euros and Sterling, resulting in increased sales.
- We scheduled webinars to increase attendance in different time zones, increasing access for teachers not able to attend activities in person.
- Training programmes for new and existing tutors from different countries were delivered to increase the numbers able to offer local activities. This has also seen a reduction in their carbon footprint.

SO2: To secure capital funding and investment to transform access to dance

Achievements and Performance

Fundraising and Development

- We made great advances with fundraising for the capital campaign for the new building, ending the financial year with £3.2m towards the overall target of £3.5m.
- We also gratefully secured significant multi-year funding from Paul Hamlyn Foundation for our RADiate programme, which provides classes for children with learning disabilities.
- The new 'Patrons' Circle' was launched in September 2022 with an 'in-conversation' event between Ralph Fiennes, Bennet Gartside and Dame Monica Mason. The event was a great success.

SO3: To set teaching and learning standards for dance teachers and students worldwide to enhance the RAD's global reputation

Achievements and Performance

Membership

- The 'Mutually Recognised Teacher' category was moved to 'RAD Registered Teacher' status from August 2022. The following month, we simplified the 'consecutive years' criteria for Life Membership, allowing those who decide to take a break from teaching still to become eligible to be a registered teacher.
- At the Cvent Excellence Awards, the RAD's team was shortlisted for 'Best Member Support during Covid-19 during the last 12-18 months' in the Membership Excellence Awards, and our Members' Open Day was shortlisted for 'Most Innovative Cvent Implementation'.
- We introduced several initiatives to raise awareness of the importance of safeguarding. These included a new safeguarding hub, collating information on teachers safeguarding practices along with Disclosure and Barring Service information, as part of the renewals process, adding safeguarding to our member event series, a safeguarding e-newsletter, and the Head of Global Membership Services joining the Safer Dance Working Group.
- Our 2022 Members' Photo Competition ran between April-July, with the theme of 'Monumental Moves', seeing 57 entries from 23 countries. Photos were shortlisted and put forward to the judging panel and the public vote, which received 3,753 votes. An article also appeared in The Times.
- An online Register of Teachers was developed where visitors can check if a teacher is RAD-qualified. Its aim is to support RAD Registered Teachers, to inform and protect the public, and to provide confidence in the profession.
- We launched and implemented a series of online member events, and a highly successful hybrid Member 'Open House' and AGM at our new headquarters. The event was live-streamed, with members invited to attend both virtually and in person. 116 members attended from 23 countries.
- In our online Members' Area, we introduced a Welcome Area, Safeguarding Hub, Branding and Wellbeing Toolkits, and refreshed the exams content. Search functionality was also added to enable members easily to find content.
- In addition, development was carried out to merge the Euro and GBP Members' Areas into a single portal in the Members' Area of the website.

- In May 2022, we launched a new community discount at the Community Housewarming event. We now offer the concession price for non-professional memberships to people living in the London postcodes SW11 1-5.
- Four hundred and twenty-seven Faculty of Education students have graduated since August 2021. Of these, 61% have become members, and of these, 97% have become RAD Registered Teachers.
- We remained focused on retaining members, and a successful bulk renewals project and lapsing-member campaign resulted in a retention rate of 96% - 8% higher than the average retention rate for individual subscribers.
- To alleviate problems related to the global cost-of-living crisis, we launched several initiatives designed to support our members, such as offering the option to pay membership fees by instalments, a reduction and then only a nominal rise in fees, removal of late-payment charges, and extension to the payment deadline.

Marketing and Communications

- In September 2021, we hosted The Fonteyn as an online event resulting in 21 pieces of press coverage. Online, our coverage had a potential reach of over 45.1 million with social media content also achieving high levels of engagement and web conversions.
- We took part in World Ballet Day in October, with content premiering on Facebook and YouTube. There were over 10,000 engagements and 3,000 link clicks on the former, and 40,000 impressions on the latter. We also used this event to launch a new TikTok as a key gateway to a younger audience on the fastest-growing social media platform.
- The PR campaign around the royal opening of our new building in March 2022 achieved 413 pieces of coverage including the Daily Mail, Independent, Daily Express, Daily Mirror, The Times, Evening Standard, My London, and a feature on ITV London News.
- In May 2022, we hosted a housewarming event to welcome the local community into our new building, with 511 registrations and over 600 walk-ins. The event increased RAD brand awareness and helped re-position our image away from 'austere', 'niche', and 'traditional' to 'open', 'friendly' and 'inclusive'.
- We carried out changes to our website homepage to improve the user journey and to communicate our brand identity, mission and services more effectively. We also identified areas of improvement on our current service contract that will significantly reduce costs in the 2022-23.
- In December, we celebrated the launch of our partnership with BRB with the #SugarCube dance challenge in a series of reels. These were top-performing posts, garnering between three and 6,000 likes and between 45,000 and 74,000 views.
- Our Portrait and Schools Art competitions received 66 entries and 48 entries respectively. The winning portrait by Zi Ling was unveiled in September at our headquarters and the art competition saw the winners from Alderbrook Primary School win a workshop with us.

Library and Archive

- The V&A museum hosted, On Point: Royal Academy of Dance at 100 from December 2020 to September 2021. The display exhibited 60 original objects and over 80 archival images from our history.
- Our Archives and Records Manager conducted in-person and online presentations and tours on our V&A display and the V&A's performance festival in April 2022. This led to an increased interest from people wanting to donate material to our archives and special collections. Professional conservation was also carried out on several objects in our special collections – these heritage items are now on display at our headquarters.

- The Library and Archive moved into its new space in January 2022 and opened to customers in February. All 13,514 items on the library open shelves were RFID-tagged to allow more efficient circulation and checkout via a new self-service kiosk. We have also changed our fee structure to provide more flexible options for researchers, and a borrower-subscription scheme exclusively for RAD Members.
- Curated displays of our archive materials were presented at the new headquarters for opening events, including the visit of Her Royal Highness The Duchess of Cornwall, leading to more engagement with RAD members and our local community.

Exams

- Globally, we exceeded budget estimates of 180,000 exams by delivering over 196,000 worldwide. Around 94,000 of these were filmed submissions.
- RAD China exceeded their budget this year of 15,000 examinations, achieving 25,000 (filmed examination submissions).
- The exams team successfully completed an SQA (Accreditation) audit in 2021-22 which looked primarily at provider delivery, but also considered filmed examination processes. We received only low-risk observations from SQA.
- In 2021-22, we submitted Statements of Compliance to Ofqual, Qualifications and CCEA, demonstrating full compliance with the regulatory framework

Learning and Participation

- Our London summer activities in July 2022 included the London Summer School, Children's Summer Classes, Adult Summer Course, and Adult Rep Workshop. These saw 348 students taking part and ranged from ages four to adult. Compared to 2020-21, numbers were up as we were able to run a fuller schedule this year but were still less than 2019-20. This is due to not being able to run some activities for the last two years, and, as a result, losing some of our market. Of students engaging this year, however, over 75% are new attendees. We hope to build on this for future activities.
- Our GCSE and A Level students achieved a 100% pass rate for the 2021-22 academic year. Students achieved the following percentage of grades:

A Level

- A* = 9.09%
- A = 27.27%
- B = 45.45%
- C = 18.18%

GCSE

- 9 = 33.33%
- 8 = 25%
- 7 = 33.33%
- 6 = 8.33%

Dance School

- Following the successful move of the dance school to our new global headquarters, we achieved a Net Promotor Score of 85.61 after surveying customers after their first term in the new building.

CPD

- In liaison with National Offices, CPD organised the delivery of webinars by English-speaking tutors to teachers in Spain and China, with translations in real-time.

RAD corporate structure

All entities below form the group (the RAD)

RAD

Subsidiary companies

The results of the subsidiary companies are consolidated with the results of the Charity (Branch offices and UK Group) to form the Group.

RAD Singapore
Pte Ltd
Singapore

RAD gGmbH
Germany

Yayasan RAD
Indonesia

RAD Srl
Italy

RAD Dancing
(Malaysia)
Sdn Bhd

RAD de Mexico AC
Mexico

RAD s21 Company
South Africa

RAD Enterprises Ltd
United Kingdom

RAD Brasil Ltda
South America

RAD SL
Spain, Andorra
& Gibraltar

RAD Dancing
(Thailand) Co Ltd
Thailand

Charity

RAD

Branch offices

Australia

Canada

Israel

Japan

New Zealand

Portugal

Southern Africa
& Mauritius

United States

Representative offices

Caribbean

China

Cyprus

Greece

Hong Kong

Ireland

Malta

Taiwan

Scandinavia

South Asia

South Korea

The results of the representative offices are included in the results of the UK to form the UK Group.

Corporate Governance

The group relies on a robust governance framework to support the organisation. Responsibility for good governance lies with the trustees, who are accountable to the members. The trustees oversee the RAD's worldwide operations through a trustee board and ten separate subcommittees.

President and Vice Presidents

We currently have seven elected vice presidents. These may not be Full Members of the RAD at the time of election but are deemed to become Full Members following election. Candidates for the office of president and up to nine vice presidents can be nominated by Full Members or be recommended by the board of trustees and are elected by members at the Annual General Meeting (AGM). Since the revision of the charter in 2008, the president and vice presidents elected since that date can only hold office for a maximum of two terms of five years, in accordance with clause 52.7 of the bye-laws.

Advisory Council

The advisory council consists of the president, vice presidents, and any other persons appointed by the board to provide advice. The advisory council did not meet during the year.

International Advisers

The trustees may appoint up to five international advisers whose ordinary residence is not in the UK and who may attend meetings of the board of trustees in an advisory capacity. There are no current appointments.

The Board of Trustees

The board comprises up to a maximum of twenty members, of whom ten are Full Members of the RAD (List A) and ten, including the chair, who may or may not be Full Members, who have been recommended by the board as persons likely to bring skills or experience in areas other than dance or education (List B).

Candidates for the office of trustee can be nominated by Full Members or recommended by the board of trustees and are elected by members at the AGM. Trustees are elected to hold office for a term of three years and may be re-appointed for two further consecutive terms in accordance with clauses 33-38 of the bye-laws.

Individuals may be co-opted by the trustees to fill vacancies arising during the year.

The board's role and responsibilities are set out in formal Terms of Reference and Standing Orders.

There are currently eighteen elected trustees on the board.

List A Trustees (Dance)

Hilary Clark ARAD (dip PDTTC) RTS

Imogen Knight ARAD BA (Hons) DDE, RAD TD, RAD RTS

Penny Parks RAD RTS

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS

Vikki Allport RAD RTS T.DIP (Dist)

Joshua Tuifua PDTD (Dist)

Matthew Paluch MA, PDTD (Dist) RBS Dip.

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip

List B Trustees

Guy Perricone (Chair)

James Cane FCA

Professor Peter Flew

Ida Levine BA Juris Doctor JD

Andrew McIntee BA (Hons) Bus Econ

David Nixon OBE

Chi Cao PDTD

Esther Chesterman LLM LLB Dip Ed

Deborah Cornelius MA (Cantab) (appointed May 2022)

Stephen Sacks (appointed May 2022)

Resigned May 2022

Kevin O'Hare CBE

Aliceson Robinson MBA

Darren Parish RAD PDT Diploma BMN Diploma RAD RTS and Diploma Arts and Dance NFSH

Meetings

The board schedules at least four meetings a year, plus an annual strategy day. Comprehensive papers, including minutes of previous meetings, are presented to the board.

Constitution

The chair is responsible for the leadership and management of the board.

The chief executive is responsible for the leadership and day-to-day management of the RAD to ensure the delivery of the strategy agreed by the board. The chief executive is supported by seven directors as listed on page 4.

Induction

All trustees are provided with a handbook, and take part in induction sessions with senior staff to familiarise themselves with the work of the RAD.

Related parties

The RAD has entered into a number of transactions with related parties during the year. These are in the form of management charges made to overseas branches and subsidiaries to cover the cost of administration of the group by UK headquarters, fees and expenses paid to seven trustees in their capacity as examiners, tutors or mentors, and rental paid on property used for RAD business. Further detail can be found in note 13 to the financial statements.

Independence

Trustees are required to sign a code of conduct on appointment. Up to one half of the trustees may receive an emolument for services rendered to the RAD, but where the trustee has received payment in the preceding twelve months, may not take part in any debate or vote considering emoluments, whether specific or general, and should not be present at a meeting at which a specific payment to that trustee is discussed or an appointment which involves payment is made.

Trustees are required to disclose any third-party interests annually and to disclose any gifts received. These are disclosed in note 13 on page 46.

Indemnities and insurance

In accordance with Article 6(h) of the RAD's charter, the RAD takes out indemnity insurance as part of its global policy to indemnify it against loss arising from the neglect or default of its trustees, employees, or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part.

Board Subcommittees

The board operates ten subcommittees, created under bye-law 40 of the RAD's charter. All subcommittees have formal terms of reference and standing orders which are reviewed annually.

All subcommittees have regular scheduled and unscheduled meetings, and papers are made available to all members and those in attendance.

Finance and Audit Subcommittee

The Finance and Audit Subcommittee's key function is to support the board in fulfilling its responsibilities in reviewing the effectiveness of financial reporting, internal controls, and risk management. In addition, the subcommittee considers the statutory accounts and meets annually with the external auditors to receive and discuss their report on the annual audit.

As part of this role the subcommittee provides advice to the board on whether these financial statements are fair, balanced, and understandable, and provides information for members to assess the RAD's performance.

The Finance Subcommittee also advises the board of trustees on all financial matters and considers the management and financial accounts, budgets, and financial resources of the group together with the strategic plan prepared on a five-year rolling basis with annual revisions. The subcommittee also assesses the risks to which the RAD is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention.

When considering the annual budgets, it also determines the general salary policy to apply throughout the group. It has four scheduled meetings a year.

Trustee members

James Cane (Chair)

Ida Levine

Guy Perricone (ex officio)

Amy Giancarlo

Co-opted members

Michelle McGrath

Sandra McAlister

Catherine Quinn BA (Hons), MA, MBA

Director

Director of Finance

Nominations and Remuneration Subcommittee

The Nominations and Remuneration Subcommittee ensures that there is a formal and appropriate procedure for the appointment of key trustees and management. It also considers the remuneration of key management, ensuring it is consistent with the competitive position of the salary for similar positions in the sector and within the RAD, considering their qualifications, experience, roles, and responsibilities. It also considers the recipients for the Queen Elizabeth II Coronation Award, Fellowships of the Royal Academy of Dance, and President's Awards.

Membership is drawn from the chairs of the respective subcommittees:

Members

Guy Perricone (Chair)

James Cane

Deborah Cornelius

Peter Flew

Penny Parks

Ida Levine

Steven Sacks

Imogen Knight

Esther Chesterman

Andrew McIntee

Board of Trustees

Finance and Audit Subcommittee

Board of Directors of RAD Enterprises Ltd

Education Subcommittee

Regional Subcommittee

Fundraising and Development Subcommittee

Global Membership and Marketing Subcommittee

Artistic Subcommittee

Examinations and Regulatory Subcommittee

New Headquarters Subcommittee

Membership of subcommittees is made up of trustees and co-opted members recruited for their skills and experience. Each subcommittee has a chair who is a trustee and at least one director in attendance with the relevant specialism. All members of the executive board may attend these subcommittees. The chair of the board of trustees is an ex-officio member of each subcommittee.

Examinations and Regulatory Subcommittee

The Examinations and Regulatory Subcommittee advises and supports the director of examinations (and other directors) in overseeing the regulatory aspects that governs the work and policies of the examinations board and the RAD. The subcommittee seeks to ensure that our examination policies and standards are maintained and enhanced; that the examinations board is fully accountable; that it complies with the requirements of the external regulators (including annual submissions to the regulators); maintains the highest standards of efficiency and quality assurance in its policies and procedures; and that programmes remain practically and financially viable.

Trustee Members:

Esther Chesterman (chair)

Co-opted Members:

Tim Arnold

Louise Norman

Brenda Soar

Michael Smith

Edith Devoy

Barbara Amponsah-abedi (appointed June 2022)

Directors:

Director of Examinations

Artistic Subcommittee

The Artistic Subcommittee is a source of advice, support, and debate for the artistic director on advances and changes in the dance, arts and education sectors that may impact on the RAD. It supports the artistic director in ensuring that the RAD's Artistic ideals and standards; and the aims of the RAD's Royal Charter and Strategic Plan; are articulated, visible and upheld in all of our activities (including student training, community provision, competitions, syllabus, member teacher and independent contractor support, and outreach programming); and that our artistic initiatives are artistically, practically, and financially viable. The subcommittee may form limited time working groups with members outside of the subcommittee. It may also receive items for review delegated from the board of trustees and may report recommended actions for approval.

Trustee members

Imogen Knight (Chair)

Chi Cao

Hilary Clark

Penny Parks

David Nixon

Vikki Allport (appointed September 2022)

Co-opted members

Amanda Eyles

Wade Lewin

Vidya Patel

Sidwell Roman

Kylie Ann Aliferis (appointed September 2022)

Ana Maria Campos (appointed September 2022)

Anuschka Roes (appointed September 2022)

David Steele (appointed September 2022)

Bawren Tavasiva (resigned February 2022)

Rebecca Taylor (resigned February 2022)

Directors

Artistic Director

Education Subcommittee

The Education Subcommittee advises and supports the director of education on advances and changes in education that may have an impact on the work and policies of the Faculty of Education and the RAD. It ensures that all programmes of study are fully accountable, developed and maintained to the highest standards; and are financially viable. It also seeks to ensure that, as a provider of higher education, we uphold our public interest governance principles including, but not limited to, the principles of freedom of speech and academic freedom. The RAD complies with its duties under Section 29 of the Counter-Terrorism and Security Act 2015 (Prevent Duty).

Trustee members

Professor Peter Flew (Chair)

Hilary Clark

Amy Giancarlo

Rachel Jackson-Weingärtner

Student representatives

Kathleen Ansell – MAE (Student rep 2021-22)

Rachel Webb – DDTS/Yr1 (Student rep 2021-22)

Co-opted members

Dr Ann Chapell (appointed March 2022)

Maria Clutterbuck (University of Bath representative)

Dr Joanne Cliffe PhD MSc BEd (Hons)

Professor Tina Chen FISTD MA Dip RBS TTC ARAD

Judith Hemery AB (Hons) (resigned September 2022)

Fiona Sheehan MA BA (Hons)

Paula Scales MTD BA (Hons) PGCE RTS

Professor (Emeritus) Prue Huddleston

Lynne Reucroft-Croome (resigned February 2022)

Calvin Robinson

Shelly Yacopetti

Dr Janet Rose

Director

Director of Education

Global Membership and Marketing Subcommittee

The Global Membership and Marketing Subcommittee advises and supports the director of marketing and communications on matters relevant to the marketing and promotion of our projects, events, and services. It also advises and supports the director and their teams in promoting the skills, knowledge, and expertise of its members, and providing support services and benefits for its members throughout their careers. The subcommittee also seeks to ensure that, as a membership organisation, we uphold the aims and objectives of the charter and its bye-laws in an open and transparent way, and that it is fair in all its dealings with members of the RAD and the public.

Trustee members

Stephen Sacks (Chair) (appointed May 2022)

Imogen Knight (Vice Chair)

Joshua Tuifua

Rachel Jackson- Weingärtner

Co-opted members

Akua Acheampong (appointed September 2022)

Carol Marlow

Grace Buskell (appointed June 2022)

Jane Karczewski (appointed September 2022)

Lloyd Stringer

Shelley Isaac-Clarke Tch Dip RTS (resigned June 2022)

Vikki Allport RAD RTS T.DIP (Dist) (resigned June 2022)

Director

Director of Marketing and Communications

Regional Subcommittee

The Regional Subcommittee facilitates feedback from the regional ambassadors of the UK and Ireland (all teaching Members of the RAD) to the executive board on all regional matters. Additionally, the regional ambassadors receive updates from the executive board on projects and initiatives to share with their regional membership, enhancing member engagement. The subcommittee ensures that we are fully accountable to our members in the UK and Ireland, and maintains the highest standards in all areas of its work. The terms of reference of the subcommittee determine that the incumbent chair is put forward to the board of trustees on initial election as a co-opted trustee and subsequently recommended for election at the AGM.

Chair and Trustee

Penny Parks (South East England)

Co-opted members

Caitríona Brocklebank (Ireland)

Caroline Peters (Midlands & East of England)

Dawn Edgar-Ulivi (Scotland)

Lisa McCourt (Northern Region)

Shelley Isaac-Clarke (South West, Wales & Channel Islands)

Director

Director of Examinations

New Headquarters Project Subcommittee

The New Headquarters Project Subcommittee oversees all relevant aspects of the construction, design and fit-out of the RAD's new headquarters on York Road, with the move taking place from February 2022. The subcommittee upholds the aims and objectives laid down in the RAD's Royal Charter and bye-laws.

Trustee members

Andrew McIntee (chair)

Guy Perricone

Ida Levine

James Cane

Co-opted members

Russell Middleton

Tina Wolder

Director

Chief Executive

The subcommittee is made up of trustees and experts providing wider experience in the fields of construction, design, and property management, and is attended by members of the executive board as required. The subcommittee meets as required.

Fundraising and Development Subcommittee

The Fundraising and Development Subcommittee advises on fundraising efforts that support the charitable purposes of the RAD, such as social benefits to the wider community. It also advises and supports the director of development and fundraising on matters relating to the development of fundable programmes and fundraising strategy.

Trustee members

Ida Levine (Chair)

Guy Perricone

James Cane

Co-opted members

David Banks

Phil Dolling

Joanne Muller

Christopher Nourse

Jane Karczewski

Tristan Davies

Georgina Robbins

Michael Cole-Fonteyn (appointed September 2022)

Director

Director of Development and Fundraising

Membership comprises trustees and members co-opted from the wider arts, business, and philanthropy sectors. The subcommittee meets four times a year.

Development and Fundraising

The Development Department follows the rules of the Fundraising Regulator's Code of Fundraising Practice, the Chartered Institute of Fundraising guidance, and the Charities Commission guidance on Charitable Law, including fundraising.

The objectives of the department include raising funds for the organisation and its charitable purposes through individual gifts, trusts and foundations grants, legacies, corporate sponsorship and support and the public sector.

Research and vetting of potential supporters are key parts of fundraising, and the processing and storing of biographical information is necessary. All staff are GDPR trained, and we follow a strict procedure for storing and maintaining such data. All data is stored and protected, with limited access to details allowed within the wider team. Briefing of the chief executive and trustees is also strictly controlled by the team.

We develop strong personal relationships with our funders and listen to their preferences and requirements. The department seeks to encourage donations and does not engage in pressurising potential donors. For trusts and foundations, there are strict guidelines for applying to and reporting on grants. Personal correspondence, relationship management and donor engagement help us to build trust with our supporters. We make every effort to ensure that our fundraising does not intrude on peoples' privacy, that it is not unreasonably persistent, and that it does not place pressure on anyone to donate.

We consider ethical impacts of our fundraising and seek to ensure that the RAD does not accept gifts or donations from organisations or individuals where to do so would represent a conflict of interest, a reputational risk, or would impact adversely on our ability to fulfil our mission.

We do not engage external fundraisers other than consultants who are vetted, selected, and contracted to deliver specific strategies, following due diligence and conflict-of-interest guidelines. We do not engage in face-to-face solicitation through third parties.

The development team consists of seven people - three being members of the Chartered Institute of Fundraising. The director of development reports directly to the chief executive and takes advice from the Fundraising and Development Committee and the trustees.

There have been no fundraising complaints to date, but any arising will be handled swiftly and interrogated thoroughly with reference to the chief executive. We will also respond appropriately to all Freedom of Information requests from individuals.

Board of Royal Academy of Dance Enterprises Ltd (RADE) Enterprises Subcommittee

The board of RADE also acts as the Enterprises Subcommittee of the RAD. Its members are made up of directors of the company and trustees.

RADE is a separately constituted private limited company owned by the RAD. It is the primary publishing and distribution arm for the RAD and its examination board. It sells examination syllabi in various media including print, audio-visual and apps, as well as recommended uniform wear, teaching resources, dance-related products, and gift items. Its products are sold and distributed through its website, mail order, printed catalogues, book distributors, RAD branches, and the RAD itself.

The Enterprises Subcommittee considers the management and financial accounts, budgets, and financial resources of the RADE in the context of its relationship to the group. The subcommittee also assesses the risks to which the company is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention.

Company Directors

Tim Arthur (appointed April 2022)

Ash Sharma (appointed June 2022)

Luke Rittner (resigned April 2022)

Ian Pogue (resigned January 2022)

Sue Bacchus

Trustee members

Guy Perricone

Deborah Cornelius (Chair) (appointed May 2022)

Co-opted members

Mark Richardson

The board and subcommittee discharge these responsibilities by meeting three times a year and advises the Finance and Audit Subcommittee and the RAD's board of trustees on all matters pertaining to RADE.

Acknowledgements

We would like to recognise the significant work undertaken by the Capital Campaign Committee led by Dame Monica Mason. Our thanks also go to our President, Dame Darcey Bussell, for her extraordinary commitment to us through such a difficult period for everyone.

We would like to gratefully acknowledge the invaluable support of the following donors who have supported our Capital Campaign until the end of July 2022:

Aud Jebsen
Wolfson Foundation
The Linbury Trust
Garfield Weston Foundation
Lees Charitable Trust
Jo and Rafi Manoukian
The Deborah Loeb Brice Foundation Donor Advised Fund at CAF
Ida Levine
The Foyle Foundation
The Michael and Nicola Sacher Charitable Trust
Simon and Virginia Robertson
Sir Simon and Lady Robey
Julia Bond, Chris and Imogen Knight
The Rudolf Nureyev Foundation
The Ethos Foundation
Maria Björnson Memorial Fund
Torunn and David Banks
Charles Glanville and James Hogan
Capital Group
Dame Monica Mason DBE
Sue Butcher
Lindsay and Sarah Tomlinson
Dame Margot Fonteyn Scholarship Fund
Kristina Rogge
The Late Julia Farron
Philip and Christine Carne
Kenneth and Susan Green
Christopher and Sarah Smith
Lucille Perricone
Georgina Robbins
Leigh and Lena Collins
The Frederick Ashton Foundation
South East Regional Committee and South East Members (RAD)
Ben and Christine Wrey
The Victor and Lilian Hochhauser Foundation
Sarah Haslock
Colin Campbell
Yan Ballet Academy Singapore

Finally, we would like to recognise the following donors who have provided invaluable financial support during the year: The Jack Petchey Foundation, The Headley Trust, The Lynne & Land Foundation, Ida Levine, Harlequin Floors, and Fieldfisher.

Principal risks and uncertainties

Governance, risk and control

The trustees are responsible for the group's system of internal control and risk management and consider this to be fundamental to the achievement of the RAD's policies. Some of the key elements of the governance, risk, and control framework in which the RAD operates are set out below. The work of the trustees, subcommittees, management, and staff lies at the heart of its processes.

The board approves strategic plans and annual budgets, reviews quarterly results with comparisons against budget, requests analytical reports as and when necessary and debates topics requiring attention. The relevant subcommittees receive papers and provide assurance to the board. The trustees review the effectiveness of governance, risk, and control through this reporting mechanism as well as management concerns raised by the external auditor through the Finance and Audit Subcommittee. As with any such system, the processes are designed to manage rather than eliminate the risk of failure to achieve objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Operational risk management

The chief executive, directors, and heads of departments review the Corporate and Activity Registers and act as the Business Continuity Committee in the event of a disaster.

Exposure to risk

Management continually reviews the risks to which the RAD could be exposed, particularly in terms of governance and operations. Risks are assessed for likelihood and severity of impact. This information is then used to develop a risk-management strategy, including the identification of existing operational controls and any new controls the trustees consider necessary. Several risks and uncertainties have been identified, which are listed below (in no particular order of likelihood of occurrence):

- **Marketplace and products**

Other awarding organisations, which offer dance examinations across multiple genres at a lower cost, and higher-education bodies that offer places funded by government, compete against the RAD, which focuses on a single genre. Members may no longer wish to retain membership of the RAD or to use its products and services. A change in syllabus can have an adverse effect on the ability of teachers to continue to provide candidates for examination at previous levels due to the challenges of acquiring new knowledge and passing it on to candidates.

In mitigation of these risks, we use internal impact statements to assess risk, and use the full force of social media to publicise, promote and sell our products and services. We regularly consult members to ensure product relevance and help shape future initiatives.

- **World events**

As shown in the past two years, like many international organisations, we are vulnerable to pandemics, natural phenomena, changes in weather patterns, conflict, and terrorism. All of these may impede or prevent activities from taking place, including travel by examination candidates, course attendees, and RAD staff such as examiners and tutors, thereby reducing business and income. We have developed policies and procedures to minimise the loss of income caused by such events, and to ensure the safety of staff and examiners.

- **Economic climate**

In common with most organisations, we are vulnerable to changes in the global economic climate. Our core business depends on the purchasing power of our customers, and we have no control over their financial circumstances – whether member, teacher, examination candidate, higher-education student or dance-class attendee.

It is difficult to forecast the effects of the economic climate on individual customers and therefore we endeavour - through better planning - to react to downturns which might adversely affect our performance. However, the global reach of our operations can mitigate against this risk, as markets experiencing strong economic conditions can support those in a downturn.

- **Statutory and regulatory compliance**

The complexity of the group structure could lead to non-compliance with statutory and regulatory requirements, through lack of oversight, knowledge, or training, at both local and group level. Non-compliance can lead to loss of status, recognition, reputation, public confidence, customers, and the imposition of penalties. To mitigate this risk, subject to considerations around cost and benefit, we employ qualified personnel at group and local levels, as well as using external professionals, and work with regulatory or statutory authorities to ensure compliance by obtaining guidance and instruction and implementing these.

- **People**

Working with young people brings safeguarding responsibilities and for this reason, we have a safeguarding committee with designated safeguarding and senior safeguarding officers. Training needs are identified and addressed, and we work with lawyers or other professionals to ensure policies are fit for purpose. We review our safeguarding policies annually.

The behaviour of members and organisations associated with the RAD could lead to reputational loss. We perform due diligence before entering into partnerships, ensure legally sound contracts are in place, and operate Codes of Conduct and Professional Practice for our teaching members.

We seek to attract and retain high-quality employees and to manage them so that they contribute to the RAD and further their careers. However, as in most organisations, high staff turnover could expose the RAD to lack of continuity and loss of knowledge. We undertake annual performance reviews to ensure that staff are motivated and retained, and the RAD offers a range of benefits. Succession planning is undertaken for senior staff.

It is the RAD's policy to invest in the right people needed to support our operations. We provide training for all our staff, including external training where relevant to specialisms. We have a performance-review process, linked to its strategic goals and outcomes, which identifies and addresses development needs. We have also developed a series of human resource policies, the most important of which deal with equality, diversity, health and safety, information management and safeguarding. These are designed to guide employees to improve fairness and safety both in the workplace and for our customers, to ensure compliance with legal responsibilities, and to ensure that they respect one another.

Each of these areas has a policy group that monitors compliance with the relevant area and which reports directly to senior management.

All policies and procedures are reviewed and approved annually by the trustees and employees are informed of changes.

Financial risk management

Our risk-management process is overseen by the Finance and Audit subcommittee. In controlling and underpinning financial risk, the following are key control procedures:

- **Operating unit financial controls**

The Finance Manual is updated regularly and sets out the key financial disciplines expected of staff in managing their role, responsibility, operation or entity. The Finance Manual forms part of an employee's induction and is available to staff on our internal HR homepage.

The central finance function performs quarterly reviews of the results of the international offices. There are monthly finance clinics for all international finance staff where best practice is shared and regular finance training is provided.

- **Information and computer systems**

Our financial and management information is processed and stored on several computer systems. This can lead to concerns about integrity, duplication, security, and other data issues. A disaster-recovery centre operates in the UK. Back-up systems are installed in major international offices and our servers are in a hosted data centre, providing additional resilience.

We set out data-protection compliance in a framework of policies and procedures. We also monitor compliance with data-protection policies and regularly review the effectiveness of data handling/processing activities and security controls. We have implemented a basic GDPR training programme for all staff, supplemented by a needs-based data-protection training programme for staff across different functions and at different levels. The RAD does not meet the criteria for an obligatory Data Protection Officer. However, due to our commitment to GDPR compliance, combined with the lack of internal expertise, we employ an external professional data protection services firm to support the work of the information-management committee.

- **Foreign exchange**

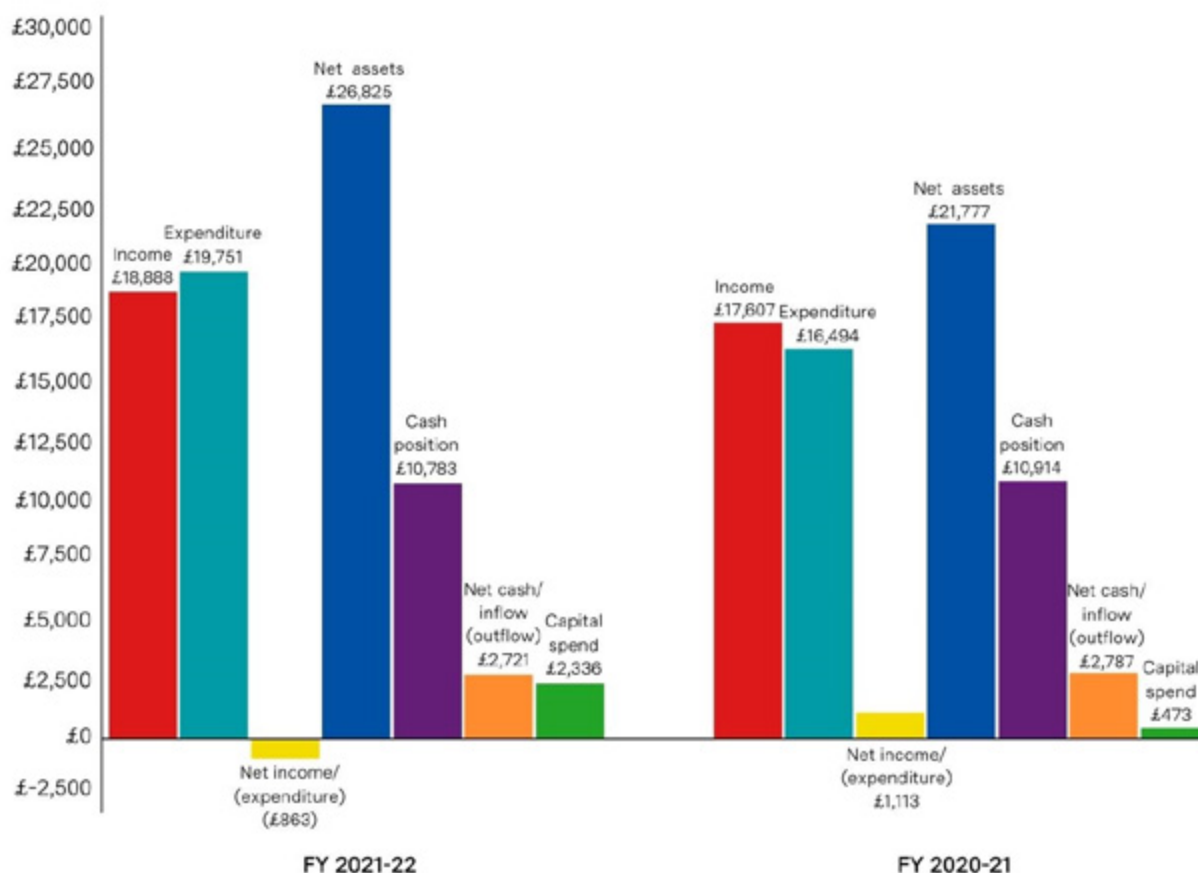
The RAD operates in many jurisdictions, setting fees in local currencies, while at the same time incurring central costs in sterling. The results of the RAD are therefore prone to fluctuations due to currency gains and losses.

It is not possible to forecast movements in foreign exchange and therefore we track movements in those currencies that might adversely affect our performance. We take account of these movements when making decisions about the timing of moving funds between countries.

These risks and uncertainties are included in the corporate and activity risk registers. These are reviewed by the relevant subcommittees and board of trustees, along with actions to mitigate the risks. A further function of the risk registers is to inform business continuity plans, which are underpinned by an offsite IT disaster recovery centre to provide the necessary technological backup in the event of unforeseen problems.

Financial review

Group unrestricted results £'000

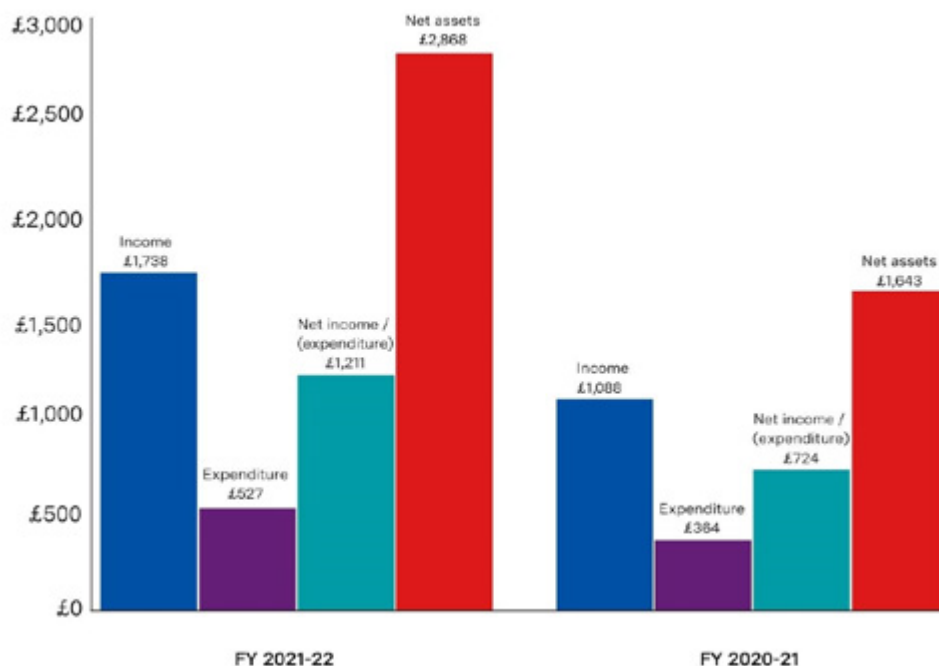


During the year the group continued to recover steadily from the pandemic and reported a 7% increase in worldwide group income of £18,888,000 (2020-21: £17,607,000). This improvement is due to a return to normal trading as the effects of the pandemic restrictions eased for many countries. Expenditure subsequently increased by 20% to £19,751,000 (2020-21: £16,494,000) as face to face delivery of activities returned, resulting in increased costs of travel for freelance examiners and tutors. Furthermore, the delayed UK office move resulted in an increase in running costs in the year for both old and the new premises. The group net loss before transfers and other recognised gains and losses was £863,000 compared to a net surplus of £1,113,000 in the prior year. Contributions in the year from pandemic related government subsidy and furlough schemes reduced to £174,000 (2020-21: £1,123,000) as such schemes were phased out in the early part of the year.

The value of RAD's unrestricted net assets increased by 23% to £26,825,000 (2020-21: £21,777,000) resulting from a gain on valuation of tangible fixed assets of £5,377,000 (2020-21: £287,000), and an exchange gain of £315,000 (2020-21: £129,000 loss) on consolidation.

The group's overall cash position was £10,783,000, a marginal decrease on prior year (2020-21: £10,914,000). There was a net cash inflow from operations of £2,721,000, a small decrease on prior year (2020-21: £2,787,000). Capital expenditure increased from £473,000 to £2,336,000, mainly due to capital spend on the new building.

Group restricted results £'000



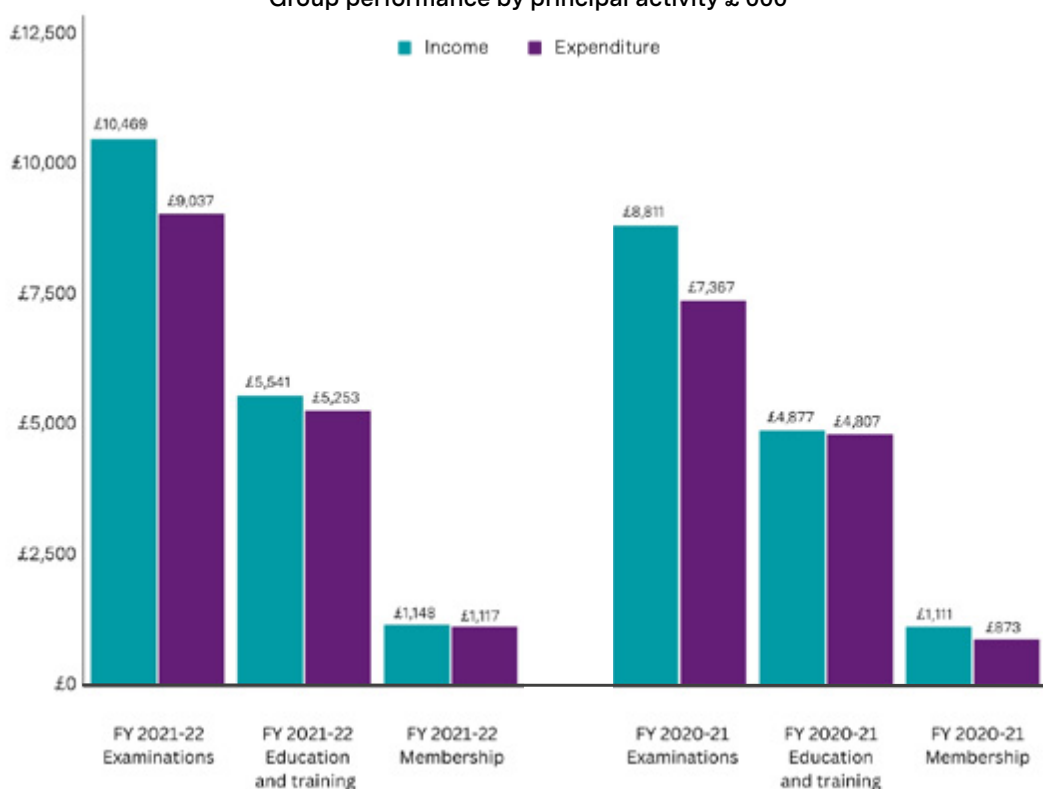
The RAD has a number of funds which have been built up from donations, legacies, trusts, grants, fundraising events and appeals. These are administered in accordance with the accounting policy in Note 1 (m) Fund Accounting. There was a net income of £1,211,000 before transfers and other recognised gains and losses, for the year to 31 July 2022 (2020-21: net income £724,000) (Note 26). This increase in funds is due to the continued receipt of grants and donations for the new HQ building.

The RAD is in receipt of a funding grant through to 2022-23 from the Jack Petchey Foundation to run the Step into Dance programme (a fully inclusive, community dance programme in every London borough, and in some Essex schools) as well as using its own funds. All monies received from the Foundation were spent in accordance with the programme's aims.

Bursaries, awards and scholarships were awarded through various Scholarship Funds, Trusts, Jubilee Award and Regional schemes.

Performance by activity

Group performance by principal activity £'000



Examinations

Examination fees income increased by 19% to £10,469,000 (2020-21: £8,811,000) with direct expenditure increasing by 27% to £5,170,000 (2020-21: £4,077,000). This resulted in a modest increase in net income to £5,299,000 (2020-21: £4,734,000). Total examination entries increased by 7% to 196,173 (2020-21: 182,560).

During the year we began the gradual return to in person examinations, although in some countries where restrictions were still in force due to the pandemic we continued to deliver filmed examinations, with footage being sent to RAD (London) for assessment. Where lockdown restrictions were not in place, we offered teachers and learners the option of filmed examination submission or assessment. This proved to be a very successful initiative and will become a part of the RAD's product offer, affording teachers and learners the flexibility to film at a time and venue suitable to them.

During the year to 31 July 2022, 94,464 candidates were assessed by video (48% of total entries).

Education and training income

Initial Education income increased by £70,000 on prior year to £3,414,000, with net income increasing from £679,000 to £744,000. During the year the Faculty of Education gradually returned to in-person delivery of programmes, in particular BA (Hons) Ballet Education and Licentiate of the RAD both of which are normally delivered onsite. In some countries delivery of programmes remains online or through hybrid modes due to continuing pandemic-related restrictions.

The number of Faculty of Education students decreased from 1,129 to 949, mainly due to global financial constraints and the ongoing effects of the pandemic affecting both new and continuing students.

Income from Continuing Education increased by 39% to £2,127,000 (2020-21: £1,533,000) which demonstrated that CPD activity was also recovering during the year. As restrictions lifted, more face-to-face courses resulted in an increase in expenditure of 33%, with overall net income of £222,000 (2020-21: £101,000).

Membership

Subscription income increased by 3% to £1,148,000 (2020-21: £1,111,000) and direct expenditure was £364,000 with a marginal increase on prior year (2020-21: £355,000). Net income not including indirect costs was £784,000 (2020-21: £756,000).

The number of registered teachers increased from 7,754 to 7,934. All other members decreased from 4,062 to 3,938.

Trading income (retail, licensing and royalties)

Trading income generated by the UK trading subsidiary, together with licensing and royalty income, increased to £1,022,000 (2020-21: £931,000). Overall net income doubled to £714,000 (2020-21: £360,000).

Fundraising

Fundraising income increased by 6% to £1,737,000 and direct expenditure increasing by 6% to £316,000, excluding support costs, resulting in net income excluding indirect costs of £1,421,000 (2020-21: £1,338,000). During the year fundraising income again primarily comprised donations for the new HQ building.

Other income

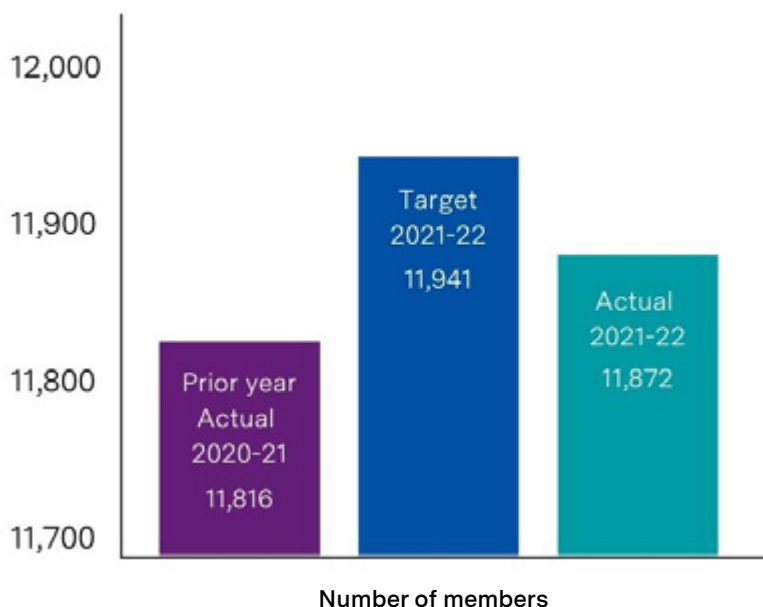
Other income is derived from advertising, rental from studios, the Coronavirus Job Retention Scheme, government support due to the pandemic, sundry income, and gains on exchange, with associated expenditure and taxation on subsidiary company profits.

Indirect costs increased from £7,068,000 to £9,064,000 mainly due to the re-introduction of in-person examinations and course delivery as the global pandemic restrictions lifted, and increased costs of maintaining both the old and new London premises during the office move.

Performance against targets for 2021-22

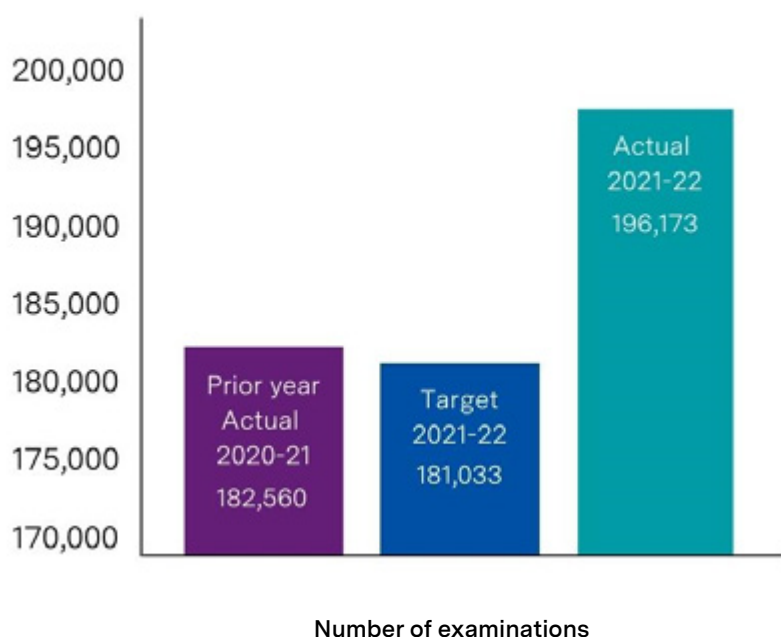
There were 11,872 members globally on 31 July 2022 achieving 99% of the total target. The team focused mostly on enhancing benefits for members and building the membership base. A set of recruitment campaigns will be rolled out during 2022-23.

Number of members worldwide



We exceeded our 2021-22 target of delivering 181,033 dance examinations by 8%, achieving 196,173, of which 94,464 were filmed assessments. This was an encouraging achievement considering the global impact of the pandemic and the increased cost of living. That 49% of examinations were filmed highlights the continued importance of that option, particularly in key markets for the RAD such as China and Hong Kong, which exclusively carried out filmed examinations during 2021-22.

Number of examinations worldwide



Reserves policy

The RAD's current pattern of activities provides fluctuating peaks in cashflow. It needs to build up reserves not only to cover these periods but also to ensure that its core activities can be financed in the event of unforeseen and unbudgeted changes in income and expenditure.

At 31 July 2022 RAD had total funds of £29,693,000 of which unrestricted funds are £26,825,000 and restricted funds £2,868,000. Of the unrestricted funds, the designated funds total is £24,865,000. £24,610,000 represents the net book value of fixed assets less associated loans, and £255,000 other designated funds (see note 27). RAD reviews its reserves policy annually. The long-term target for group free reserves is £2,388,000 with £1,549,000 being within UK reserves. Actual free reserves at 31 July 2022 for the group were £2,215,000 (including other designated reserves) (2020-21: £2,081,000). For the UK only, actual free reserves at 31 July 2022 were £541,000. (2020-21: £nil). During 2021-22 we have seen a return towards more normal levels of operations and we expect this to continue throughout 2022-23 as we continue to build the reserves position to the target level.

The RAD reserves policy recognises that free reserves are only one indicator of financial health. We particularly focus on the group and UK cash position. For 2021-22, cash balances have held up well relative to the previous year because of the resumption of full-scale operations and tighter cash management across the group. This will continue as we build our reserves towards the policy target.

Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, and communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash inflow for the group of £19,000 in 2021-22 (2020-21: £5,486,000), with an inflow from operating activities of £2,721,000 (2020-21: £2,787,000 inflow). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £10,783,000 at year end (2020-21: £10,914,000).

The RAD generated an overall net income of £348,000. During the year there was a delay in the move to our new global headquarters which placed considerable financial demands on our reserves due to the maintenance of two buildings whilst staff and students were moved to the new building in phases. The cost of the new building was financed by the term loan, income from the sale of the old property, and significant fundraising activity which raised £3.2m. Furthermore, in-person delivery of examinations and courses resumed as the worst effects of the pandemic eased, giving rise to increased travel costs for tutors and examiners. We continued to offer hybrid and online exams, courses, events, workshops, and conferences in countries where restrictions remained.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in September 2022. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was also renewed for a further year in September 2022.

The RAD has a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is to be repaid over five years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of five years). Both of these loans are secured on the RAD's headquarters at 188 York Road.

Achievement of the RAD's targets for 2022-23 is dependent on the ongoing impact of the pandemic and the global recession but results to date have been broadly in line with targets. Forecasts have been reviewed for the twelve-month period from the date of signing the accounts, including downside scenario planning and mitigating actions against these. Possible mitigating actions include further cost reductions that can be implemented, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason have prepared the accounts on a going-concern basis.

Outlook

While this has been another challenging year, it has again highlighted the dedication of all those involved with the organisation around the world. In particular, we should pay tribute to the staff, examiners, tutors, teachers, students and parents who make the RAD the great organisation that it is.

We continued to adapt our ways of operating, particularly in terms of digital and online systems. This flexibility not only allowed us to continue activities during the pandemic but will provide further benefits and efficiencies in the future. Our targets for the year 2022-23 are set out below.

We are excited by the opportunities for the global RAD that the move to our new headquarters will bring.

Our targets for 2022-23 are to:

- Deliver at least 182,000 dance examinations - we have budgeted conservatively in light of the continuing pandemic restrictions and the impact of the increased cost-of-living in some of our major markets.
- Achieve worldwide membership of 12,500, an increase of 5% over last year.
- Achieve net fundraising income of £337,000.
- Generate an unrestricted net income (after fundraising) of £237,000.

Statement of the Board of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed, Royal Charter and Bye Laws. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Guy Perricone
Chair, Board of Trustees



James Cane, FCA
Chair, Finance and Audit Subcommittee



Tim Arthur
Chief Executive

15 December 2022

Independent auditor's report to the Trustees of the Royal Academy of Dance

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Royal Academy of Dance ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2022 which comprise the group consolidated statement of financial activities, group and charity balance sheets, group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011; and
- have been prepared in accordance with the requirements of the OfS Accounts Direction (issued October 2019) ("the OfS Accounts Direction")

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

Opinion on other matters prescribed by the OfS accounts direction

No funds have been provided to the charity by the OfS.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; 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 trustees' responsibilities statement set out on page 30, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Office for Students regulation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Audit Subcommittee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Office for Students and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

19 December 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Group consolidated statement of financial activities

For the year to 31 July 2022

Notes

	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from						
2 Donations and legacies	547	1,190	1,737	891	746	1,637
3 Trading	722	-	722	655	-	655
4 Other trading activities	261	39	300	272	4	276
5 Investments	17	6	23	11	-	11
Income from charitable activities						
Examination fees	10,469	-	10,469	8,811	-	8,811
6 Education and training fees	5,054	487	5,541	4,542	335	4,877
Subscription income	1,148	-	1,148	1,111	-	1,111
7 Other income	670	16	686	1,314	3	1,317
Total income	18,888	1,738	20,626	17,607	1,088	18,695
Expenditure						
8 Expenditure on raising funds	(1,424)	(26)	(1,450)	(1,200)	(45)	(1,245)
9 Expenditure on charitable activities	(17,846)	(501)	(18,347)	(14,903)	(319)	(15,222)
11 Other expenditure	(481)	-	(481)	(391)	-	(391)
Total expenditure	(19,751)	(527)	(20,278)	(16,494)	(364)	(16,858)
Net income/(expenditure) before investment gains and losses and transfers between funds	(863)	1,211	348	1,113	724	1,837
Net gains on investments	-	-	-	-	-	-
Net income/(expenditure)	(863)	1,211	348	1,113	724	1,837
Transfers						
Transfers between funds	(16)	16	-	(2)	2	-
Other recognised gains and losses						
On revaluation of tangible fixed assets	5,576	-	5,576	287	-	287
Movement on exchange arising from the consolidation of branches and subsidiaries	351	(2)	349	(129)	(2)	(131)
Net movement in funds	5,048	1,225	6,273	1,269	724	1,993
Fund balances brought forward at 1 August	21,777	1,643	23,420	20,508	919	21,427
Total funds carried forward at 31 July	26,825	2,868	29,693	21,777	1,643	23,420

There were no recognised gains and losses other than those listed above and the net expenditure/income for the year. All income relates to continuing operations.

Group and charity balance sheets

At 31 July 2022

Notes

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fixed assets				
19 Tangible and intangible assets	27,523	19,696	27,311	19,483
20 Investments	165	150	276	264
Total	27,688	19,846	27,587	19,747
Current assets				
21 Stocks	304	336	153	142
22 Debtors	1,473	1,486	2,566	1,998
Cash at bank and in hand	10,783	10,914	7,379	8,248
Total	12,560	12,736	10,098	10,388
23 Creditors – amounts falling due within one year	(7,577)	(5,900)	(6,900)	(5,517)
Net current assets	4,983	6,836	3,198	4,871
Total assets less current liabilities	32,671	26,682	30,785	24,618
24 Creditors – amounts falling due after more than one year	(2,978)	(3,262)	(2,978)	(3,262)
Net assets	29,693	23,420	27,807	21,356
FUNDS				
26 Restricted funds	2,868	1,643	2,868	1,637
27 Unrestricted funds	26,825	21,777	24,939	19,719
Total funds	29,693	23,420	27,807	21,356

The accompanying notes form part of these accounts.

These financial statements were approved and signed on behalf of the Board of Trustees on 15 December 2022 by:



Guy Perricone
Chair, Board of Trustees



James Cane FCA
Chair, Finance and Audit Subcommittee



Tim Arthur
Chief Executive

Group cash flow statement

For the year to 31 July 2022

Restricted and unrestricted funds	Notes	2022 £'000	2021 £'000
a. STATEMENT OF CASH FLOWS			
Cash flows from operating activities:			
Net cash provided by operating activities	b.	2,721	2,787
Cash flows from investing activities:			
Interest receivable		24	11
Interest payable		(212)	(127)
Purchase of tangible fixed assets and construction-in-progress		(2,336)	(473)
Net cash (used in) investing activities		(2,524)	(589)
Cash flows from financing activities:			
Amounts borrowed from/(repaid) to banks		(178)	3,288
Net cash provided by /(used in) financing activities		(178)	3,288
Change in cash and cash equivalents in the reporting period			
		19	5,486
Cash and cash equivalents at the beginning of the reporting period		10,914	5,406
Change in cash and cash equivalents due to exchange rate moments		(150)	22
Cash and cash equivalents at the end of the reporting period	c.	10,783	10,914
b. Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		348	1,837
Adjustments for:			
Revaluation/(impairment) on investment		(1)	9
Interest receivable		(23)	(11)
Interest payable		212	127
Amortisation of intangible fixed assets		5	4
Overseas tax received/(paid)		(1)	19
Depreciation – tangible fixed assets		740	465
Decrease in stocks		255	-
(Increase)/decrease in debtors		(385)	1,454
(Decrease)/increase in creditors		1,571	(1,114)
Effect of foreign exchange on net assets		-	(3)
Net cash provided by operating activities		2,721	2,787
Analysis of cash and cash equivalents			
Cash in hand		10,783	10,914
Total cash and cash equivalents		10,783	10,914

	2021	Cash flow movement	2022
	£'000	£'000	£'000
Analysis of changes in net cash			
Cash at bank and in hand	10,914	(131)	10,783
Total cash and cash equivalents	10,914	(131)	10,783
Debt due within one year	(163)	(103)	(266)
Debt due after one year	(3,232)	281	(2,951)
Total	7,519	47	7,566

Accounting policies

Year ended 31 July 2022

The RAD is a non-statutory body incorporated by Royal Charter and a charity registered in England and Wales (number RC000436). The address of the registered office is 188 York Road, London SW11 3JZ.

Notes

1(a) Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. The RAD meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value except for investments and certain fixed assets which have been included at revalued amounts. The charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the parent entity.

1(b) Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, and communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash inflow for the group of £19,000 in 2021-22 (2020-21: £5,486,000), with an inflow from operating activities of £2,721,000 (2020-21: £2,787,000 inflow). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £10,783,000 at year end (2020-21: £10,914,000).

The RAD generated an overall net income of £348,000. During the year there was a delay in the move to our new global headquarters which placed considerable financial demands on our reserves due to the maintenance of two buildings whilst staff and students were moved to the new building in phases. The cost of the new building was financed by the term loan, income from the sale of the old property, and significant fundraising activity which raised £3.2m. Furthermore, in-person delivery of examinations and courses resumed as the worst effects of the pandemic eased, giving rise to increased travel costs for tutors and examiners. We continued to offer hybrid and online exams, courses, events, workshops, and conferences in countries where restrictions remained.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in September 2022. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was also renewed for a further year in September 2022.

The RAD has a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is to be repaid over five years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of five years). Both of these loans are secured on the RAD's headquarters at 188 York Road.

Achievement of the RAD's targets for 2022-23 is dependent on the ongoing impact of the pandemic and the global recession but results to date have been broadly in line with targets. Forecasts have been reviewed for the twelve-month period from the date of signing the accounts, including downside scenario planning and mitigating actions against these. Possible mitigating actions include further cost reductions that can be implemented, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason have prepared the accounts on a going-concern basis.

Accounting policies

Year ended 31 July 2022

Notes

1(c) Basis of consolidation

The charity accounts include the audited accounts of the Royal Academy of Dance in the United Kingdom and its branches for the year to 31 July 2022, and the consolidated group accounts include the audited accounts of the charity and its subsidiaries. All activities derive from continuing operations.

1(d) Stocks and work-in-progress

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate. Costs relating to the development of examination syllabi and teaching aids are treated as work-in-progress until the product is ready for sale.

1(e) Tangible fixed assets

All tangible fixed assets, other than freehold land, are stated at historical cost or valuation net of depreciation and any provision for impairment. Depreciation is provided on cost using the straight-line method over the estimated useful lives of the assets. Impairment reviews are conducted when events and changes in circumstances indicate that impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, its value is written down accordingly. Freehold land is not depreciated. Tangible fixed assets under £500 are not capitalised. The rates of depreciation are as follows:

Freehold buildings	2%	Furniture and office equipment	10%
Computer equipment	33%	Motor vehicles	25%

1(f) Intangible fixed assets

Intangible fixed assets consist of computer software and telephone subscription rights of subsidiary companies which are included at cost and amortised in equal instalments over a period of years estimated to be their useful economic life. Provision is made for any impairment.

1(g) Investments

Listed investments are included in the balance sheet at market value. Investments in subsidiaries and joint ventures are included in the charity's accounts at cost less any provision for impairment.

1(h) Revaluation of assets

Investments and land and buildings held by the group for restricted and unrestricted use are revalued annually to fair value where material. The gain or loss is reflected in the statement of financial activities and, for land and buildings, includes the amount of amortisation of buildings provided in that year.

1(i) Overseas currencies

Income, expenditure, assets and liabilities of overseas branches and subsidiaries are translated into sterling at the exchange rates ruling at the balance sheet date. The exchange gains or losses arising from the retranslating of opening net assets of the overseas branches and subsidiaries are shown under 'Other recognised gains or losses' in the statement of financial activities. All other exchange gains or losses are dealt with through expenditure within the statement of financial activities.

Accounting policies

Year ended 31 July 2022

Notes

1(j) Recognition of income

Income is recognised in the statement of financial activities on a receivable basis, namely when the RAD has entitlement to the income, receipt is probable, and the amount can be reliably measured. If there are conditions that must be fulfilled before entitlement to income received is confirmed, the income is deferred and included under creditors.

Assets such as gifts or donations given for use by the RAD are recognised as income at their estimated market value when receivable. If they form part of the fixed assets at the year-end, the amounts are included in the balance sheet at the value at which the gift was included in income.

Income received in advance for exams or short courses where the activity does not complete until after the year-end is apportioned to the relevant financial year; or for a longer period in the case of fees for programmes such as the Faculty of Education's 'Certificate in Ballet Teaching Studies', which is a two-year programme that falls across three financial periods.

Government grant income has been included within "Other income". This grant income relates to the UK government job-retention scheme (furlough) introduced in March 2020 to mitigate some of the financial impact of the Covid-19 pandemic. The grant is classified as a revenue-based grant as per the FRS102 accrual model and stipulates that the revenue must be recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. The furlough scheme ceased to operate with effect from 1 October 2021.

1(k) Recognition of expenditure

Unrestricted expenditure is accounted for on an accruals basis. Expenditure is allocated directly to the activity to which it relates, including support costs that can be identified as being an integral part of direct charitable expenditure.

- **Costs of raising funds:** costs of raising funds include expenditure related to support departments and staff members engaged in or contributing to those activities.
- **Costs of charitable activities:** charitable expenditure includes all expenditure related to the objects of the charity and includes expenditure related to support departments and staff members engaged in or contributing to charitable activities.
- **Governance costs:** these are costs associated with the constitutional and statutory requirements of the group, and include expenditure related to the trustees and senior staff members engaged in or contributing to the governance of the group. These are allocated within support costs as per the requirements of the Charities SORP 2019.
- **Indirect support costs** have been allocated on the following bases:

Salaries and pensions	staff numbers per department
General administration	staff numbers per department
Information technology	staff numbers per department
Rent and property	departmental use for office space and income generated for studio space
Depreciation	estimated use
Governance	staff numbers per department
Finance charges	income-to-cost ratio

1(l) Pension costs

Retirement benefits for employees are provided by defined-contribution pension schemes and for teachers by the Teachers' Pension Scheme (TPS), a defined-benefit scheme. The TPS is a multi-employer scheme where the RAD cannot identify its individual share of assets and is therefore accounted for as a defined-contribution scheme. Contributions payable to the pension schemes in respect of each accounting period are charged to the statement of financial activities.

Accounting policies

Year ended 31 July 2022

Notes

1(m) Fund accounting

Funds can be classified as designated, general or restricted. General funds are all unrestricted funds which are not designated and can be applied at the discretion of the trustees in accordance with the RAD's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the charity for particular purposes. The purpose for which restricted funds are held is analysed in note 26.

1(n) Regional advisory committees

The charity carries out some activities through a network of regional advisory committees that include the name of the charity in their title and are located in some of the countries in which the charity operates. All regional advisory panel and committee transactions are accounted for gross in the accounts of the charity, and all assets and liabilities are included in the charity's balance sheet.

1(o) Treatment of VAT

The RAD is registered as partially exempt for VAT in the UK and is exempt or liable for VAT or applicable taxes in other parts of the world. Irrecoverable VAT is charged to the activity to which it relates or otherwise forms part of the support costs and is then apportioned as per note 1(k).

1(p) Financial instruments

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad-debt provision. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1(q) Operating leases

Operating lease rentals are charged and credited to the Statement of Financial Activities on a straight-line basis over the length of the lease.

1(r) Critical accounting judgments and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described above, the trustees are required to make judgments (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the opinion of the trustees, there are no key assumptions concerning the future, and no other key sources of estimation uncertainty at the balance sheet date that would carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the accounts

Year ended 31 July 2022

Notes

	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
2 Income from:						
Donations, gifts and legacies	270	-	270	73	161	234
Funding grants	277	1,190	1,467	818	585	1,403
	547	1,190	1,737	891	746	1,637

3 Retail trading

Retail trading consists of sales made by Royal Academy of Dance Enterprises Limited and branch outlets of the RAD.

	2022 £'000	2021 £'000
Turnover net of taxes and discounts	722	655
Cost of sales and other costs	(308)	(571)
Net income from retail trading	414	84

	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
4 Other trading activities						
Fundraising activities	4	39	43	1	4	5
Licensing and royalty income	242	-	242	258	-	258
Property and studio hire	15	-	15	13	-	13
	261	39	300	272	4	276
5 Investment income						
Interest received	17	6	23	11	-	11
	17	6	23	11	-	11
6 Education and training fees						
Initial education	3,414	-	3,414	3,326	18	3,344
Continuing education	1,640	487	2,127	1,216	317	1,533
	5,054	487	5,541	4,542	335	4,877

Notes to the accounts

Year ended 31 July 2022

Notes	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
7 Other income						
Advertising income	24	-	24	96	-	96
Furlough income*	174	-	174	1,123	-	1,123
All other income	472	16	488	95	3	98
	670	16	686	1,314	3	1,317

* Furlough income relates to income received as a result of worldwide coronavirus government support grants. The total amount received in the UK for the year was £36,751 (2020-21: £628,837) and 47 staff were furloughed or part-furloughed in the year (2020-21: 135). The grants are accounted for on a revenue basis and therefore there are no unfulfilled conditions or other contingencies attached.

	2022 £'000	2021 £'000
Australia	-	147
Canada	29	252
New Zealand	-	2
USA	-	42
Germany	59	17
Israel	-	2
Italy	41	26
Singapore	8	6
UK	37	629
	174	1,123

	2022				2021			
	Unrestricted funds Direct costs £'000	Restricted funds Direct costs £'000	Support costs £'000	Total funds £'000	Restricted funds Direct costs £'000	Support costs £'000	Total funds £'000	
8 Costs of raising funds								
Fundraising activities	290	26	49	365	254	45	342	
Retail trading	308	-	777	1,085	571	-	903	
	598	26	826	1,450	825	45	1,245	
9 Costs of charitable activities								
Examinations	5,170	-	3,867	9,037	4,077	-	7,367	
Initial education	2,670	-	2,583	5,253	2,647	18	4,807	
Continuing education	1,404	501	1,035	2,940	1,131	301	2,175	
Subscriptions	364	-	753	1,117	355	-	873	
	9,608	501	8,238	18,347	8,210	319	15,222	

Notes to the accounts

Year ended 31 July 2022

Notes

	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
10 Auditor fees payable						
Fees payable to the group's auditor and its associates for the audit of the group's annual accounts						
Audit fees						
2021-22	80	-	80	89	-	89
2020-21 additional fees	12	-	12	75	-	75
Other services	1	-	1	-	-	-
Fees payable to the group's auditor and its associates for the audit of the group's subsidiaries						
Audit fees	44	-	44	43	-	43
Other services	-	-	-	-	-	-
Fees payable to other auditors for the audit of the group's branches and subsidiaries						
Audit fees	79	-	79	70	-	70
11 Other expenditure						
All other expenditure	286	-	286	266	-	266
Taxation	195	-	195	125	-	125
	481	-	481	391	-	391

Notes to the accounts

Year ended 31 July 2022

Notes

12 Analysis of indirect support costs¹

Unrestricted funds 2022

	Examinations	Initial education	Continuing education	Subscription	Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,719	971	407	317	411	28	3,853
General administration	677	470	214	158	143	11	1,673
Information technology	190	182	58	57	43	4	534
Financing charges	92	69	24	16	12	-	213
Depreciation	273	255	100	59	45	3	735
Rent and property	627	521	187	113	88	2	1,538
Governance	289	115	45	33	35	1	518
	3,867	2,583	1,035	753	777	49	9,064

Unrestricted funds 2021

	Examinations	Initial education	Continuing education	Subscription	Trading	Fundraising activities	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and pensions	1,599	952	357	273	174	27	3,382
General administration	688	481	154	112	55	8	1,498
Information technology	126	128	37	31	25	2	349
Financing charges	62	40	13	8	5	-	128
Depreciation	206	158	57	26	19	4	470
Rent and property	371	248	82	37	28	1	767
Governance	238	135	43	31	26	1	474
	3,290	2,142	743	518	332	43	7,068

¹ The basis of allocation of support costs are disclosed in note 1(k)

Notes to the accounts

Year ended 31 July 2022

Notes

13 Related Party Transactions

Seven trustees (2021: seven) who are also examiners, tutors or mentors received a total of £43,195 (2021: £22,171) in relation to fees and expenses. Payments to trustees who are also examiners, tutors and mentors are in accordance with Articles 6.5 and 10 of the Charter.

Trustees received no remuneration for volunteering their time. Donations were received from two trustees (£1,450) during the year (2021: £24,050)

The following related party transactions took place during the year:

Related party: Ulrich Stiehm Filmproduktion (owned by husband of National Director - Germany)

Transaction: Backup and server upload of 10 exam videos including recording and IT hardware usage

Cost of transaction: £101 (€119) (2021: Nil)

Amount due at 31 July 2022: £Nil (R Nil)

Related party: Manny Lume (husband of National Director - South Africa)

Transaction: Property Repairs and Maintenance, General Admin, Consulting fees

Cost of transaction: £10,864 (R219,811) (2021: £625 (R14,005))

Amount due at 31 July 2022: £Nil (R Nil) (2021: £Nil (R Nil))

Related party: Olivia Lume (National Director - South Africa)

Transaction: Credit card expenses outstanding

Cost of transaction: £209 (R4,225) (2021: Nil)

Amount due at 31 July 2022: £209 (R4,225) (2021: £Nil (R Nil))

Related party: Ross Alexander (son of National Director - USA) as owner of Viabold

Transaction: Website Management services

Cost of transaction: £5,183 (US\$6,820) (2021: £3,661 (US\$5,400))

Amount due at 31 July 2022: £Nil (US\$Nil) (2021: £Nil, (US\$Nil))

Related party: Ferrell Alexander (daughter of National Director - USA) as part time employee

Transaction: payroll costs

Cost of transaction: £7,984 (US\$ 10,506) (2021: £7,822 (US\$11,536.20))

Amount due at 31 July 2022: £Nil (US\$Nil) (2021: £Nil, (US\$Nil))

Related party: Noriko Kobayashi (National Director - Japan) as owner of Kobayashi Ballet Studios

Transaction: Hire of dance studios, office space and seconded staff for examinations, courses, summer school and administration

Cost of transaction: £62,894 (¥9,236,852) (2021: £59,200 (¥9,346,402))

Amount due at 31 July 2022: £0 (¥ 0) (2021: £18,687 (¥2,849,524))

Related party: Dance Etc (National Director - Portugal)

Transaction: Office and studio hire

Cost of transaction: £3,110 (€3,674) (2021: £4,626 (€5,700))

Amount due at 31 July 2022: £Nil (€Nil) (2021: £Nil (€Nil))

Related party: Pilar Monteiro (niece of National Director) - as employee of RAD Portugal

Transaction: payroll costs

Cost of transaction: £14,545 (€17,182) (2021: £18,119 (€22,327.38))

Amount due at 31 July 2022: £Nil (€Nil) (2021: £Nil (€Nil))

Related party: Blanca Cortes (daughter of National Director - Spain)

Transaction: Annual office rent

Cost of transaction: £5,384 (€ 6,360) (2021: £5,161 (€6,360))

Amount due at 31 July 2022: £Nil (€Nil) (2021: £Nil (€Nil))

Related party: Family members (National Director - Malaysia)

Transaction: Office rental and salaries

Cost of transaction: £3,090 (MYR 82,814) (2021: £Nil (MYRNil))

Amount due at 31 July 2022: £Nil (MYR Nil)

All transactions were at arm's length.

Notes to the accounts

Year ended 31 July 2022

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The related party transactions and intercompany balances of the charity with subsidiaries and branches are:

		2022					2021				
		Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Royal Academy of Dance	UK	307	-	(566)	-	-	300	-	-	(508)	-
Royal Academy of Dance Enterprises Limited	UK	-	566	-	-	-	-	508	-	-	-
Royal Academy of Dance S/C Ltda	Brazil	-	-	-	-	-	-	36	-	-	-
Royal Academy of Dance gGmbH	Germany	-	122	-	-	-	-	63	-	-	-
Yayasan Royal Academy of Dance Indonesia	Indonesia	-	89	-	-	-	-	83	-	-	-
Royal Academy of Dance Srl	Italy	-	55	-	-	-	-	50	-	-	-
Royal Academy of Dance Asbl	Luxemburg	-	-	-	-	-	-	57	-	-	-
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	-	60	-	-	-	-	59	-	-	-
Royal Academy of Dance de Mexico AC	Mexico	-	47	-	-	-	-	(46)	-	-	-
Royal Academy of Dance Singapore Pte Ltd	Singapore	-	89	-	-	-	-	108	-	-	-
Royal Academy of Dance s21 Company	South Africa	-	-	-	-	7	-	-	-	-	27
Royal Academy of Dance SL	Spain	-	56	-	-	-	-	65	-	-	-
RAD Dancing (Thailand) Sdn Bhd	Thailand	-	14	-	-	-	-	14	-	-	-
Royal Academy of Dance (Australia Branch)	Australia	-	-	13	-	-	-	89	89	-	-
Royal Academy of Dance (Canada Branch)	Canada	-	(69)	12	-	-	-	107	78	-	-
Royal Academy of Dance (Israeli Branch)	Israel	-	37	-	-	-	-	27	-	-	-
Royal Academy of Dance (Japan Branch)	Japan	-	40	3	-	-	-	30	1	-	-

Notes to the accounts

Year ended 31 July 2022

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Royal Academy of Dance (New Zealand Branch)	New Zealand	-	(370)	17	(60)	-	-	(375)	16	(88)	-
Royal Academy of Dance	Portugal	-	52	-	-	-	-	16	-	-	-
Royal Academy of Dance	South Africa	-	45	15	22	-	-	11	8	22	-
Royal Academy of Dance	USA	-	9	31	-	-	-	24	30	-	-

14 Funds held as custodian trustees

At the year end, the group held monies totalling £7,519 (2020-21: £196,353) on behalf of its clients and the Charity held monies totalling £7,519 (2020-21: £196,353). These monies are not included within the balance sheet and are held separately in a clearly identifiable bank account.

15 Indemnity insurance

Indemnity insurance was included as part of the RAD's global policy to indemnify the RAD from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part, in accordance with Article 6(h) of the Charter. The cost for the year to 31 July 2022 was £27,465 (2020-21: £16,800).

16 Costs of employees

a) The average number of employees was 213.6 (2020-21: 236.5) administrative staff and 28.0 (2020-21: 10.0) commission-based staff worldwide, as well as contracting the services of examiners, teachers, tutors and musicians. Employment costs account for 58% (2020-21: 64%) of total expenditure (excluding other expenditure):

	2022			2021		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Employee gross salaries	10,104	-	10,104	8,968	-	8,968
Employee payroll taxes	728	-	728	681	-	681
Employer pension contributions	531	-	531	492	-	492
Employees on commission	333	-	333	672	-	672
Total employment costs	11,696	-	11,696	10,813	-	10,813

The RAD has a number of Regional Advisory Committees (RAC) in Australia, Greece, South Africa and the UK. These RACs operate through committees consisting of up to ten volunteer members and hold student events and activities throughout the year. Many of these activities are carried out by volunteers who are entitled to reimbursement of their expenses.

Notes to the accounts

Year ended 31 July 2022

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b) Employees earning over £60,000 including benefits in kind:

	2022	2021
Basic salary		
Number of group employees earning:		
Between £125,001 – £130,000	-	1
Between £100,001 – £105,000	1	1
Between £70,001 – £80,000	5	5
Between £60,001 – £70,000	8	7

The total employee benefits for the executive board of the charity (as listed on page 4), including employer's pension contributions and national insurance, were £784,000 (2020-21: £760,000).

c) Employees earning over £100,000:

	2022	2021
Basic salary	£	£
Between £100,001 – £105,000	1	1

Former chief executive (retired April 2022)

Basic salary : Average staff salary ratio	4:1	4:1
Total remuneration: Average staff total remuneration	4:1	4:1

Incumbent chief executive (started March 2022)

Basic salary : Average staff salary ratio	4:1	4:1
Total remuneration: Average staff total remuneration	4:1	4:1

The chief executive salary is based on current market rates for similar roles in the non-profit sector.

Former chief executive (retired April 2022)

	2022	2021
	£	£
Basic salary	100,585	127,345
Pension contributions	11,386	14,415
Occupational health insurance	4,376	5,333
Total remuneration	116,347	147,093

Incumbent chief executive (started March 2022)

	2022	2021
	£	£
Basic salary	50,000	-
Pension contributions	2,263	-
Occupational health insurance	-	-
Total remuneration	52,263	-

Redundancy payments of £62,660 (2020-21: £12,105) were made during the year with £0 owed as at 31 July 2022 (2020-21: £23,705).

Notes to the accounts

Year ended 31 July 2022

Notes

17 Pension costs

The pensions charge for the year to 31 July 2022 was £531,000 (2020-21: £492,000).

In the UK the RAD currently operates two schemes, representing in total 133 (2020-21: 149) employees.

Provider	Type of scheme
Aegon Scottish Equitable	Defined-contribution scheme
Teachers' Pension Scheme (TPS)	A contracted-out, unfunded, defined-benefit occupational pension scheme

Elsewhere the RAD operates or contributes to a variety of defined-contribution schemes, money-purchase schemes or statutory schemes, representing 69 (2020-21: 63) employees in 12 (2020-21: 12) countries.

18 Taxation

The RAD is a charitable organisation and is entitled to UK tax exemptions available to charities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards). Royal Academy of Dance Enterprises Limited gift aids its "annual profits", as defined by a Deed of Covenant entered into with the RAD. Provision for UK taxation has only been made in respect of any residual profit of Royal Academy of Dance Enterprises Limited. Subject to the availability of similar charitable exemptions overseas, provision has been made for overseas taxation on the profits of overseas subsidiaries and branches.

Notes to the accounts

Year ended 31 July 2022

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19 Tangible and intangible fixed assets

	Intangibles	Freehold land and buildings	Furniture and office equipment	Computer equipment	Motor vehicles	Total
Group	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation						
At 1 August 2021	77	19,007	653	3,239	48	23,024
Exchange-rate movements	(8)	240	19	59	5	315
Additions	-	16,861	1,210	262	-	18,333
Disposals	-	(15,580)	(323)	(94)	-	(15,997)
Revaluation	-	5,377	-	-	-	5,377
At 31 July 2022	69	25,905	1,559	3,466	53	31,052
Accumulated depreciation						
At 1 August 2021	59	-	590	2,631	48	3,328
Exchange-rate movements	(8)	-	18	54	5	69
Charge for the year	5	199	77	459	-	740
Eliminated on disposals	-	-	(315)	(94)	-	(409)
Revaluation	-	(199)	-	-	-	(199)
At 31 July 2022	56	-	370	3,050	53	3,529
Net book value						
At 31 July 2022	13	25,905	1,189	416	-	27,523
At 31 July 2021	18	19,007	63	608	-	19,696
Charity						
Cost or Valuation						
At 1 August 2021	51	18,865	540	3,120	48	22,624
Exchange-rate movements	(8)	240	19	59	5	315
Additions	-	16,861	1,192	260	-	18,313
Disposals	-	(15,580)	(323)	(89)	-	(15,992)
Revaluation	-	5,377	-	-	-	5,377
At 31 July 2022	43	25,763	1,428	3,350	53	30,637
Accumulated depreciation						
At 1 August 2021	50	-	514	2,529	48	3,141
Exchange-rate movements	(8)	-	18	54	5	69
Charge for the year	-	199	66	453	-	718
Eliminated on disposals	-	-	(315)	(88)	-	(403)
Revaluation	-	(199)	-	-	-	(199)
At 31 July 2022	42	-	283	2,948	53	3,326
Net book value						
At 31 July 2022	1	25,763	1,145	402	-	27,311
At 31 July 2021	1	18,865	26	591	-	19,483

Notes to the accounts

Year ended 31 July 2022

Notes

19 Tangible and intangible fixed assets (continued)

The RAD owns freehold properties in the UK, Australia and South Africa. The current valuations, after amortisation charges and exchange gains arising out of the translation of Group freehold properties at the end of the financial year, are:

	Value at 1 August 2021	Exchange movement	Charge for the year	Additions to freehold	Disposals to freehold	Increase in valuation	Value at 31 July 2022
	£'000	£'000	£'000		£'000	£'000	£'000
United Kingdom	16,107	-	(174)	16,861	(15,580)	5,275	22,489
Australia	2,758	155	-	-	-	275	3,188
South Africa	142	86	-	-	-	-	228
Total	19,007	241	(174)	16,861	(15,580)	5,550	25,905

The freehold property in London, UK was valued as at 31 July 2022 at fair value in accordance with the RICS Valuation – Global Standards effective 31 January 2022, which incorporates the International Valuation Standards (IVS) and, where applicable, the relevant RICS national or jurisdictional supplement (the “RICS Red Book – Global Standards”) and in accordance with UK Generally Accepted Accounting Principles (UK GAAP) – FRS 102. The valuation was carried out by Daniel Watney LLP, Chartered Surveyors.

The freehold property in Sydney, Australia was valued on 31 July 2022 at fair value. This valuation was carried out by Cviker Property Valuations & Consultancy.

The valuation of the freehold property in Johannesburg, South Africa was taken from the latest edition of the Johannesburg Municipality rating, which is revised periodically.

The charity does not hold any heritage assets, which are defined as tangible fixed assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

Notes to the accounts

Year ended 31 July 2022

Notes

20 Investments

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Quoted investments				
Market value at 1 August	151	154	151	154
Investment during the year	13	5	13	5
Net realised/unrealised gains/ (losses)	1	(9)	1	(9)
Market value at 31 July	165	150	165	150
Historical cost at 31 July	99	99	99	99
Investments in subsidiaries				
Balance at 1 August	-	-	114	114
Exchange differences	-	-	(3)	-
At 31 July	-	-	111	114
Total investments at 31 July	165	150	276	264
<i>Quoted investments</i>				
Held in the UK	54	54	54	54
Held outside the UK	111	96	111	96

All quoted investments are held within restricted funds, are listed on a recognised stock exchange and are valued at market value at year-end.

The charity owns 100% of the issued share capital of the subsidiary companies as listed below, whose aims and objectives mirror those of the RAD, with the exception of Royal Academy of Dance S/C Ltda., a company registered in Brazil, and Royal Academy of Dance de Mexico AC, a company registered in Mexico whose issued share capitals are held 100% in trust on behalf of the RAD; and RAD Dancing (Thailand) Co Ltd where the RAD holds 49% of the issued share capital, but has effective control.

The charity also has effective control over a building fund in South Africa which is administered by the Royal Academy of Dance, an association incorporated under s21 of the Republic of South Africa's Companies Act, and Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia. The results of these entities are included in the Group's results as long as the RAD continues to maintain a branch in South Africa, and operations in Indonesia. RAD Dancing (Malaysia) Sdn. Bhd. is a wholly owned subsidiary of Royal Academy of Dance Singapore Pte Ltd.

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Investments in subsidiaries

Subsidiaries	Country of incorporation	Co Registration number	% of issued share capital	Assets £'000	Liabilities £'000	Net Assets £'000	Capital £'000	Income £'000	Expenditure £'000	Surplus / (deficit) £'000
Royal Academy of Dance S/C Ltda	Brazil	CNP-J27907864/0001-48	Held in trust	129	47	82	-	309	287	22
Royal Academy of Dance gGmbH	Germany	HRB 103317	100%	391	260	131	64	439	378	61
Yayasan Royal Academy of Dance Indonesia	Indonesia	Yayasan No 138	100% control	91	178	(87)	-	78	59	19
Royal Academy of Dance Srl	Italy	TN-0174567	99%	214	110	104	8	487	562	(75)
Royal Academy of Dance de Mexico AC	Mexico	RFC RAD 011026DT5	Held in trust	187	48	139	-	191	206	(15)
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	No 282399-X	100%	626	225	401	-	402	302	100
Royal Academy of Dance Singapore Pte Ltd	Singapore	No 02211/1988-M	100%	1,273	501	772	-	796	878	(82)
Royal Academy of Dance	South Africa	1990/004233/08	100% control	245	148	97	-	310	361	(51)
Royal Academy of Dance SL	Spain	CIF No B-59915330	100%	324	122	202	2	464	487	(23)
RAD Dancing (Thailand) Sdn Bhd	Thailand	0505554003970	49%	148	46	102	37	168	154	14
Royal Academy of Dance Enterprises Ltd	United Kingdom	No 2773495	100%	653	645	8	-	845	545	300
Balance as at 31 July 2022				4,281	2,330	1,951	111	4,489	4,219	270

Notes to the accounts

Year ended 31 July 2022

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21 Stocks	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Finished goods and goods for resale	304	336	153	142
Balance at 31 July	304	336	153	142

22 Debtors: amounts falling due within one year	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	205	433	132	351
Amounts due from subsidiaries	-	-	1,430	803
Other debtors	612	452	513	396
Prepayments and accrued income	656	601	491	448
Balance at 31 July	1,473	1,486	2,566	1,998

23 Creditors: amounts falling due within one year	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loans	(266)	(163)	(266)	(163)
Trade creditors	(1,042)	(1,017)	(903)	(807)
Amounts owed to subsidiaries	-	-	(384)	(388)
Taxation and social security	(2,840)	(419)	(2,582)	(203)
Accruals and deferred income	(3,429)	(4,301)	(2,765)	(3,956)
Balance at 31 July	(7,577)	(5,900)	(6,900)	(5,517)

Bank overdrafts

At 31 July 2022, the Royal Academy of Dance in the United Kingdom had not utilised any of the £700,000 available in the grouped overdraft facility (facility in 2020-21: £700,000). The facility is secured on the freehold property at 188 York Road, London SW11 3JZ. The overdraft facility was renewed for a further twelve months in September 2022.

As at 31 July 2022, Royal Academy of Dance Enterprises Ltd had not utilised any of the £300,000 overdraft facility available. The overdraft facility was renewed for a further year in September 2022.

An overdraft facility of A\$400,000 with Westpac, secured on the property at 20 Farrell Avenue, Sydney, was originally made available in March 2012 to facilitate the completion of the building works on the property and to supplement the cyclical nature of the Australian operations cash flow. The facility is continuing.

Movement on deferred income during the year	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Balance brought forward	3,228	3,574	2,990	2,830
Received in year	3,491	4,891	2,959	4,697
Released to income	(4,285)	(5,237)	(4,059)	(4,537)
Balance carried forward	2,434	3,228	1,890	2,990

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24 Creditors: amounts falling due after more than one year	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Provision for long-service award	(27)	(30)	(27)	(30)
Bank loans	(2,951)	(3,232)	(2,951)	(3,232)
Balance at 31 July	(2,978)	(3,262)	(2,978)	(3,262)

Bank loans

Bank loans of £2,951,587 (2021: £3,232,126) relate to:

- The Australian branch has a bank bill business loan of A\$400,000 utilised in March 2012 to complete building works on 20 Farrell Avenue, Sydney. The loan is interest and fees for the first three years, then principal, interest and fees for the remaining period of 10 years, expiring 2027. The current interest rate is 6.45%. The change in total liability is due to exchange movements as well as payments against the loan. The loan is secured on that property.
- The Canadian branch obtained the Canada Emergency Business Account loan of C\$60,000. The loan is interest free and due no later than 31 December 2023. If the branch is able to pay C\$40,000 on or before 31 December 2023 the remaining C\$20,000 will be forgiven. If the loan cannot be repaid by 31 December 2023, the loan will be converted into a two-year term loan, with an interest rate of 5% to be repaid no later than 31 December 2025.

The Royal Academy of Dance in the United Kingdom has two loans:

- Coronavirus Business Interruption Loan (CBILS) is an unsecured loan of £800,000 utilised from March 2021 for general working capital requirements. The loan repayments commenced 12 months after the drawdown date and comprise interest at a rate of 3.99% per annum above the Bank of England base rate on the outstanding loan balance. An election has been made to utilise the business interruption payment scheme (BIP) where interest payments in the first 12 months will be covered by the BIP. The loan must be repaid in full no later than March 2027.
- Term Loan of £2,500,000 utilised from July 2021 to facilitate the purchase of a new group headquarters property located at York Road, London, UK. The loan repayments commenced one month after the drawdown date and will be made in 58 instalments of £12,319 each with a final repayment of the outstanding balance. Interest of 3.25% per annum over the Bank of England base rate will be calculated on the outstanding amount of the loan on a monthly basis. The loan must be repaid in full no later than July 2026.

25 Commitments

Capital commitments

There are £nil (2020-21: £426,000) of capital commitments as at 31 July 2022.

Operating leases

Equipment is leased by Royal Academy of Dance for defined periods. The full cost over the lease period is shown below:

	2022 £'000	2021 £'000
Less than 1 year	78,739	34,119
2-5 years	231,075	140,430
Over 5 years	23,163	3,233

Lease payments of £18,916 (2020-21: £19,900) were charged to the consolidated statement of financial activities during the year.

Notes to the accounts

Year ended 31 July 2022

Notes

26 Movement in restricted funds

Type of fund			Balance at 1st Aug 2021	Exchange Movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31st July 2022
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted									
Step into Dance programme	UK	Project	18	-	487	(500)	-	-	5
CLIF programme	UK	Project	-	-	-	-	-	-	-
Benesh Projects	UK	Project	103	-	16	-	-	-	119
Scholarship / bursary funds	UK	Restricted	536	-	41	(21)	-	-	556
<i>Boys Only!</i> funds	UK	Restricted	53	-	-	(3)	-	-	50
Iris Truscott fund	UK	Restricted	8	-	11	(9)	-	-	10
Regional Scholarship funds	UK	Restricted	74	-	1	(6)	-	-	69
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	-	18
RADiate	UK	Restricted	14	-	-	-	-	-	14
Christel Addison funds	South Africa	Restricted	67	(2)	4	-	-	-	69
Regional Panel fund	South Africa	Restricted	-	-	-	-	-	16	16
Scholarship funds	Israel	Restricted	1	-	-	-	-	-	1
New Headquarters fund	UK	Restricted	745	-	1,190	-	-	-	1,935
Total Charity			1,637	(2)	1,750	(539)	-	16	2,862
Building fund	South Africa	Restricted	6	-	-	-	-	-	6
Total Group			1,643	(2)	1,750	(539)	-	16	2,868

26 Movement in restricted funds (prior year)

Type of fund			Balance at 1st Aug 2020	Exchange Movements	Income	Expenditure	Other recognised gains	Transfer between funds	Balance at 31st July 2021
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted									
Step into Dance programme	UK	Project	(6)	-	310	(286)	-	-	18
CLIF programme	UK	Project	(2)	-	-	-	-	2	-
Benesh Projects	UK	Project	98	-	5	-	-	-	103
Scholarship / bursary funds	UK	Restricted	569	-	-	(33)	-	-	536
<i>Boys Only!</i> funds	UK	Restricted	53	-	-	-	-	-	53
Iris Truscott fund	UK	Restricted	31	-	16	(39)	-	-	8
Regional Scholarship funds	UK	Restricted	68	-	12	(6)	-	-	74
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	-	18
RADiate	UK	Restricted	14	-	-	-	-	-	14
Christel Addison funds	South Africa	Restricted	69	(2)	-	-	-	-	67
Scholarship funds	Israel	Restricted	1	-	-	-	-	-	1
New Headquarters fund	UK	Restricted	-	-	745	-	-	-	745
Total Charity			913	(2)	1,088	(364)	-	2	1,637
Building fund	South Africa	Restricted	6	-	-	-	-	-	6
Total Group			919	(2)	1,088	(364)	-	2	1,643

Notes to the accounts

Year ended 31 July 2022

Notes

Restricted funds

Restricted funds are funds arising out of donations, grants, legacies and awards given or raised for specific purposes. These funds are used for specific projects:

- Step into Dance: A fully inclusive, community dance programme, a partnership between the RAD who lead the programme and The Jack Petchey Foundation who fund it.
- The Community Learning and Innovation Fund (CLIF): Funded research into Dance for Lifelong Wellbeing.
- Benesh Projects: Funds are raised from the Benesh Institute Endowment Fund to finance changes made in the Benesh Movement website and Benesh course material.
- Scholarship/bursary funds: To provide grants to students attending teacher education and notation programmes at the Academy. Awards totalling £20,579 were made in this financial year (2021: £33,493).
- Boys Only! funds: Funds raised at a joint RAD/RBS Billy Elliot preview gala to provide opportunities for male students whose access to dance is limited for economic, geographic or physical reasons. There was spend of £nil in the year (2021: £nil) to support Project B, created to inspire boys and men of all ages to dance.
- Iris Truscott fund: A trust deed registered with the Charity Commissioners to give awards to students wishing to progress from either the CBTS to a Level 2 or 3 teaching qualification validated by the University of Bath and delivered by the Academy; or from BA Ballet Education to LRAD programme.
- Regional Scholarship funds: Funds are raised and administered by Regional Advisory Committees in England and Wales to provide scholarships for students to further their training.
- Jubilee Awards 2012: One of four awards made to the Royal Academy of Arts, the Royal Academy, the Royal Academy of Dramatic Art and the Royal Academy of Dance to honour the late Queen's patronage of the four Academies in her Golden Jubilee Year.
- RADiate funds: Funds are raised from a grant received by City Bridge Trust and school tuition fees for special-needs education in primary schools.
- Christel Addison funds (South Africa): A legacy left by a South African teacher to fund teacher training opportunities overseas for South African residents. No awards were made.
- Scholarship funds (Israel): To provide scholarships for students to further their training. No awards were made.
- New Headquarters fund (United Kingdom): Funds raised relating to the new UK headquarters building.
- Building fund (South Africa): The building is owned by Royal Academy of Dance, a company registered in South Africa under South Africa's s21 Companies Act. Funds are raised by renting out the building.

Notes to the accounts

Year ended 31 July 2022

Notes

27 Movement in unrestricted funds

	Balance at 1 Aug 2021 £'000	Exchange movements £'000	Income £'000	Expenditure £'000	Other recognised gains £'000	Transfer between funds £'000	Balance at 31 July 2022 £'000
Charity							
Designated funds	236	14	5	-	-	-	255
Unrestricted funds	-	91	1,441	(1,415)	185	(16)	286
Fixed asset reserve	19,483	246	14,682	(15,589)	5,576	-	24,398
Total	19,719	351	16,128	(17,004)	5,761	(16)	24,939
Group							
Designated funds	236	14	5	-	-	-	255
Unrestricted funds	1,845	91	4,203	(4,163)	-	(16)	1,960
Fixed asset reserve	19,696	246	14,680	(15,588)	5,576	-	24,610
Total	21,777	351	18,888	(19,751)	5,576	(16)	26,825

During the year the designated reserve associated with fixed assets was reviewed and updated to reflect the net book value of fixed assets in total less associated loan finance.

Movement in unrestricted funds (prior year)

	Balance at 1 Aug 2020 £'000	Exchange movements £'000	Income £'000	Expenditure £'000	Other recognised gains £'000	Transfer between funds £'000	Balance 31 July 2021 £'000
Charity							
Designated funds	288	(3)	-	(2)	-	(47)	236
Unrestricted funds	1,715	(58)	14,288	(13,215)	-	(2,730)	-
Fixed asset reserve	16,421	-	-	-	287	2,775	19,483
Total	18,424	(61)	14,288	(13,217)	287	(2)	19,719
Group							
Designated funds	288	(3)	-	(2)	-	(47)	236
Unrestricted funds	3,673	(126)	17,607	(16,492)	-	(2,817)	1,845
Fixed asset reserve	16,547	-	-	-	287	2,862	19,696
Total	20,508	(129)	17,607	(16,494)	287	(2)	21,777

Group

The results of the eleven subsidiary companies below are consolidated with the results of the charity (Branch Offices and UK Group) to form the group:

Subsidiary companies

Germany	Royal Academy of Dance gGmbH, Waldenserstrasse 2-4, 10551 Berlin
Indonesia	Yayasan RAD Indonesia, Jl. Angur III / no:1 Cipete, Jakarta Selatan 12410
Italy	Royal Academy of Dance Srl., Via Vannetti 12, 38122 Trento
Malaysia	RAD Dancing (Malaysia) Sdn Bhd., No 16F 1 Sentral, Jalan Stesen, Sentral, Kuala Lumpur 50470
Mexico & Central America	Royal Academy of Dance de Mexico AC, Amates 18 Fracc Alconfores, San Mateo, Naucalpan CP 53240, Mexico
Singapore	Royal Academy of Dance Singapore Pte Ltd., Farrer Road Post Office, PO Box 106, Singapore 912804
South Africa	Royal Academy of Dance s21 Company, PO Box 200, Bramley 2018, Johannesburg
South America	Royal Academy of Dance Brasil Ltda, Av. Angelica, 566/86, Santa Cecilia, 01228 000 São Paulo-SP, Brasil
Spain, Andorra & Gibraltar	Royal Academy of Dance SL, Ventura i Gassol, 3, 5è-3a, 43203 Reus, Tarragona, Spain
Thailand	RAD Dancing (Thailand) Co Ltd, 121/12, Moo 10, Chiangmai-Hangdong Road, Tambon: Pae Dad, Ampur: Muang, Chiangmai 50100
United Kingdom	Royal Academy of Dance Enterprises Ltd, 188 York Road, London SW11 3JZ.

Charity

The results of the eight branch offices below are consolidated with the results of the UK Group to form the Charity:

Branch offices

Australia	20 Farrell Avenue, Darlinghurst, NSW 2010
Canada	Suite 601, 1210 Sheppard Avenue East, Suite 601, Toronto, Ontario M2K 1E3
Israel	Hadar Street 491, Neve Yamin
Japan	Trad Mejiro B2F, 2-39-1 Mejiro, Toshima-Ku, Tokyo 171-0031
New Zealand	Level 11 49 Boulcott Street, Wellington 6011
Portugal	Rua 4 Infantaria 86, 138 C/V Esq, 1350-241 Lisboa
Southern Africa & Mauritius	PO Box 200, Bramley 2018, Johannesburg, South Africa
United States	2625 S Greeley Street Suit 360, Milwaukee, WI 53207.

UK Group

The results of the eleven representative offices below are included in the results of the UK entity to form the UK Group:

Representative offices

Caribbean	PO Box 1433, 8 Rockhampton Drive, Kingston 8, Jamaica
China	2nd Floor Tower 2, Dong Hai Commercial Building, 588 Yan An Dong Lui, Shanghai
Cyprus	71 Irinis Street, 3041 Limassol
Greece	British Council, 17 Kolonaki Square, Athens 10673
Hong Kong	Hong Kong Examination and Assessment Authority, 17 Tseuk Luk Street, San Po Kong, Kowloon
Ireland	Egool, Kilmovee, Ballaghaderreen, County Mayo, F45 PK59, Ireland
Malta	c/o 29/10 Sir Luigi Camilleri Street, Sliema SLM1281
Scandinavia	Smedstuveien 25, 7040 Trondheim, Norway
South Asia	40a Lake Gardens, off Lake Drive, Rajagiriya 10100, Sri Lanka
South Korea	1703 Artnouveau Palace, 258 Sukchonhosu-ro, Songpa Gu, Seoul 05624
Taiwan	5f, No 122, Sect 7 Chung Shan N. Road, Taipei 11151.

Advisers

UK bank	HSBC Bank Plc	31 Holborn Circus, London EC1N 2HR
UK law firm	Fieldfisher LLP	Riverbank House, 2 Swan Lane, London EC4R 3TT
UK and Group auditor	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW

Crowe U.K. LLP is the auditor of the consolidated group. Where not audited by Crowe U.K. LLP, branches and subsidiaries are audited or reviewed by the firms shown below:

Australia	Crowe Australia	Level 15, 1 O'Connell Street, Sydney, NSW 2000
Brazil	Liberty Assessoria Contabil S/S Ltda.	Rua Mituto Mizumoto, 56, Liberdade, 01513 040 São Paulo-SP
Canada	Grant Thornton LLP	15 Allstate Parkway, Suite 200, Markham, Ontario L3R 5B4
Indonesia	KAP Ekna Masni, Bustaman & Rekan	Sentra Kramat B-18, JL Kramat Raya 7-9, Jakarta 10450
Israel	Hannan Gabriel CPA	8 Hayod-Chef Street, Hod Hasharon 45200
Portugal	CERB	Beloura Office Park, Rua do Centro Empresarial, Edifício EE06 – Escritório 12, Quinta da Beloura, 2710-444 Sintra
Malaysia	Crowe Malaysia PLT	Level 16, Tower C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia
Singapore	Crowe Singapore	9 Raffles Place, #19-20 Republic Plaza Tower 2, Singapore 048619
Spain	Asesoria Berzosa	Donoso Cotres 85, 28015 Madrid
Thailand	KT&R Business Consultant Co Ltd	59/1 Sukhumvit 64 Bangchak, Prakanong, Bangkok 10260
Southern Africa & Mauritius	Collins Walt Inc.	2nd Floor, The Terrace Building, 3 Easton Terrace, New Redruth, 1449 Alberton, South Africa.

ROYAL ACADEMY OF DANCE






Inspiring the world to dance

royalacademyofdance.org #ProudToBeRAD

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 Royal Academy of Dance
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Cover photo: Siobhan Hennessy

ROYAL ACADEMY OF DANCE

England & Wales - Charity number 312826

Accounts



ROYAL
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Annual Report and Financial Statements

For the year ended 31 July 2021

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Chair of the Board of Trustees' report

We are pleased to present the Annual Report and financial statements for the Royal Academy of Dance for the year to 31 July 2021. Once again, we find ourselves issuing a report that covers a period of continuing trials wrought by Covid-19, with significant impacts on our activities. Now in our centenary year, we are as determined as ever to meet these challenges and to address the impact of the pandemic on our activities around the world. I am confident that we have a strong global team in place to continue to fulfil our mission to inspire the world to dance.

Since the start of the pandemic, the Board of Trustees and our Finance and Audit Subcommittees have met much more frequently to help lead the organisation through the real difficulties it has faced. Our members and students have been prioritised throughout the period under review, both through additional online resources and guidance and, where possible, financial support. We are delighted that in-person activities are now gradually returning in an increasing number of countries, but many are still being held online. We have been surprised and pleased at how successful online teaching has proved and are grateful to all our colleagues who have worked so hard to adapt quickly to the challenges that they faced. However, although we may be moving to a hybrid model, face-to-face teaching is a key part of our activities and will not be given up.

The RAD family was very disappointed that we had to cancel our flagship event, the Margot Fonteyn International Ballet Competition, which was to have been held in London during September 2020. The risks involved in moving candidates around the world during a pandemic were simply too great, but we were able to stage it online in 2021 and we are already planning for the next competition in early 2023.

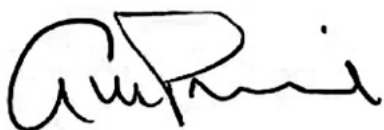
On behalf of my fellow Trustees, I would also like to recognise and commend all the RAD management and staff for their exceptional commitment and dedication during this uncertain and difficult period. Their willingness, hard work and sacrifices have enabled us to continue to operate throughout the pandemic, and we are so very grateful to them.

I would also like to thank all our members, friends and supporters for their help and assistance during this period. We know that many of you have experienced another year of real hardship and difficulty, and we hope that things will soon improve for everyone.

As Chair of the Board of Trustees, I want to take this opportunity to thank the Department for Digital, Culture, Media & Sport for approving a second tranche of funding from the Culture Recovery Fund. This has been invaluable in helping the organisation continue to operate and is a recognition of the value of our work and our contribution to so many communities. The RAD's financial position remains stable, and our fundraising activities have begun to bear fruit, for which we are most grateful to supportive sponsors and donors.

Finally, I would like to express our sincerest gratitude to our Chief Executive, Luke Rittner. Luke will be stepping down soon after the opening of the RAD's global headquarters in York Road, Battersea in March 2022. He has been our Chief Executive for 23 years, and his transformational contribution to the RAD cannot be overstated. We will miss his wonderful blend of professionalism and passion, and it is difficult to imagine an Academy without him. I know that you will join with me in wishing him the very best for the future.

Luke's successor will be Tim Arthur, who joins us with a wealth of experience gained from senior roles in the commercial, charity and arts sectors. I am greatly looking forward to working with him as we consolidate and build on the success of recent years.



Guy Perricone
Chairman

Chief Executive's report

As we look back on the financial year 2020-21, the effects of the Covid-19 pandemic continue to be felt at the Academy, but we remain as determined as ever to ensure the smooth running of the business, and to support our staff, members and students come what may. The highlights of the year in review show that we have been successful in achieving this and this is due to the extraordinary dedication and commitment of our worldwide staff and the loyalty of our members.

In the last Annual Report, I referred to the investment we were making in digital technologies, and this has once again shown its huge value to the organisation. Despite the pandemic, 2020-21 saw delivery of all our Faculty of Education programmes using blended and hybrid learning and teaching. This allowed 100% of the students on our university-validated programmes the opportunity to graduate. In terms of wider examinations on the RAD syllabus, it also meant that of the over 170,000 students taking RAD examinations, nearly 70,000 were able to do so via video assessment. The Continuing Professional Development department was also able to offer their *Making Connections* symposium fully online, with participants joining from 41 countries – something that would not have been possible even a short time ago.

Our fundraising efforts have also adapted to the benefits of online communication with virtual meetings and presentations, eliciting significant donations and philanthropic gifts. Furthermore, the target for funding the move to our new global headquarters was exceeded – no small achievement, given the circumstances. The furlough scheme was a lifeline for the Academy, and we were further helped by securing two grants totalling almost £1m from the government's Culture Recovery Fund. We are very grateful to the government for this financial support.

May 2021 also saw us conduct our Annual General meeting online for the first time when it was live streamed from our London headquarters, giving members from around the world the opportunity to take part in the meeting.

The actions taken to respond to and counteract the effects of the pandemic on the Academy were in the main successful, but our activities were affected by government restrictions and our determination to ensure the health and safety of our staff. I am delighted that our exhibition at the Victoria & Albert Museum, *On Point: Royal Academy of Dance at 100*, survived the cull of activities and was well attended, showcasing the costumes and treasures from the Academy's archives. In June 2021, we were delighted that HRH The Duchess of Cornwall, our newly appointed Vice Patron, honoured the exhibition with a visit. Particularly disappointing was the cancellation of what would have been the first time the Genée competition was held under its new name, The Margot Fonteyn International Ballet Competition. We also had to cancel the biennial international gathering of all our examiners.

The many challenges presented by the pandemic also led to a delay in the move to our new global headquarters, now planned for March 2022. We continue to work on initiatives and partnerships with our local and international communities to make our new global headquarters a destination and home for dance that we can all be proud of. We also continue to expand the range of our activities as a world leader in dance education, engaging with increasingly diverse audiences and communities everywhere and at all levels.

I must once again acknowledge our dedicated staff around the globe for their hard work, perseverance and willingness to adapt in the face of the severe trials faced in the period covered. Once again, they have all have risen to the challenge with grace, fortitude and good humour and for that I am very proud and deeply grateful.

Last year was to have been my last Annual Report as Chief Executive, but at the request of the Board, my retirement was deferred due to the delays in the completion of our new global headquarters. What I wrote last year still holds and my thanks remain as sincere and heartfelt to all those trustees, committee members, examiners and worldwide staff, whose continuing loyalty, dedication and hard work have seen the Academy through the most challenging and difficult of times. I am delighted to be leaving the Academy in a strong financial and operational position, with a new global headquarters reflective of its potential, creativity and ambition for the future. The Academy is in a better financial position than we could possibly have imagined a year ago.

At the end of April 2022, I will hand over the reins to Tim Arthur, my successor as Chief Executive. In doing so, I wish Tim every success and happiness in what I believe to be one of the best jobs imaginable. My 23 years with the Academy have been enormously rewarding, occasionally frustrating, endlessly enjoyable and at times positively inspiring. I shall miss my colleagues and my involvement with this remarkable institution, but I know that in Tim Arthur, I am handing over to someone who cares deeply about the arts and who will rise to the challenges that lie ahead. I wish him every success and happiness.



Luke Rittner CBE
Chief Executive

Patron, President and Officers

Patron

HM Queen Elizabeth II

Vice Patron

HRH The Duchess of Cornwall LG GCVO CSM PC

President

Dame Darcey Bussell DBE

Trustees

Guy Perricone (Chair)

Vikki Allport RAD RTS T.DIP (appointed May 2021)

James Cane FCA (appointed May 2021)

Chi Cao PDTD (appointed May 2021)

Esther Chesterman LLM LLB Dip Ed (appointed May 2021)

Hilary Clark ARAD (dip PDTC) RTS

Professor Peter Flew

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS (appointed May 2021)

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip (appointed May 2021)

Imogen Knight ARAD BA (Hons) DDE, RAD TD, RAD RTS

Ida Levine BA Juris Doctor JD

Andrew McIntee BA (hons) Bus Econ

David Nixon OBE

Kevin O'Hare CBE

Matthew Paluch MA, PDTD (Dist) RBS Dip. (appointed May 2021)

Darren Parish RAD PDTDiploma BMN Diploma RAD RTS and Diploma Arts and Dance NFSH

Penny Parks RAD RTS

Aliceson Robinson MBA

Joshua Tuifua PDTD (Dist) (appointed May 2021)

Executive Board

Chief Executive

Luke Rittner CBE

Artistic Director

Gerard Charles

Director of Education

Dr Michelle Groves EdD MA BSc (Hons) BPhil (Hons)

Director of Development and Fundraising

Esther McLaughlin MInstF

Director of Marketing and Communications

Melanie Murphy Dip IPR MICPR

Director of Finance and Operations

Ian Pogue BA (Hons) ACA (until January 2022)

Director of Examinations

James Stockdale MlOD

Vice Presidents

David Bintley CBE

Li Cunxin AO

Dame Beryl Grey CH DBE DMus DLitt DEd FRSA

Dame Monica Mason DBE

David McAllister OAM

Wayne Sleep OBE

Sir Peter Wright CBE DMus DLitt FBSM

Advisory Council

Joy W Brown

Barbara Fewster OBE FISTD

Lady Porter

Sir Roy Strong CH DLitt PhD FRSA FRSL

Report of the Trustees

The Trustees of the Royal Academy of Dance (RAD) present their report and audited financial statements for the year ended 31 July 2021. This contains information to satisfy the requirements of trustees' reports under the Charities Act 2011, and to comply with current statutory requirements, the RAD's Charter and the Statement of Recommended Practice for Accounting and Reporting by Charities (2019) and Financial Reporting Standard FRS 102.

This report contains information about the group and charity. In the context of these financial statements, the group accounts include the audited accounts of the charity and its subsidiaries, and the charity accounts include the audited accounts of the Royal Academy of Dance in the United Kingdom and its branches for the year to 31 July 2021. The entities comprising the group and the charity are shown on page 12.

The RAD's registered and head office is 36 Battersea Square, London SW11 3RA. The RAD has 32 international offices which manage branches, representative offices and subsidiary companies, in which it holds, either in trust or outright, 100 per cent of the issued share capital. It also has effective control over an association incorporated under Section 21 of the Republic of South Africa's Companies Act which owns the freehold property in South Africa; Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia; and RAD Dancing (Thailand) Co Ltd where it holds a minority shareholding.

The RAD is an awarding organisation recognised to award regulated qualifications in England, Wales and Northern Ireland and is required, through the Board of Trustees, to issue an annual Statement of Compliance to the Office of Qualifications and Examinations Regulation (Ofqual), Qualifications Wales and the Council for the Curriculum, Examinations and Assessment (CCEA). The RAD is also recognised as an approved awarding body in Scotland by SQA Accreditation, part of the Scottish Qualifications Authority.

Through its Faculty of Education, the RAD is registered with the Office for Students (OfS) as a provider of higher education and is designated by the Office for Standards in Education, Children's Services and Skills (Ofsted) as an Outstanding provider of initial teacher training.

The RAD is required to report any Safeguarding (including Prevent) incidents to the Charity Commission; and to the OfS, Ofqual, Qualifications Wales and CCEA where there is an event which could have an adverse effect in leading to a loss of standards, integrity, or public confidence in qualifications; and to Ofsted according to the circumstances. The RAD follows the Charity Governance Code.

Principal activities

The RAD provides dance training, dance-teacher education, and dance-assessment services to students and teachers. The RAD is also:

- a registration organisation for dance teachers – providing opportunities for the education and training of young people and adults in dance, and employment opportunities for dance teachers,
- a higher education provider – offering programmes of study and associated qualifications for aspiring dance teachers,
- an awarding organisation – devising and administering a portfolio of examinations in dance which form part of the assessment process of courses of study, delivered by teachers, leading to proficiency in dance at high level,
- the owner of Benesh Movement Notation and a provider of programmes of study and qualifications for dance notators, and
- an organisation that delivers dance projects for specifically targeted groups, as well as offering a global programme of activities, events, competitions, awards, bursaries, and scholarships aimed at engaging local communities in the world of dance.

Its services can be accessed via www.royalacademyofdance.org and through local websites internationally.

Public benefit

The RAD is a charity registered in England and Wales. Trustees are required to ensure that they carry out the charity's aims for the public benefit whenever the exercise of any powers or duties may be relevant. As such, the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aim and objectives of the RAD and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which are set.

The charitable objectives of the RAD as set out in its Charter are to:

1. elevate and advance the art of dance by promoting the correct tuition of dance in its highest forms, and
2. advance education in the art of dance, by:
 - providing facilities for dance, dance education and training,
 - setting up and maintaining programmes of study for the education and training of dancers, teachers and notators of dance (such programmes to include, but not be limited to, the study of Benesh Movement Notation, when appropriate),
 - setting and conducting examinations in dance and the teaching of dance,
 - educating, training, assessing, registering, licensing and chartering teachers of dance who meet standards determined by the board from time to time, and
 - promoting teaching of dance.

The trustees have reviewed these aims and consider that the activities of the RAD meet the two main principles of public benefit – that the benefits are identifiable and are related to the aims of the RAD, that the public are the beneficiaries, and that there is no significant exclusion as to who can benefit.

Mission and vision

Our mission is to inspire the world to dance.

Our **vision** is to be:

- **The voice of expertise** – globally recognised as a leader in dance education and training
- **Flourishing** – financially healthy and agile with a diversified income to support our ambitions
- **Welcoming** – with a belief in the power of dance to transform lives, and the value of a diverse workforce and community
- **In step** – working collaboratively to deliver our vision
- **Choreographed to deliver** – with the right people and processes to realise our objectives.

Strategic objectives and achievements

Our strategic plan has three objectives. Two of these (SO1 and SO2) focus on how we operate and ensure financial stability, and the third (SO3) focuses on why we exist – our purpose – and how to use our position as a leading dance, education, and training organisation to attract, retain and support our members and students.

The following information shows how we set out to achieve our objectives during a continuing Covid-19 pandemic. We still face great challenges as an organisation, but we have also adapted and innovated to meet the needs of our global dance community.

SO1: Review and adapt structures and systems to focus use of people, skills, and resource to maximise impact

Achievements and Performance

- Our Faculty of Education (FoE) programmes continue to operate in a competitive recruitment market. September 2020, however, saw 93 new students begin undergraduate or postgraduate programmes of study – up on the 64 from the previous year.
- In November 2020, 50 students from 11 countries graduated from the Certificate in Ballet Teaching Studies. Three students graduated from the Diploma in Dance Teaching Studies, with 16 students successfully completing the Professional Dancers' Teaching Diploma in China. By June 2021, a further 237 students from 20 country cohorts graduated from the Certificate in Ballet Teaching Studies and 10 students graduated from the Diploma in Dance Teaching Studies. January 2021 saw 372 students begin RAD dance-teaching qualifications.
- All final-year students across university-validated programmes graduated in July 2021 with 74 per cent of undergraduate students being awarded a first- or second-class degree.
- Despite restrictions because of Covid-19, all FoE programmes were delivered during 2020-2021. Students returned to on-site tuition from April 2021 after the UK's early 2021 lockdown. We used digital technologies to deliver teaching and assessment online and via blended and hybrid learning.
- Our 'Guest Lecture' series saw an increase in attendance, with all lectures exceeding their target figures. Moving the series online allowed for attendees from across the world to listen to presentations by eminent professionals from dance education and research.
- Covid-19 restrictions meant that the planned *Mapping Dance and Dance Teaching: Past(s), Present and Future(s)* was postponed, with a virtual event re-scheduled to September 2021.
- The recruitment and retention of high-quality, experienced staff remains challenging in a competitive employment market.
- Despite the pandemic, over 170,000 learners worldwide took exams during 2020-21. Over 70,000 of these via video assessment. Refinement of the video-exams system also made it easier for teachers to upload videos and for them to be forwarded to examiners for marking.
- A successful pilot was conducted of the new marking application for RAD examiners, with plan to roll-out this new way of capturing marks during 2021-22, along with continued training. Our continued refinement of the new RAD Online Exams system has also received very positive feedback.
- CPD (Continuing Professional Development) introduced regular virtual networking meetings with national directors, managers, and representatives in September 2020. These provide an opportunity to share ideas and to gain a greater understanding of the needs of dance teachers in all member countries and have resulted in closer working relationships with international colleagues. Feedback has also helped shape CPD activities.
- CPD delivered its first livestreamed workshop in July 2021 with Silver Swans, forming part of *Making Connections: A Symposium for Dance Teachers*. Thirty teachers attended, and, due to demand, two more workshops were scheduled. In collaboration with the Spanish national office, we offered a live-stream course in Spanish – *Foundations and Progressions in Classical Ballet Technique*, which attracted 50 participants.
- *Making Connections* was a fully virtual event comprising 28 sessions, offering teachers the opportunity to attend talks, courses, and webinars. Approximately 900 places were sold, and participants joined from 41 different countries. A range of activities was offered on a 'free if it needs to be' or donation basis, aimed at ensuring that CPD was open to all members.
- The CPD UK Bursary scheme was piloted to assist dance teachers most in need, and we will continue to provide this support in future.
- In October 2020, CPD UK introduced payment in Euros for activities, providing overseas members with easier access to courses and events.
- During the year, CPD UK developed relationships with Show Racism the Red Card, the UK's largest anti-racism educational charity, and Final Bow for Yellowface, an organisation working to remove 'Yellowface' from the repertoire and to encourage more positive representations of Asians in ballet.
- Overall, attracting participants to activities during the pandemic has been difficult as restrictions have reduced, sometimes severely, dance teachers' income.

SO2: To secure capital funding and investment to transform access to dance

Achievements and Performance

- Targets for our capital campaign in the year to July 2021 had been set before the Covid-19 pandemic struck. We adjusted the fundraising target to £1.5 million in March 2020 and were delighted to exceed this by the end of July 2021. These funds have made a significant contribution to the successful completion of the new global headquarters, due to be opened in March 2022.
- With the loss of ‘in-person’ activities, we created ‘Sparkling Conversations’. While this has been a successful initiative, providing fascinating insights from many leaders in dance, progress in securing philanthropic gifts from individuals during the year was inevitably slower than we had hoped.
- Adapting to online meetings and presentations, and hybrid solutions, we enjoyed success in securing donations from individuals, trusts and foundations, notably from the Linbury Trust, and The Lees Charitable Foundation.
- Four trusts on our list closed their grant programmes for capital funding at the start of the pandemic. Since August 2021 we have, however, been delighted to secure pledges and donations from The Wolfson Foundation, the Garfield Weston Foundation, the Foyle Foundation, and several other leading philanthropic institutions.
- We launched a campaign addressed to members, dance schools, and the public, offering them the opportunity to ‘Name a Seat’ in the studio theatre in the new global headquarters. To date of signing, this has generated gifts from over 70 people totalling approximately £112,000.
- We were also successful in securing two grants from the Culture Recovery Fund totaling £909,366 to help compensate for the considerable reduction in income-earning activities during the year.
- RAD Enterprises, (our retail arm that gift aids its profits to the charity), narrowly missed its target for the year due to the impact of lockdowns and social-distancing protocols, producing a surplus of £360,000 (2020 – £422,000). We were able to continue to serve our customers via an outdoor ‘pop-up’ shop, and a ‘click-and-collect’ service.
- Our syllabus app has proved a vital resource during the pandemic and delivered a gross profit of £220,000 during the year.
- We sold more than 1,000 copies of our commemorative book, *Royal Academy of Dance: Celebrating 100 Years*, marking our centenary. In addition, a diverse range of gift items were sold in-store and via selected RAD branches.
- As soon as Covid protocols allowed, and as part of the RAD’s Equality Diversity and Inclusivity strategy, we commissioned a photo shoot in June. Dancers from various dance schools across the UK helped to create visual content for merchandise and marketing.
- The new global headquarters will include a significantly larger retail outlet, which we hope will become a destination for shoppers as well as a fulfilment centre for our online activities.

SO3: To set teaching and learning standards for dance teachers and students worldwide to enhance the RAD’s global reputation

Achievements and Performance

- On 28 July 2021 we launched a new brand identity, our first brand refresh in 20 years. The elements included two bespoke typefaces, RAD Serif and RAD Sans, and a vibrant new corporate red, new primary logo, a simplified coat of arms and a logo/arms lock-up and a secondary colour palette. Before the pandemic we carried out research with teachers, students, and partners across the globe to inform the design process. From the findings we developed three pillars, Excellence, Wellbeing and Community, which underpin the brand strategy and root us in our motto: ‘Salus et Felicitas’ – ‘Health and Happiness’.
- This period also saw the successful operation of exams at RAD headquarters, facilitated by the Examinations team.
- An audit of RAD activities was conducted by the Scottish Qualification Authority (Accreditation), with full statements of compliance submitted to Ofqual, Council for the Curriculum, Examinations and Assessment (Northern Ireland), and Qualifications Wales. The audit provided us with a clean bill of health.
- A new subcommittee was set up to monitor and oversee our regulatory activity for exams.
- In November 2020, the board of trustees approved the introduction of an ‘RAD Teacher’ category for inactive RAD Registered Teachers.
- Eligibility for Life membership was also changed from September 2021, with ‘Consecutive’ removed from the criteria, so that members must have 42 years of full/paid membership to qualify.
- As the pandemic continued, we launched several initiatives to support to our members:
 - In November 2020, we introduced a scheme for members to pay their subscriptions over four instalments, which continued throughout 2021.
 - For 2020-21, we reduced membership fees in the UK, Eurozone, and RoW. In Australia, Canada, New Zealand, South Africa and the USA, membership fees were frozen.

- During 2020-21, we removed late-payment and reinstatement charges for teaching members, and are extending this exemption until August 2022.
- We extended the payment deadline for 2020-21 and 2021-22 (September) membership renewals to 15 December.
- For 2021-22, UK and RoW membership fees were increased by 2%.
- Email updates to members were increased in frequency during the pandemic to highlight new government guidance and new resources for teachers.
- *Dance Gazette*, the RAD's magazine was relaunched in a digital-only format and membership e-cards and certificates were introduced. The designs were refreshed in line with the new RAD brand launch for September 2021 renewals.
- In April 2021, a survey received responses from 1,769 professional and non-professional members from 36 countries, with an average satisfaction score of 8/10 but also highlighted where we might improve our performance.
- On 11 May 2021, the RAD's 84th Annual General Meeting was the first to be lived-streamed from our London headquarters. This new digital format allowed members from all over the world to participate, and a survey of attendees saw provided positive feedback.
- During the year, we launched a new series of online member events, under themes of 'Entertain & Delight', 'Inform & Educate' and 'Connect & Inspire'.
- The 2021 Members Photo Competition launched in mid-June with a theme of 'Dance makes me feel...'. We received 41 entries (2020: 46) probably due to a shorter competition run and the choice of theme. The winning photograph was featured in *The Times*.
- We also incorporated good practice guidelines for safeguarding into the renewal process for teachers this year and, in July 2021, launched a safeguarding hub in the Members' Area. The following month, we asked teachers to submit information about their own safeguarding practices. From 1 July to 26 January, the GBP Safeguarding Hub landing page has had 2093 views (880 unique) and EUR landing page has had 438 page views (193 unique). The Members' area is made up of two child portals: EUR and GBP which also hosts the child portals of Australia, Canada, New Zealand, South Africa, and USA. This is because we take payment in different currencies and the payment pages need to be segmented.
- On the website, the Members' Area content quality and quantity has continued to increase significantly. We introduced a 'Welcome Area' for new members, brand and wellbeing toolkits, search functionality, and have continued to include information and resources on Covid-19. All content in the Members' Area reflects our new branding.
- Membership retention has improved. We ran a successful 'Lapsing Members' project that significantly reduced the 'churn rate' of annual September renewals.
- September 2020 saw a partnership with Emma Wiggle, an Australian singer and dancer, to help parents and students feel at ease returning to the dance studio. This achieved press coverage in Australia, and over 7,000 engagements on our social media platforms.
- October 2020: World Ballet Day. Our video had received 44,351 views on Facebook and YouTube within 24 hours uploading.
- The *On Point* V&A display opened in December 2020 (having been delayed due to Covid-19)
 - Over 100 objects from the RAD archives and collections were included. Those selected were thought to best embody the history of the organisation and the development of British dance.
 - In June 2021, HRH The Duchess of Cornwall paid a visit to the display.
 - To celebrate the display at the V&A, and the official Centenary of the RAD, the Archives and Records Manager wrote an article in the December issue of the *Dancing Times* and contributed to articles and interviews for *The New York Times*, *The Guardian*, *The Stage*, *The Today Programme*, and BBC Radio. The increased awareness of the RAD's history that this generated was reflected in an increase in the number of enquiries (research and other) into historical figures and family members, and requests for tours and talks from external customers and the public.
 - In the first month we achieved 47 pieces of coverage, including features, listings, news pieces, and reviews. On social media, posts about the display received 821,316 impressions, 86,710 engagements and directed 7,181 people to the website to book a visit. The visit by HRH The Duchess of Cornwall garnered 200 pieces of press coverage which included the key messages for the campaign.
- In January 2021, we reignited 'RAD@Home' as the UK was once again asked to stay at home and in-person classes were cancelled. We invited Silver Swans licensees to share their online classes with our community and featured free Step into Dance classes online. This gained coverage on ITV London and in *Time Out* magazine.
- In March 2021, we announced via an exclusive piece in *The Observer* that we had been gifted a portrait of Tamara Karsavina which will hang in our new global headquarters. The portrait by French painter Jacques Émile Blanche (1861 – 1942) is one of only a handful of portraits that exist of the pioneering ballet dancer. The story was also shared in a range of art and dance titles. We are immensely grateful to the donors for enabling the RAD to take ownership of this important work.
- May 2021 saw the launch of the RAD podcast *Why Dance Matters*. Hosted by David Jays, it has since attracted a range of high-profile guests, including Dr Guddi Singh, Xander Parish, Libby Clegg MBE, and James Whiteside.

- The Philip Richardson Library's general book collection was reviewed and enhanced with titles introduced to reflect current thinking in areas such as the history of cultures and society; diversity, inclusivity and discrimination in teaching; neurodiversity; eating disorders; somatics; and politics.
- A Preservation Assessment Survey of our archive and special collections was carried out in December 2020 to give an overview of the condition of the collections, identify risks and to prioritise conservation. The report found that 80 per cent of the RAD's collection is in 'good' or 'fair' condition but 20 per cent – or 15,000 objects – are categorised as 'poor' or 'very poor'. The report acknowledged that our archive store and research room in the new global headquarters 'will go a long way towards addressing the issues raised for most of the collection'. Policy development is planned for 2022-23 to ensure best conservation practice.
- Library and archive staff undertook professional training in conservation cleaning which enabled them to assist conservators and contractors and to prepare the book and archive collections before the move to the new global headquarters.

RAD corporate structure

All entities below form the group (the RAD)

RAD

Subsidiary companies

The results of the subsidiary companies are consolidated with the results of the Charity (Branch offices and UK Group) to form the Group.

RAD Singapore
Pte Ltd
Singapore

RAD gGmbH
Germany

Yayasan RAD
Indonesia

RAD Srl
Italy

RAD Dancing
(Malaysia)
Sdn Bhd

RAD de Mexico AC
Mexico

RAD Asbl
Benelux & France

RAD s21 Company
South Africa

RAD Brasil Ltda
South America

RAD SL
Spain, Andorra
& Gibraltar

RAD Dancing
(Thailand) Co Ltd
Thailand

RAD Enterprises Ltd
United Kingdom

Charity

RAD

Branch offices

Australia

Canada

Israel

Japan

New Zealand

Portugal

Southern Africa
& Mauritius

United States

Representative offices

Caribbean

China

Cyprus

Greece

Hong Kong

Ireland

Malta

Philippines

Scandinavia

South Asia

South Korea

Taiwan

Turkey

UAE & Qatar

The results of the representative offices are included in the results of the UK to form the UK Group.

Corporate Governance

The group relies on a robust governance framework to support the organisation. Responsibility for good governance lies with the trustees who are accountable to the members. The trustees oversee the RAD's worldwide operations through a trustee board and ten separate subcommittees.

President and Vice Presidents

We currently have seven elected vice presidents. These may not be Full Members of the RAD at the time of election but are deemed to become Full Members following election. Candidates for the office of president and up to nine vice presidents can be nominated by Full Members or be recommended by the board of trustees and are elected by members at the Annual General Meeting (AGM). Since the revision of the charter in 2008, the president and vice presidents elected since that date can only hold office for a maximum of two terms of five years, in accordance with clause 52.7 of the bye-laws.

Advisory Council

We have an advisory council which consists of the president, vice presidents, and any other persons appointed by the board, to provide advice. The advisory council did not meet during the year.

International Advisers

The trustees may appoint up to five international advisers whose ordinary residence is not in the UK and who may attend meetings of the board of trustees in an advisory capacity. There are no current appointments.

The Board of Trustees

The board comprises up to a maximum of twenty members, of which ten are Full Members of the RAD (List A) and ten, including the chair, who may or may not be Full Members but who have been recommended by the board as persons likely to bring skills or experience in areas other than dance or education (List B).

Candidates for the office of trustee can be nominated by Full Members or recommended by the board of trustees and are elected by members at the AGM. Trustees are elected to hold office for a term of three years and may be re-appointed for two further consecutive terms in accordance with clauses 33-38 of the bye-laws.

Individuals may be co-opted by the trustees to fill vacancies arising during the year.

The board's role and responsibilities are set out in formal Terms of Reference and Standing Orders.

There are currently nineteen elected trustees on the board.

List A Trustees (Dance)

Hilary Clark ARAD (dip PDTC) RTS

Imogen Knight ARAD BA (Hons) DDE, RAD TD, RAD RTS

Darren Parish RAD PDTDiploma BMN Diploma RAD RTS and Diploma Arts and Dance NFSH

Penny Parks RAD RTS

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS (appointed May 2021)

Vikki Allport RAD RTS T.DIP (appointed May 2021)

Joshua Tuifua PDTD (Dist) (appointed May 2021)

Matthew Paluch MA, PDTD (Dist) RBS Dip. (appointed May 2021)

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip (appointed May 2021)

List B Trustees

Guy Perricone (Chair)

James Cane FCA (appointed May 2021)

Professor Peter Flew

Ida Levine BA Juris Doctor JD

Andrew McIntee BA (hons) Bus Econ

David Nixon OBE

Kevin O'Hare CBE

Aliceson Robinson MBA

Chi Cao PDTD (appointed May 2021)

Esther Chesterman LLM LLB Dip Ed (appointed May 2021)

Meetings

The board schedules four meetings a year, plus an annual strategy day. Comprehensive papers, including minutes of previous meetings, are presented to the board.

Constitution

The chair is responsible for the leadership and management of the board.

The chief executive is responsible for the executive leadership and day-to-day management of the RAD to ensure the delivery of the strategy agreed by the board. The chief executive is supported by six directors as listed on page 04.

Induction

All trustees are provided with a handbook, and take part in induction sessions with senior staff to familiarise themselves with the work of the RAD.

Related parties

The RAD has entered into a number of transactions with related parties during the year. These are in the form of management charges made to overseas branches and subsidiaries to cover the cost of administration of the group by UK headquarters, fees and expenses paid to seven trustees in their capacity as examiners, tutors or mentors, and rental paid on property used for RAD business. Further detail can be found in note 13 to the financial statements.

Independence

Trustees are required to sign a code of conduct on appointment. Up to one half of the trustees may receive an emolument for services rendered to the RAD, but where the trustee has received payment in the preceding twelve months, may not take part in any debate or vote considering emoluments, whether specific or general, and should not be present at a meeting at which a specific payment to that trustee is discussed or an appointment which involves payment is made.

Trustees are required to disclose any third-party interests annually and to disclose any gifts received. These are disclosed in note 13 on page 04.

Indemnities and insurance

In accordance with Article 6(h) of the RAD's charter, the RAD takes out indemnity insurance as part of its global policy to indemnify it against loss arising from the neglect or default of its trustees, employees, or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part.

Board Subcommittees

The board operates ten subcommittees, created under bye-law 40 of the RAD's charter. All subcommittees have formal terms of reference and standing orders which are reviewed annually.

All subcommittees have regular scheduled and unscheduled meetings, and papers are made available to all members and those in attendance.

Finance and Audit Subcommittee

The Finance and Audit Subcommittee's key function is to support the board in fulfilling its responsibilities in reviewing the effectiveness of financial reporting, internal controls, and risk management. In addition, the subcommittee considers the statutory accounts and meets annually with the external auditors to receive and discuss their report on the annual audit.

As part of this role the subcommittee provides advice to the board on whether these financial statements are fair, balanced, and understandable, and provides information for members to assess the RAD's performance.

The Finance Subcommittee also advises the board of trustees on all financial matters and considers the management and financial accounts, budgets, and financial resources of the group together with the strategic plan prepared on a five-year rolling basis with annual revisions. The subcommittee also assesses the risks to which the RAD is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention.

When considering the annual budgets, it also determines the general salary policy to apply throughout the group. It has four scheduled meetings a year.

Trustee members

James Cane FCA (Chair) (appointed chair June 2021)

Ida Levine BA Juris Doctor JD

Guy Perricone

Amy Giancarlo RBS DDT LRAD ARAD RAD RTS (appointed December 2021)

Julia Bond OBE (resigned May 2021)

Joanna Binder (resigned May 2021)

Co-opted members

Michelle McGrath

Sandra McAlister

Catherine Quinn (appointed January 2022)

Director

Director of Finance and Operations

Nominations and Remuneration Subcommittee

The Nominations and Remuneration Subcommittee ensures that there is a formal and appropriate procedure for the appointment of key trustees and management. It also considers the remuneration of key management, ensuring it is consistent with the competitive position of the salary for similar positions in the sector and within the RAD, considering their qualifications, experience, roles and responsibilities. It also considers the recipients for the Queen Elizabeth II Coronation Award, Fellowships of the Royal Academy of Dance, and President's Awards.

Membership is drawn from the chairs of the respective subcommittees:

Members

Guy Perricone (Chair)

Chairman of Board of Trustees

James Cane

Chair of Finance and Audit Subcommittee

Joanna Binder (resigned May 2021)

Chair of Board of Directors of RAD Enterprises Ltd

Peter Flew

Chair of Education Subcommittee

Penny Parks

Chair of Regional Subcommittee

Ida Levine

Chair of Fundraising and Development Subcommittee

Aliceson Robinson

Chair of Global Membership and Marketing Subcommittee

Imogen Knight

Chair of Artistic Subcommittee

Esther Chesterman

Chair of Examinations and Regulatory Subcommittee

Andrew McIntee

Chair of New Headquarters Subcommittee

The eight remaining subcommittees represent the main activities or functions of the RAD. Membership of subcommittees is made up of trustees and co-opted members recruited for their skills and experience. Each subcommittee has a chair who is a trustee and at least one director in attendance with the relevant specialism. All members of the executive board may attend these subcommittees. The chairman of the board of trustees is an ex-officio member of each subcommittee.

The Artistic and Examinations Subcommittee split into two separate subcommittees in May 2021.

Examinations & Regulatory Subcommittee

The Examinations & Regulatory Subcommittee advises and supports the director of examinations (and other directors) in overseeing the regulatory aspects that governs the work and policies of the examinations board and the RAD. The subcommittee seeks to ensure that our examination policies and standards are maintained and enhanced; that the examinations board is fully accountable; that it complies with the requirements of the external regulators (including annual submissions to the regulators); maintains the highest standards of efficiency and quality assurance in its policies and procedures; and that programmes remain practically and financially viable.

Trustee Members:

Esther Chesterman (chair) (appointed June 2021)

Co-opted Members:

Tim Arnold

Louise Norman

Ai-Lin Nio (appointed June 2021)

Brenda Soar (appointed June 2021)

Michael Smith (appointed June 2021)

Edith Devoy (appointed Sept 2021)

Directors:

Director of Examinations

Artistic Subcommittee

The Artistic Subcommittee is a source of advice, support, and debate for the Artistic Director on advances and changes in the dance, arts and education sectors that may impact on the the RAD. It supports the Artistic Director in ensuring that the RAD's Artistic ideals and standards; and the aims of the RAD's Royal Charter and Strategic Plan; are articulated, visible and upheld in all of our activities (including student training, community provision, competitions, syllabus, member teacher and independent contractor support, and outreach programming); and that our artistic initiatives are artistically, practically, and financially viable. The subcommittee may form limited time working groups with members outside of the subcommittee. It may also receive items for review delegated from the board of trustees, and may report recommended actions for approval.

Trustee members

Imogen Knight (Chair) ARAD, BA (Hons), DDE, RAD TD, RAD RTS

Chi Cao PDTD

Hilary Clark ARAD (dip PDTC) RTS

Penny Parks RAD RTS

David Nixon OBE

Co-opted members

Amanda Eyles

Wade Lewin

Vidya Patel

Sidwell Roman

Bawren Tavasiva

Rebecca Taylor

Directors

Artistic Director

Director of Examinations

Education Subcommittee

The Education Subcommittee advises and supports the director of education on advances and changes in education that may have an impact on the work and policies of the Faculty of Education and the RAD. It ensures that all programmes of study are fully accountable, developed and maintained to the highest standards; and are financially viable. It also seeks to ensure that, as a provider of higher education, we uphold our public interest governance principles including, but not limited to, the principles of freedom of speech and academic freedom. The RAD complies with its duties under Section 29 of the Counter-Terrorism and Security Act 2015 (Prevent Duty).

Trustee members

Professor Peter Flew (Chair)

Hilary Clark ARAD (dip PDTC) RTS

Amy Giancarlo RBS DDT LRAD ARAD RAD RTS (appointed September 2021)

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip (appointed September 2021)

Student representatives

Kathleen Ansell – MAE (Student rep 2021-22)

Rachel Webb – DDTS/Yr1 (Student rep 2021-22)

Co-opted members

Maria Clutterbuck (University of Bath representative)

Dr Joanne Cliffe PhD MSc BEd (Hons)

Professor Tina Chen FISTD MA Dip RBS TTC ARAD

Judith Hemery AB (Hons)

Fiona Sheehan MA BA

Paula Scales MTD BA (Hons) PGCE RTS

Professor (Emeritus) Prue Huddleston

Lynne Reucroft-Croome

Calvin Robinson

Shelly Yacopetti

Dr Janet Rose (appointed September 2021)

Director

Director of Education

Global Membership and Marketing Subcommittee

The Global Membership and Marketing Subcommittee advises and supports the director of marketing and communications on matters relevant to the marketing and promotion of our projects, events, and services. It also advises and supports the director and their teams in promoting the skills, knowledge, and expertise of its members, and providing support services and benefits for its members throughout their careers. The subcommittee also seeks to ensure that, as a membership organisation, we uphold the aims and objectives of the charter and its bye-laws in an open and transparent way, and that it is fair in all its dealings with members of the RAD and the public.

Trustee members

Aliceson Robinson MBA (Chair)

Imogen Knight ARAD, BA (Hons), DDE, RAD TD, RAD RTS (Vice Chair)

Vikki Allport de Orbe Tch Dip RTS

Josh Tuifua PDTD (Dist)

Co-opted members

Karen Harris Tch Cert RTS

Shelley Isaac-Clarke Tch Dip RTS

Carol Marlow

Lloyd Stringer

Verity Batchelder (resigned August 2021)

Director

Director of Marketing and Communications

Regional Subcommittee

The Regional Subcommittee facilitates feedback from the regional ambassadors of the UK and Ireland (all teaching Members of the RAD) to the executive board on all regional matters. Additionally, the regional ambassadors receive updates from the executive board on projects and initiatives to share with their regional membership, enhancing member engagement. The subcommittee ensures that we are fully accountable to our members in the UK and Ireland, and maintains the highest standards in all areas of its work. The terms of reference of the subcommittee determine that the incumbent chair is put forward to the board of trustees on initial election as a co-opted trustee and subsequently recommended for election at the AGM.

Chair and Trustee

Penny Parks RAD RTS (South East England)

Co-opted members

Cairíona Brocklebank (Ireland)

Caroline Peters (Midlands & East of England)

Dawn Edgar-Ulivi (Scotland)

Lisa McCourt (Northern Region)

Shelley Isaac-Clarke (South West, Wales & Channel Islands)

Director

Chief Executive

New Headquarters Project Subcommittee

The New Headquarters Project Subcommittee oversees all relevant aspects of the construction, design and fit-out of the RAD's new global headquarters on York Road, with the move taking place from February 2022. It supports the chief executive and executive board in ensuring the successful delivery of the project on time and on budget. The subcommittee upholds the aims and objectives laid down in the RAD's Royal Charter and bye-laws.

Trustee members

Andrew McIntee BA (hons) Bus Econ (chair)

Guy Perricone

Julia Bond OBE (resigned May 2021)

Ida Levine BA Juris Doctor JD

James Cane FCA

Co-opted members

Russell Middleton

Tina Wolder

Director

Chief Executive

The subcommittee is made up of trustees and experts providing wider experience in the fields of construction, design, and property management, and is attended by members of the executive board as required. The subcommittee meets monthly and will be disbanded once the move to the new global headquarters is complete.

Fundraising and Development Subcommittee

The Fundraising and Development Subcommittee advises on fundraising efforts that support the charitable purposes of the RAD, such as social benefits to the wider community. It also advises and supports the Director of Development and Fundraising on matters relating to the development of fundable programmes and fundraising strategy.

Trustee members

Ida Levine BA Juris Doctor JD (Chair)

Guy Perricone

Sarah Dickinson ARAD Adv Tch Dip RTS (resigned March 2021)

James Cane FCA (appointed March 2021)

Co-opted members

David Banks

Phil Dolling

Joanne Muller

Christopher Nourse

Jane Karczewski

Tristan Davies

Georgina Robbins

Director

Director of Development and Fundraising

Membership comprises trustees and members co-opted from the wider arts, business, and philanthropy sectors, and meets four times a year.

Development and Fundraising

The Development and Fundraising Department follows the rules of the Fundraising Regulator's Code of Fundraising Practice, the Chartered Institute of Fundraising guidance, and the Charities Commission guidance on Charitable Law, including fundraising.

The objectives of the department include raising funds for the organisation and its charitable purposes through individual gifts, trusts and foundations grants and corporate sponsorship and public sector. A legacy fundraising and patrons scheme are in development.

Research and vetting of potential supporters are key parts of fundraising, and the processing and storing of biographical information is necessary. All staff are GDPR trained, and we follow a strict procedure for storing and maintaining such data. All data is stored and protected, with limited and access to details allowed within the wider team. Briefing of the chief executive and trustees is also strictly controlled by the team.

We develop strong personal relationships with our funders and listen to their preferences and requirements. The Department seeks to encourage donations and does not engage in pressurising potential donors. For trusts and foundations, there are strict guidelines for applying to and reporting on grants. Personal correspondence, relationship management and donor engagement help us to build trust with our supporters. We make every effort to ensure that our fundraising does not intrude on peoples' privacy, that it is not unreasonably persistent, and that it does not place pressure on anyone to donate.

We follow an ethical policy which seeks to ensure that the RAD does not accept gifts or support from organisations or individuals where we do not know the ultimate donor or where we believe that the donor has profited from, or has been associated with, illegal or criminal activity. We also seek to ensure that we do not accept gifts or donations from organisations or individuals where to do so would represent a conflict of interest, a reputational risk, or would impact adversely on our ability to fulfil our mission.

We do not engage external fundraisers other than consultants who are vetted, selected, and contracted to deliver specific strategies for following due diligence and conflict-of-interest guidelines. We do not engage in face-to-face solicitation through third parties.

We have a team of three professional fundraisers – two being members of the Chartered Institute of Fundraising. They report directly to the chief executive as well as to the Fundraising and Development Subcommittee and the board of trustees.

There have been no fundraising complaints to date, but any arising will be handled swiftly and interrogated thoroughly with reference to the chief executive. We will also respond to all Freedom of Information requests from individuals.

Board of the Royal Academy of Dance Enterprises Ltd (RADE) Enterprises Subcommittee

The board of RADE also acts as the Enterprises Subcommittee of the RAD. Its members are made up of directors of the company and trustees.

RADE is a separately constituted private limited company owned by the RAD. It is our primary publishing and distribution arm for the RAD and its examination board. It sells examination syllabi in various media including print, audio-visual and apps, as well as recommended uniform wear, teaching resources, dance-related products, and gift items. Its products are sold and distributed through its website, mail order, printed catalogues, book distributors, RAD branches, and the RAD itself.

The Enterprises Subcommittee considers the management and financial accounts, budgets, and financial resources of the RADE in the context of its relationship to the group. The subcommittee also assesses the risks to which the company is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention.

Company Directors

Joanna Binder (Chair)

Luke Rittner CBE

Ian Pogue BA (Hons) ACA (resigned January 2022)

Sue Bacchus

Trustee members

Guy Perricone

Co-opted members

Mark Richardson

The board and subcommittee discharge these responsibilities by meeting three times a year and advises the Finance and Audit Subcommittee and the RAD's board of trustees on all matters pertaining to RADE.

Principal risks and uncertainties

Governance, risk, and control

The trustees are responsible for the group's system of internal control and risk management and consider this to be fundamental to the achievement of the RAD's policies. Some of the key elements of the governance, risk, and control framework in which the RAD operates are set out below. The work of the trustees, subcommittees, management, and staff are at the heart of its processes. The board approves strategic plans and annual budgets, reviews quarterly results with comparisons against forecast, requests analytical reports as and when necessary and debates topics requiring attention. The relevant subcommittees receive papers and provide assurance to the board. The trustees review the effectiveness of governance, risk, and control through this reporting mechanism as well as management concerns raised by the external auditor through the Finance and Audit Subcommittee. As with any such system, the processes are designed to manage rather than eliminate the risk of failure to achieve objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Operational Risk Management

The chief executive, directors, and heads of departments review the Corporate and Activity Registers and act as the Business Continuity Committee in the event of a disaster.

Exposure to risk

Management continually reviews the risks to which the RAD could be exposed, particularly in terms of governance, operations. Risks are assessed for likelihood and severity of impact. This information is then used to develop a risk-management strategy, including the identification of existing operational controls and any new controls the trustees consider necessary. Several risks and uncertainties have been identified, which are listed below in no particular order of likelihood of occurrence:

- **Marketplace and products**

Other awarding organisations, which offer dance examinations across multiple genres at a lower cost, and higher-education bodies that offer places funded by government, compete against the RAD, which focuses on a single genre. Members may no longer wish to retain membership of the RAD or to use its products and services. A change in syllabus can have an adverse effect on the ability of teachers to continue to provide candidates for examination at previous levels due to the challenges of acquiring new knowledge and passing it on to candidates.

In mitigation of these risks, we use internal impact statements to assess risk, and use the full force of social media to publicise, promote and sell our products and services. We regularly consult members to ensure product relevance and help shape future initiatives.

- **World events**

As shown in the past two years, like many international organisations, we are vulnerable to pandemics, natural phenomena, changes in weather patterns, to conflict, and terrorism. All of these may impede or prevent activities from taking place, including travel by examination candidates, course attendees, and RAD staff such as examiners and tutors, thereby reducing business and income. We have developed policies and procedures to minimise the loss of income caused by such events, and to ensure the safety of staff and examiners. Our response to the Covid-19 pandemic is set out in more detail within the Financial Review.

- **Economic climate**

In common with most organisations, we are vulnerable to changes in the global economic climate. Our core business depends on the purchasing power of our customers, and we have no control over their financial circumstances – whether member, teacher, examination candidate, higher-education student or dance-class attendee.

It is difficult to forecast the effects of the economic climate on individual customers and therefore we endeavour – through better planning – to react to downturns which might adversely affect our performance. However, the global reach of our operations can mitigate against this risk, as markets experiencing strong economic conditions can support those in a downturn.

- **Statutory and regulatory compliance**

The complexity of the group structure could lead to non-compliance with statutory and regulatory requirements, through lack of oversight, knowledge, or training, at both local and group level. Non-compliance can lead to loss of status, recognition, reputation, public confidence, customers, and the imposition of penalties. To mitigate this risk, subject to considerations around cost and benefit, we employ qualified personnel at group and local levels, as well as using external professionals, and work with regulatory or statutory authorities to ensure compliance by obtaining guidance and instruction and implementing these.

- **People**

Working with young people brings safeguarding responsibilities and as such, we have a safeguarding committee with designated safeguarding and senior safeguarding officers. Training needs are identified and addressed, and we work with lawyers or other professionals to ensure policies are fit for purpose. We review our safeguarding policies annually.

The behaviour of members and organisations associated with the RAD can lead to reputational loss. We perform due diligence before entering into partnerships, ensure legally sound contracts are in place, and operate Codes of Conduct and Professional Practice for our teaching members.

We seek to attract and retain high-quality employees and to manage them so that they contribute to the RAD and further their careers. However, as in most organisations, high staff turnover could expose the RAD to lack of continuity and loss of knowledge. We undertake annual performance reviews to ensure that staff are motivated and retained, and offer a range of benefits. Succession planning is undertaken for senior staff.

It is our policy to invest in the right people needed to support our operations. We provide training for all our staff, including external training where relevant to specialisms. We have a performance-review process, linked to its strategic goals and outcomes, which identifies and addresses development needs. We have also developed a series of human resource policies, the most important of which deal with equality, diversity, health and safety, information management and safeguarding. These are designed to guide employees to improve fairness and safety both in the workplace and for our customers, to ensure compliance with legal responsibilities, and to ensure that they respect one another.

Each of these areas has a policy group that monitors compliance with the relevant area and which reports directly to senior management.

All policies and procedures are reviewed and approved annually by the trustees and employees are informed of changes.

Financial Risk Management

Our risk management process is overseen by the Finance and Audit subcommittee. In controlling and underpinning financial risk, the following are key control procedures:

- **Operating unit financial controls**

A controls manual, which is updated annually, sets out the key disciplines expected of staff in managing their role, responsibility, operation or entity. The manual forms part of an employee's induction and can be found on our internal HR homepage.

The central finance office function performs comparison tests on the results of branches, subsidiaries, and offices, and undertakes remote reviews via online video calls with international offices. Management ensures that qualified finance professionals are appointed to senior positions of financial responsibility.

- **Information and computer systems**

Our financial and management information is processed and stored on several computer systems. This can lead to concerns about integrity, duplication, security, and other data issues. A disaster-recovery centre operates in the UK. Back-up systems are installed in major international offices and our servers are in a hosted data centre, providing additional resilience.

We set out data protection compliance in a framework of policies and procedures. We also monitor compliance with data-protection policies and regularly review the effectiveness of data handling/processing activities and security controls. We have implemented a basic GDPR training programme for all staff, supplemented by a needs-based data-protection training programme for staff across different functions and at different levels. We don't meet the criteria for an obligatory Data Protection Officer, however, due to our commitment to GDPR compliance, combined with the lack of internal expertise, we use an external professional data protection services firm to support the work of the information management committee.

- **Foreign exchange**

We operate in many jurisdictions, setting fees in local currencies, while at the same time incurring central costs based in sterling. We are therefore prone to fluctuations in its results due to currency gains and losses.

It is difficult to forecast movement in foreign exchange, and therefore we maintain awareness of movements in currency which might adversely affect our performance. This is then considered in making decisions concerning timing of movements of funds between countries.

These risks and uncertainties are included in the corporate and activity risk registers, which are reviewed by relevant subcommittees and board of trustees, along with actions to mitigate them. A further function of the risk registers is to inform business continuity plans which are underpinned by an offsite IT disaster recovery centre to provide the necessary technological backup in the case of unforeseen events.

Financial review

Overview

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), applicable from 2019.

Unrestricted activities

During the year the group adapted to and recovered from the pandemic and reported worldwide group net income, before transfers and other recognised gains and losses, of £1,113,000 against net expenditure of £2,598,000 last year. This improvement of results has been largely due to a return to normal trading, continuation to hold back on discretionary costs, receipt of grants, significant deferred income from the prior year for exams that could not be held in 2019-20 that were subsequently held in 2020-21 and we continued to make use of the furlough scheme in the UK and similar schemes around the world. Overall examination numbers were 182,560 (98,251 of these were assessed by video) compared to 122,031 in the prior year.

Unrestricted income for the group increased by 7% to £17,607,000 from £16,453,000 while overall expenditure decreased by around 13% to £16,494,000 from £19,051,000.

The value of the RAD's unrestricted net assets increased from £20,508,000 to £21,177,000. There was a gain on revaluation of tangible fixed assets of £287,000 (2020: £68,000), and an exchange loss of £129,000 (2020: £144,000 loss) on consolidation.

Restricted activities

The RAD has a number of funds which have been built up from donations, legacies, trusts, grants, fundraising events and appeals. These are administered in accordance with the accounting policy in Note 1 (m) Fund Accounting. There was net income of £724,000 before transfers and other recognised gains and losses, for the year to 31 July 2021 (2020: net loss £9,000) (Note 24). This significant increase in funds is due to the receipt of grants and donations for the new HQ building.

The RAD is in receipt of a funding grant through to 2021-22 from the Jack Petchey Foundation to run the Step into Dance programme (a fully inclusive, community dance programme in every London borough, and in some Essex schools) as well as using its own funds. All monies received from the Foundation were spent in accordance with the programme's aims.

Bursaries, awards and scholarships were awarded through various Scholarship Funds, Trusts, Jubilee Award and Regional schemes.

Performance by activity

Our targets for 2020-21 were to:

- Achieve worldwide membership of 12,057. There were 11,816 members globally on 31 July 2021 achieving 98% of total target. The downward decline is a result of the global pandemic.
- Deliver 210,000 dance examinations. Due to the pandemic 182,560 exams were delivered. The UK target was re-forecasted down to 25,812 with 26,611 exams being delivered.
- Generate an unrestricted net loss of £229,000 including net fundraising income of £1,592,000. Actual result was a net unrestricted income of £1,113,000. This positive result is mainly due to a delay in the move to the new HQ, natural reduction in direct costs related to activity and a reduction of discretionary costs.

Our targets for 2021-22 are to:

- Deliver 181,033 dance examinations. To 31 December 2021 the RAD has achieved, globally, 44% of this target (78,884) with the largest sessions yet to follow. Historically, we would expect to see 78% of the annual entries during the period January to July, this would indicate that we should achieve our target assisted by the added flexibility of the video assessment option which was used by 53% of entries in 2020-21.
- Achieve worldwide membership of 11,941.
- Achieve net expenditure of £900,000 before new global headquarters related income and expenditure.

Summary of FY21 results

Subscription income

Subscription income decreased by 6% to £1,111,000 (2020: £1,176,000), with net income, not including indirect costs, up 8% at £756,000 (2020: £702,000).

Membership

The number of Registered Teachers decreased slightly from 8,037 to 7,754. All other members decreased slightly from 4,185 to 4,062.

Examination fees

Examination fees income increased by 19% from £7,402,000 to £8,811,000, with direct expenditure decreasing by 15% from £4,812,000 to £4,077,000. This resulted in a significant increase in net income from £2,590,000 to £4,734,000. Total examination entries increased by around 67% to 182,560 (2020: 122,031).

We also continued with the processes and protocols that had been put in place in the prior year, to enable exams to be conducted via video assessment, with footage being sent to headquarters.

During the 2020-21 year 98,000 candidates were assessed by video (53% of entries). In 2021-22 video assessments were still popular (44% of the global market). We will see savings with tour costs (e.g. travel and accommodation), however, it should be noted that this will likely be offset with the cost of cloud storage and resources to accommodate the service.

Education and training income

Initial Education income was down £502,000 on prior year at £3,344,000, with overall net income decreasing from £1,027,000 to £679,000. The Faculty of Education continued to deliver programmes of study impacted by Covid 19 restrictions online and through hybrid modes of delivery. Normally, programmes such as the BA (Hons) Ballet Education and Licentiate of the RAD are delivered onsite.

The number of Faculty of Education students on programmes decreased slightly from 1,238 to 1,129, mainly due to the pandemic still affecting new and continuing students.

Income from Continuing Education fell from £1,797,000 to £1,533,000, as CPD was unable to deliver face-to-face courses, with overall net income of £101,000 (2020: £445,000 net expenditure).

Trading income (retail, licensing and royalties)

Trading income generated by the UK trading subsidiary, together with Licensing and royalty income, decreased to £931,000 (2020: £1,209,000) with no significant product launches. Overall net income decreased to £360,000 (2020: £709,000).

Other income

Other income is derived from advertising, rental from studios, the furlough scheme resulting from government support due to the pandemic, sundry income, gains on exchange, with associated expenditure and taxation on subsidiary company profits.

Support costs decreased from £8,109,000 to £7,068,000 mainly due to staff vacancies and cost cutting measures during the year.

Operating cash flows and capital expenditure

The group's overall net cash position was £10,914,000 compared to £5,406,000 last year. The cash balance includes £3,288,000 loans that have been drawn down.

There was a net cash inflow from operations of £2,787,000 compared to an outflow of £1,187,000 the year before. Capital expenditure increased from £249,000 to £473,000 mainly due to the capital spend on the new HQ building.

Net assets and reserves policy

The RAD's current pattern of activities provides fluctuating peaks in income and expenditure, and a reserves policy is necessary not only to cover these periods but also to ensure that its core activities can be covered if there is pressure on income and expenditure such as unforeseen emergencies, unforeseen day-to-day operational costs, income that has fallen below expectations, or planned commitments that cannot be met by future income alone.

At 31 July 2021 RAD had total funds of £23,420,000 which included restricted funds of £1,643,000 and designated funds of £19,932,000. Designated funds are represented by the fixed asset fund (being the net book value of fixed assets) of £19,696,000 and other designated funds totalling £236,000. RAD reviews its reserves policy annually. The long term target for group free reserves is £3,246,000 with £2,033,000 being within UK reserves. Actual free reserves at 31 July 2021 for the group were £2,081,000 (including other designated reserves) (2020: £928,000). For the UK only, actual free reserves at 31 July 2021 were £nil. (2020: £nil). There is a budgeted deficit in 2021-22, due to the delays with the move to the new global headquarters. However, we are returning to more normal levels of operations and aim to continue to build the reserves position to the target level.

The RAD reserves policy recognises that measuring free reserves is only one indicator. There is also much focus on monitoring the group and UK cash position. For 2020-21 cash balances have held up particularly well relative to the previous year as a result of operations being able to resume across the geographies that RAD operates within, supported by tighter cash management across the group. The continued emphasis on cash management and moving towards the reserves target will therefore be a feature of 2022 and beyond.

Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash inflow for the group of £5,486,000 in 2020-21, compared to an outflow of £1,930,000 in prior year, with an inflow from operating activities of £2,787,000 (2020: £1,188,000 outflow). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £10,914,000 at year end (2020: £5,406,000).

The RAD has mitigated the impact of the pandemic and generated an overall net income of £1,837,000.

Whilst the impact of the pandemic was severe, the Academy was able to mitigate this by cost reduction measures, use of the furlough and similar schemes around the world.

In the UK we also benefitted from the government Cultural Recovery Grants of £900,000 of which with £750,000 was received in the year.

Since the cyclical low point of end of July 2020, operations have resumed, with delivery of examinations via video assessments (and face to face in some countries) enabling postponed exams to take place, and a more usual cycle of exams in 2020-21. There has been a significant improvement in the cash position of the group as operations have resumed, and a return to a significant level of profitability. The move to the new global headquarters is nearly complete, and therefore the risks of overspend or further cash commitments on this project are vastly reduced.

We are delivering our teaching online and have video assessments for examinations, which enable our activities to continue around the world.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in August 2021. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was renewed for a further year in August 2021.

We have a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is to be repaid over 5 years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of 5 years). Both of these loans are secured on the RAD's headquarters at 36 Battersea Square. On the completion of the sale of Battersea Square and purchase of York Road, the security will be moved to York Road.

Achievement of the RAD's targets for 2021-22 is dependent on the ongoing impact of the pandemic but results to date have been broadly in line with targets. Forecasts have been reviewed for the twelve-month period from date of signing the accounts, including downside scenario planning (particularly further disruption to examinations and shortfall in capital fundraising) and mitigating actions against these. Possible mitigating actions include further cost reductions that can be implemented, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

Future outlook

While the last year has been another challenging year, it has also been another year that has highlighted the incredible dedication of all those involved with the organisation around the world: staff, president, vice-presidents, advisory council, trustees and its subcommittee members, examiners, tutors, teachers, students and parents.

We have worked hard to adapt our ways of operating, particularly in terms of digital and online systems, which has not only allowed us to continue activities during the pandemic, but will provide benefits and efficiencies in the future. While the current year shows good signs of recovery, the rollout of vaccinations provides hope that we will be able to return to more normal operations relatively soon. Our targets for the year are set out in the Performance by Activity section.

The move into our new purpose-built global headquarters will be a landmark moment for the RAD, and therefore whilst we acknowledge the difficulties of current times, we are excited by our move and the opportunities that it will bring.

Statement of the Board of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed, Royal Charter and Bye Laws. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Guy Perricone
Trustee, Board of Trustees



James Cane FCA
Trustee, Board of Trustees



Luke Rittner CBE
Chief Executive

21 February 2022

Independent auditor's report to the Trustees of the Royal Academy Of Dance

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Royal Academy of Dance ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2021 which comprise the group consolidated statement of financial activities, group and charity balance sheets, group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2021 and of the group's 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 Charities Act 2011.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; 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 trustees' responsibilities statement set out on page 27, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Office for Students regulation. We also considered compliance with local legislation for the group's overseas operating segments.


Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Office for Students and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
London
25 February 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Group consolidated statement of financial activities

For the year to 31 July 2021

Notes

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from						
2 Donations and legacies	891	746	1,637	382	-	382
3 Trading	655	-	655	850	-	850
4 Other trading activities	272	4	276	359	-	359
5 Investments	11	-	11	28	-	28
Income from charitable activities						
Examination fees	8,811	-	8,811	7,402	-	7,402
6 Education and training fees	4,542	335	4,877	5,109	534	5,643
Subscription income	1,111	-	1,111	1,176	-	1,176
7 Other income	1,314	3	1,317	1,147	-	1,147
Total income and endowments	17,607	1,088	18,695	16,453	534	16,987
Expenditure						
8 Expenditure on raising funds	(1,200)	(45)	(1,245)	(1,458)	-	(1,458)
9 Expenditure on charitable activities	(14,903)	(319)	(15,222)	(17,409)	(543)	(17,952)
11 Other expenditure	(391)	-	(391)	(184)	-	(184)
Total expenditure	(16,494)	(364)	(16,858)	(19,051)	(543)	(19,594)
Net income/(expenditure) before investment gains and losses and transfers between funds	1,113	724	1,837	(2,598)	(9)	(2,607)
Net gains on investments	-	-	-	-	4	4
Net income/(expenditure)	1,113	724	1,837	(2,598)	(5)	(2,603)
Transfers						
Transfers between funds	(2)	2	-	-	-	-
Other recognised gains and losses						
On revaluation of tangible fixed assets	287	-	287	68	-	68
Movement on exchange arising from the consolidation of branches and subsidiaries	(129)	(2)	(131)	(144)	(7)	(151)
Net movement in funds	1,269	724	1,993	(2,674)	(12)	(2,686)
Fund balances brought forward at 1 August	20,508	919	21,427	23,182	931	24,113
Total funds carried forward at 31 July	21,777	1,643	23,420	20,508	919	21,427

There were no recognised gains and losses other than those listed above and the net expenditure/income for the year. All income relates to continuing operations.

Group and charity balance sheets

At 31 July 2021

Notes

	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Fixed assets				
19 Tangible and intangible assets	19,696	19,580	19,483	19,396
20 Investments	150	154	264	268
	19,846	19,734	19,747	19,664
Current assets				
21 Stocks	560	560	366	298
22 Debtors	1,262	2,716	1,774	3,157
Cash at bank and in hand	10,914	7,021	8,248	3,759
	12,736	10,297	10,388	7,214
23 Creditors – amounts falling due within one year	(5,900)	(8,507)	(5,517)	(7,444)
Net current assets	6,836	1,790	4,871	(230)
Total assets less current liabilities	26,682	21,524	24,618	19,434
24 Creditors – amounts falling due after more than one year	(3,262)	(97)	(3,262)	(97)
Net assets	23,420	21,427	21,356	19,337
FUNDS				
26 Restricted Funds	1,643	919	1,637	913
27 Unrestricted Funds	21,777	20,508	19,719	18,424
Total funds	23,420	21,427	21,356	19,337

The accompanying notes form part of these accounts.

These financial statements were approved and signed on behalf of the Board of Trustees on 21 February 2022 by:



Guy Perricone
Trustee, Board of Trustees



James Cane FCA
Trustee, Board of Trustees



Luke Rittner CBE
Chief Executive

Group cash flow statement

For the year to 31 July 2021

Restricted and unrestricted funds	Notes	2021 £000	2020 £000
a. STATEMENT OF CASH FLOWS			
Cash flows from operating activities:			
<i>Net cash provided by/ (used in) operating activities</i>	b.	2,787	(1,187)
Cash flows from investing activities:			
Interest receivable		11	28
Interest payable		(127)	(134)
Purchase of tangible fixed assets and construction-in-progress		(473)	(249)
<i>Net cash (used in) investing activities</i>		(589)	(355)
Cash flows from financing activities:			
Amounts borrowed from/ (repaid) to banks		3,288	(8)
<i>Net cash provided by financing activities</i>		3,288	(8)
Change in cash and cash equivalents in the reporting period			
		5,486	(1,930)
Cash and cash equivalents at the beginning of the reporting period		5,406	7,291
Change in cash and cash equivalents due to exchange rate moments		22	45
<i>Cash and cash equivalents at the end of the reporting period</i>	c.	10,914	5,406
b. Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		1,837	(2,603)
Adjustments for:			
Revaluation/ (Impairment) on investment		9	(4)
Interest receivable		(11)	(28)
Interest payable		127	134
Amortisation of intangible fixed assets		4	1
Overseas tax received / (paid)		19	(15)
Depreciation – tangible fixed assets		465	480
(Increase)/decrease in stocks		-	(8)
(Increase)/Decrease in debtors		1,454	924
(Decrease)/ increase in creditors		(1,114)	55
Effect of foreign exchange on net assets		(3)	(124)
<i>Net cash provided by operating activities</i>		2,787	(1,188)
Analysis of cash and cash equivalents			
Cash in hand		10,914	7,021
Overdraft facility repayable on demand		-	(1,615)
Total cash and cash equivalents		10,914	5,406

	2020	Cash flow movement	2021
	£000	£000	£000
Analysis of changes in net debt			
Cash at bank and in hand	7,021	3,893	10,914
Overdraft facility repayable on demand	(1,615)	1,615	-
Total cash and cash equivalents	5,406	5,508	10,914
Debt due within one year	(34)	(129)	(163)
Debt due after one year	(73)	(3,159)	(3,232)
Total	5,299	2,220	7,519

Accounting policies

Year ended 31 July 2021

The RAD is a non-statutory body incorporated by Royal Charter and a charity registered in England and Wales (number RC000436). The address of the registered office is 36 Battersea Square, London, SW11 3RA, UK.

Notes

1(a) Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. The RAD meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value except for investments and certain fixed assets which have been included at revalued amounts. The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The financial statements are prepared in sterling, which is the functional currency of the parent entity.

1(b) Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash inflow for the group of £5,486,000 in 2020-21, compared to an outflow of £1,930,000 in prior year, with an inflow from operating activities of £2,787,000 (2020: £1,188,000 outflow). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £10,914,000 at year end (2020: £5,406,000).

The RAD has mitigated the impact of the pandemic and generated an overall net income of £1,837,000.

Whilst the impact of the pandemic was severe, the Academy was able to mitigate this by cost reduction measures, use of the furlough and similar schemes around the world.

In the UK we also benefitted from the government Cultural Recovery Grants of £900,000 of which with £750,000 was received in the year.

Since the cyclical low point of end of July 2020, operations have resumed, with delivery of examinations via video assessments (and face to face in some countries) enabling postponed exams to take place, and a more usual cycle of exams in 2020-21. There has been a significant improvement in the cash position of the group as operations have resumed, and a return to a significant level of profitability. The move to the new global headquarters is nearly complete, and therefore the risks of overspend or further cash commitments on this project are vastly reduced.

We are delivering our teaching online and have video assessments for examinations, which enable our activities to continue around the world.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in August 2021. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was renewed for a further year in August 2021.

We have a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is to be repaid over 5 years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of 5 years). Both of these loans are secured on the RAD's headquarters at 36 Battersea Square. On the completion of the sale of Battersea Square and purchase of York Road, the security will be moved to York Road.

Accounting policies

Year ended 31 July 2021

Notes

Achievement of the RAD's targets for 2021-22 is dependent on the ongoing impact of the pandemic but results to date have been broadly in line with targets. Forecasts have been reviewed for the twelve-month period from date of signing the accounts, including downside scenario planning (particularly further disruption to examinations and shortfall in capital fundraising) and mitigating actions against these. Possible mitigating actions include further cost reductions that can be implemented, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

1(c) Basis of consolidation

The charity accounts include the audited accounts of the Royal Academy of Dance in the United Kingdom and its branches for the year to 31 July 2021, and the consolidated Group accounts include the audited accounts of the charity and its subsidiaries. All activities derive from continuing operations.

1(d) Stocks and work-in-progress

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate. Costs relating to the development of examination syllabi and teaching aids are treated as work-in-progress until the product is ready for sale.

1(e) Tangible fixed assets

All tangible fixed assets, other than freehold land, are stated at historical cost or valuation net of depreciation and any provision for impairment. Depreciation is provided on cost using the straight-line method over the estimated useful lives of the assets. Impairment reviews are conducted when events and changes in circumstances indicate that impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, its value is written down accordingly. Freehold land is not depreciated. Tangible fixed assets under £500 are not capitalised. The rates of depreciation are as follows:

Freehold buildings	2%	Furniture and office equipment	10%
Computer equipment	33%	Motor vehicles	25%

1(f) Intangible fixed assets

Intangible fixed assets consist of computer software and telephone subscription rights of subsidiary companies which are included at cost and amortised in equal instalments over a period of years estimated to be their useful economic life. Provision is made for any impairment.

1(g) Investments

Listed investments are included in the balance sheet at market value. Investments in subsidiaries and joint ventures are included in the charity's accounts at cost less any provision for impairment.

1(h) Revaluation of assets

Investments and land and buildings held by the Group for restricted and unrestricted use are revalued annually to fair value where material. The gain or loss is reflected in the statement of financial activities and, for land and buildings, includes the amount of depreciation provided in that year.

1(i) Overseas currencies

Income, expenditure, assets and liabilities of overseas branches and subsidiaries are translated into sterling at the exchange rates ruling at the balance sheet date. The exchange gains or losses arising from the retranslating of opening net assets of the overseas branches and subsidiaries are shown under 'Other recognised gains or losses' in the statement of financial activities. All other exchange gains or losses are dealt with through expenditure within the statement of financial activities.

Accounting policies

Year ended 31 July 2021

Notes

1(j) Recognition of income

Income is recognised in the statement of financial activities on a receivable basis, namely when the RAD has entitlement to the income, receipt is probable, and the amount can be reliably measured. If there are conditions that must be fulfilled before entitlement to income received is confirmed, the income is deferred and included under creditors.

Assets such as gifts or donations given for use by the RAD are recognised as income at their estimated market value when receivable. If they form part of the fixed assets at the year-end, the amounts are included in the balance sheet at the value at which the gift was included in income.

Income received in advance for exams or short courses where the activity does not complete until after the year-end is apportioned to the relevant financial year; or for a longer period in the case of fees for programmes such as the Faculty of Education's 'Certificate in Ballet Teaching Studies', which is a two-year programme that falls across three financial periods.

Government grant income has been included within "Other income". This grant income relates to the UK government job-retention scheme (furlough) introduced in March 2020 to mitigate some of the financial impact of the Covid-19 pandemic. The grant is classified as a revenue-based grant as per the FRS102 accrual model and stipulates that the revenue must be recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. The furlough scheme ceased to operate with effect from 1 October 2021.

1(k) Recognition of expenditure

Unrestricted expenditure is accounted for on an accruals basis. Expenditure is allocated directly to the activity to which it relates, including support costs that can be identified as being an integral part of direct charitable expenditure.

- **Costs of raising funds:** costs of raising funds include expenditure related to support departments and staff members engaged in or contributing to those activities.
- **Costs of charitable activities:** charitable expenditure includes all expenditure related to the objects of the charity and includes expenditure related to support departments and staff members engaged in or contributing to charitable activities.
- **Governance costs:** these are costs associated with the constitutional and statutory requirements of the Group, and include expenditure related to the trustees and senior staff members engaged in or contributing to the governance of the group. These are allocated within support costs as per the requirements of the Charities SORP 2019.
- **Indirect support costs** have been allocated on the following bases:

Salaries and pensions	staff numbers per department
General administration	staff numbers per department
Information technology	staff numbers per department
Rent and property	departmental use for office space and income generated for studio space
Depreciation	estimated use
Governance	staff numbers per department
Finance charges	income to cost ratio

1(l) Pension costs

Retirement benefits to employees are provided by defined-contribution pension schemes and for teachers by the Teachers' Pension Scheme (TPS), a defined-benefit scheme. The TPS is a multi-employer scheme where the RAD cannot identify their individual share of assets and is therefore accounted for as a defined-contribution scheme. Contributions payable to the pension schemes in respect of each accounting period are charged to the statement of financial activities.

Accounting policies

Year ended 31 July 2021

Notes

1(m) Fund accounting

Funds can be classified as designated, general or restricted. General funds are all unrestricted funds which are not designated and can be applied at the discretion of the trustees in accordance with the RAD's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the Charity for particular purposes. The purpose for which restricted funds are held is analysed in note 26.

1(n) Regional advisory committees

The charity carries out some activities through a network of regional advisory committees that include the name of the charity in their title and are located in only some of the countries in which the charity operates. All regional advisory panel and committee transactions are accounted for gross in the accounts of the charity, and all assets and liabilities are included in the charity's balance sheet.

1(o) Treatment of VAT

The RAD is registered as partially exempt for VAT in the UK and is exempt or liable for VAT or applicable taxes in other parts of the world. Irrecoverable VAT is charged to the activity to which it relates or otherwise forms part of the support costs and is then apportioned as per note 1(k).

1 (p) Financial instruments

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad-debt provision. Prepayments are valued at the amount prepaid. Creditors and provisions are recognised where the Group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1 (q) Operating Leases

Operating lease rentals are charged and credited to the Statement of Financial Activities on a straight-line basis over the length of the lease.

1 (r) Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, the trustees are required to make judgments (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the opinion of the trustees, there are no key assumptions concerning the future, and no other key sources of estimation uncertainty at the balance sheet date that would carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the accounts

Year ended 31 July 2021

Notes

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
2 Income and endowments from:						
Donations, gifts and legacies	73	161	234	382	-	382
Funding grants	818	585	1,403	-	-	-
	891	746	1,637	382	-	382

3 Trading

Trading consists of sales made by Royal Academy of Dance Enterprises Limited and branch outlets of the RAD.

	2021 £000	2020 £000
Turnover net of taxes and discounts	655	850
Cost of sales and other costs	(571)	(500)
Net income from trading	84	350

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
4 Other trading activities						
Fundraising activities	1	4	5	-	-	-
Licensing and royalty income	258	-	258	327	-	327
Property and studio hire	13	-	13	32	-	32
	272	4	276	359	-	359
5 Investment income						
Interest received	11	-	11	28	-	28
	11	-	11	28	-	28
6 Education and training fees						
Initial Education	3,326	18	3,344	3,846	-	3,846
Continuing Education	1,216	317	1,533	1,263	534	1,797
	4,542	335	4,877	5,109	534	5,643
7 Other income						
Advertising income	96	-	96	218	-	218
Furlough income*	1,123	-	1,123	530	-	530
All other income	95	3	98	399	-	399
	1,314	3	1,317	1,147	-	1,147

* Furlough income relates to income received as a result of worldwide coronavirus government support grants. The total amount received in the UK for the year was £628,837 (2020: £530,000) and 135 staff have been furloughed or part furloughed in the year (2020: 155). The comparatives for 2020 have been restated to show furlough income as unrestricted whereas for 2020 it was shown as restricted. The grants are accounted for on a revenue basis and therefore there are no unfulfilled conditions or other contingencies attached.

Notes to the accounts

Year ended 31 July 2021

Notes

	2021	2020
	£000	£000
Australia	147	241
Canada	252	95
New Zealand	2	24
South Africa & Mauritius	-	5
USA	42	-
Germany	17	9
Israel	2	1
Italy	26	29
Japan	-	7
Singapore	6	13
Scandinavia	-	2
UK	629	530
	<u>1,123</u>	<u>956</u>

	2021				2020			
	Unrestricted funds	Restricted funds			Unrestricted funds	Restricted funds		
	Direct costs	Direct costs	Support costs	Total funds	Direct costs	Direct costs	Support costs	Total funds
	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure								
8 Costs of raising funds								
Fundraising activities	254	45	43	342	454	-	54	508
Trading	571	-	332	903	500	-	450	950
	<u>825</u>	<u>45</u>	<u>375</u>	<u>1,245</u>	<u>954</u>	<u>-</u>	<u>504</u>	<u>1,458</u>
9 Costs of charitable activities								
Examinations	4,077	-	3,290	7,367	4,812	-	3,609	8,421
Initial Education	2,647	18	2,142	4,807	2,819	-	2,370	5,189
Continuing Education	1,131	301	743	2,175	1,699	543	1,048	3,290
Subscription	355	-	518	873	474	-	578	1,052
	<u>8,210</u>	<u>319</u>	<u>6,693</u>	<u>15,222</u>	<u>9,804</u>	<u>543</u>	<u>7,605</u>	<u>17,952</u>

Notes to the accounts

Year ended 31 July 2021

Notes

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
10 Auditor fees payable						
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts						
Audit fees						
2020-21	89	-	89	125	-	125
2019-20 additional fees	75	-	75	37	-	37
Other services	-	-	-	13	-	13
Fees payable to the Group's auditor and its associates for the audit of the Group's subsidiaries						
Audit fees	43	-	43	48	-	48
Other services	-	-	-	2	-	2
Fees payable to other auditors for the audit of the Group's branches and subsidiaries						
Fees	70	-	70	75	-	75
11 Other expenditure						
All other expenditure	266	-	266	58	-	58
Taxation	125	-	125	126	-	126
	<u>391</u>	<u>-</u>	<u>391</u>	<u>184</u>	<u>-</u>	<u>184</u>

Notes to the accounts

Year ended 31 July 2021

Notes

12 Analysis of indirect support costs¹

Unrestricted funds 2021

	Examinations	Initial Education	Continuing Education	Subscription	Trading	Fundraising activities	Total
	£000	£000	£000	£000	£000	£000	£000
Salaries and pensions	1,599	952	357	273	174	27	3,382
General administration	688	481	154	112	55	8	1,498
Information technology	126	128	37	31	25	2	349
Financing charges	62	40	13	8	5	-	128
Depreciation	206	158	57	26	19	4	470
Rent and property	371	248	82	37	28	1	767
Governance	238	135	43	31	26	1	474
	3,290	2,142	743	518	332	43	7,068

Unrestricted funds 2020

	Examinations	Initial Education	Continuing Education	Subscription	Trading	Fundraising activities	Total
	£000	£000	£000	£000	£000	£000	£000
Salaries and pensions	1,844	985	425	278	222	29	3,783
General administration	677	536	254	149	71	16	1,703
Information technology	164	139	57	38	35	3	436
Financing charges	60	42	17	8	5	1	133
Depreciation	317	318	142	44	41	3	865
Rent and property	300	219	97	32	29	1	678
Governance	247	131	56	29	47	1	511
	3,609	2,370	1,048	578	450	54	8,109

¹ The basis of allocation of support costs are disclosed in note 1(k)

Notes to the accounts

Year ended 31 July 2021

Notes

13 Related Party Transactions

Seven trustees (2020: nine) who are also examiners, tutors or mentors received a total of £22,171 (2020: £32,442) in relation to fees and expenses. Payments to trustees who are also examiners, tutors and mentors are in accordance with Articles 6.5 and 10 of the Charter.

Trustees received no remuneration for volunteering their time. Six donations were received from five trustees (£24,050) during the year (2020: £35,000).

The following related party transactions took place during the year:

Related Party: Andrew Cois (related to Sara Cois employee – Australia)

Transaction: AC photography for event photography

Cost of transaction: £945 (AUD\$1,860) (2020: £754 (AUD\$1,421))

Amount due at 31 July 2021: £Nil (AUD\$Nil) (2020: £Nil (AUD\$Nil))

Related Party: Tane Williams Accra (son of National Director – New Zealand)

Transaction: Piano recordings

Cost of transaction: £216 (NZ\$456) (2020: £Nil (NZ\$Nil))

Amount due at 31 July 2021: £Nil (NZ\$Nil) (2020: £Nil (NZ\$Nil))

Related Party: Jonathan Gray (Nina Sowerbutts' (employee) daughter's partner)

Transaction: Videography

Cost of transaction: £237 (NZ\$500) (2020: £Nil (NZ\$Nil))

Amount due at 31 July 2021: £Nil (NZ\$Nil) (2020: £Nil (NZ\$Nil))

Related Party: Manny Lume (husband of National Director – South Africa)

Transaction: Installation of security equipment, editing for filmed exams

Cost of transaction: £625 (R14,005) (2020: £6,918 (R138,870))

Amount due at 31 July 2021: £Nil (R Nil) (2020: £Nil (R Nil))

Related Party: Nicole Lume (daughter of National Director – South Africa)

Transaction: Temporary clerical work

Cost of transaction: £1,084 (R 24,279) (2020: £1,270 (R25,495))

Amount due at 31 July 2021: £Nil (R Nil) (2020: £Nil (R Nil))

Related Party: Ross Alexander (son of National Director – USA) as owner of Viabold

Transaction: Website Management services

Cost of transaction: £3,661 (US\$5,400) (2020: £4,789 (US\$6,035))

Amount due at 31 July 2021: £Nil (US\$Nil) (2020: £Nil, (US\$Nil))

Related Party: Ferrell Alexander (daughter of National Director) – as part time employee

Transaction: payroll costs

Cost of transaction: £7,822 (US\$11,536.20) (2020: £7,471 (US\$9,414))

Amount due at 31 July 2021: £Nil (US\$Nil) (2020: £Nil, (US\$Nil))

Related Party: Yole Talula Salendu (National Director – Indonesia)

Transaction: Organiser commission and office rental

Cost of transaction: (£13,654 Rupiah 289,980,400) (2020: £14,822 (Rupiah 273,305,539))

Amount due at 31 July 2021: £Nil (2020: £5094 (Rupiah 97,963,651))

Related Party: Noriko Kobayashi (National Director – Japan) as owner of Kobayashi Ballet Studios

Transaction: Hire of dance studios, office space and seconded staff for examinations, courses, summer school and administration

Cost of transaction: £59,200 (¥9,346,402) (2020: £95,001 (¥12,926,956))

Amount due at 31 July 2021: £18,687 (¥2,849,524) (2020: £20,670 (¥2,849,524))

Related Party: Dance Etc (National Director – Portugal)

Transaction: Office and studio hire

Cost of transaction: £4,626 (€5,700) (2020: £3185 (€3,600))

Amount due at 31 July 2021: £Nil (€Nil) (2020: £Nil (€Nil))

Related Party: Pilar Monteiro (niece of National Director) – as employee of RAD Portugal

Transaction: payroll costs

Cost of transaction: £18,119 (€22,327.38) (2020: £16,698 (€18,872))

Amount due at 31 July 2021: £Nil (€Nil) (2020: £Nil (€Nil))

Related Party: Blanca Cortes (daughter of National Director – Spain)

Transaction: Annual office rent

Cost of transaction: £5,161 (€6360) (2020: £5,627 (€6,360))

Amount due at 31 July 2021: £Nil (€Nil) (2020: £Nil (€Nil))

All transactions were at arm's length.

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Year ended 31 July 2021

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The related party transactions and intercompany balances of the charity with subsidiaries and branches are:

		2021					2020				
		Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Royal Academy of Dance	UK	300	-	(508)	-	-	433	-	(580)	-	-
Royal Academy of Dance Enterprises Limited	UK	-	508	-	-	-	-	580	-	-	-
Royal Academy of Dance (Australia Branch)	Australia	-	89	89	-	-	-	(61)	159	-	-
Royal Academy of Dance S/C Ltda	Brazil	-	36	-	-	-	-	16	-	-	-
Royal Academy of Dance – Canadian Branch	Canada	-	107	78	-	-	-	140	64	-	-
Royal Academy of Dance gGmbH	Germany	-	63	-	-	-	-	67	-	-	-
Yayasan Royal Academy of Dance Indonesia	Indonesia	-	83	-	-	-	-	60	-	-	-
Royal Academy of Dance (Israeli Branch)	Israel	-	27	-	-	-	-	25	-	-	-
Royal Academy of Dance Srl	Italy	-	50	-	-	-	-	75	-	-	-
Royal Academy of Dance	Japan	-	30	1	-	-	-	42	-	-	-
Royal Academy of Dance Asbl	Luxembourg	-	57	-	-	-	-	31	-	-	-
Royal Academy of Dance de Mexico AC	Mexico	-	(46)	-	-	-	-	27	-	-	-
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	-	59	-	-	-	-	69	-	-	-
Royal Academy of Dance – New Zealand Branch	New Zealand	-	(375)	16	(88)	-	-	(381)	11	(99)	-
Royal Academy of Dance	Portugal	-	16	-	-	-	-	30	-	-	-
Royal Academy of Dance Singapore Pte Ltd	Singapore	-	108	-	-	-	-	74	-	-	-
Royal Academy of Dance	South Africa	-	11	8	22	-	-	(28)	23	22	-
Royal Academy of Dance s21 Company	South Africa	-	-	-	-	27	-	-	-	-	24
Royal Academy of Dance SL	Spain	-	65	-	-	-	-	58	-	-	-
RAD Dancing (Thailand) Sdn Bhd	Thailand	-	14	-	-	-	-	20	-	-	-
Royal Academy of Dance	USA	-	24	30	-	-	-	4	27	-	-

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14 Funds held as custodian Trustees

At the year end, the Group held monies totalling £196,353 (2020: £19) on behalf of its clients, and the Charity held monies totalling £196,353 (2020: £19). These monies are not included within the balance sheet and are held separately in a clearly identifiable bank account.

15 Indemnity insurance

Indemnity insurance was included as part of the RAD's global policy to indemnify the RAD from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part, in accordance with Article 6(h) of the Charter. The cost was £16,800 (2020: £10,051).

16 Costs of employees

The Academy employed 236.5 (2020: 245.9) administrative staff and 10.0 (2020: 30.0) commission-based staff worldwide, as well as contracting the services of examiners, teachers, tutors and musicians. Employment costs account for 64% (2020: 57%) of total expenditure (excluding other expenditure):

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Employee gross salaries	8,968	-	8,968	9,982	-	9,982
Employee payroll taxes	681	-	681	665	-	665
Employer pension contribution	492	-	492	477	-	477
Employees on commission	672	-	672	375	-	375
Total employment costs	10,813	-	10,813	11,499	-	11,499

The RAD has a number of Regional Advisory Committees (RACs) in Australia, Greece, South Africa and the UK. These RACs operate through committees consisting of up to ten volunteer members and hold student events and activities throughout the year. Many of these activities are carried out by volunteers who are entitled to reimbursement of their expenses.

The total employee benefits for the key management personnel of the charity (as listed on page 04), including employer's pension contributions and national insurance, were £760,000 (2020: £647,000).

Basic salary	2021	2020
Number of group employees earning:		
Between £125,000 – £129,999	1	1
Between £100,001 – £104,999	1	1
Between £70,001 – £80,000	5	6
Between £60,001 – £70,000	7	6

Chief Executive

Basic salary / Average staff basic salary ratio	4:4	4:1
Total remuneration / Average staff total remuneration	4:5	4:3

The Chief Executive's salary is based on current market rates for similar roles in the not-for-profit sector.

	2021	2020
Chief Executive	£	£
Basic salary	127,345	127,345
Pension contributions	14,415	14,409
Occupational health insurance	5,333	5,985
Total remuneration	147,093	147,740

Redundancy payments of £12,105 were made during the year with £23,705 owing as at 31 July 2021 (2020: £nil)

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17 Pension costs

The pension charge for the year to 31 July 2021 was £492,000 (2020: £477,000).

In the UK, the RAD currently operates two schemes, representing in total 149 (2020: 151) employees.

Provider	Type of scheme
Aegon Scottish Equitable	Defined-contribution scheme
Teachers' Pension Scheme (TPS)	A contracted-out, unfunded, defined-benefit occupational pension scheme

Elsewhere the RAD operates or contributes to a variety of defined contribution schemes, money purchase schemes or statutory schemes, representing 63 (2020: 67) employees in 12 (2020: 12) countries.

18 Taxation

The RAD is a charitable organisation and is entitled to UK tax exemptions available to charities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards).

The Royal Academy of Dance Enterprises Limited gift aids its "annual profits", as defined by a Deed of Covenant entered into with the RAD. Provision for UK taxation has only been made in respect of any residual profit of the Royal Academy of Dance Enterprises Limited.

Subject to the availability of similar charitable exemptions overseas, provision has been made for overseas taxation on the profits of overseas subsidiaries and branches.

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19 Tangible and intangible fixed assets

	Intangibles	Freehold land and buildings	Furniture and office equipment	Computer equipment	Motor vehicles	Total
Group	£000	£000	£000	£000	£000	£000
Cost or Valuation						
At 1 August 2020	96	18,540	644	3,214	47	22,541
Exchange-rate movements	-	(182)	(10)	(14)	1	(205)
Revaluation	-	275	-	-	-	275
Additions	-	374	31	64	-	469
Disposals	(19)	-	(12)	(25)	-	(56)
At 31 July 2021	77	19,007	653	3,239	48	23,024
Accumulated depreciation						
At 1 August 2020	80	-	584	2,250	47	2,961
Exchange-rate movements	-	-	(12)	(8)	1	(19)
Revaluation	-	(24)	-	2	-	(22)
Charge for the year	1	24	30	411	-	466
Eliminated on disposals	(22)	-	(12)	(24)	-	(58)
At 31 July 2021	59	-	590	2,631	48	3,328
Net book value						
At 31 July 2021	18	19,007	63	608	-	19,696
At 31 July 2020	16	18,540	61	963	-	19,580
Charity						
	£000	£000	£000	£000	£000	£000
Cost or Valuation						
At 1 August 2020	51	18,408	546	3,072	47	22,124
Exchange-rate movements	-	(192)	(3)	(5)	1	(199)
Revaluation	-	275	-	-	-	275
Additions	-	374	2	53	-	429
Disposals	-	-	(5)	-	-	(5)
At 31 July 2021	51	18,865	540	3,120	48	22,624
Accumulated depreciation						
At 1 August 2020	49	-	503	2,128	47	2,727
Exchange-rate movements	-	-	(3)	(3)	1	(5)
Revaluation	-	(24)	-	-	-	(24)
Charge for the year	1	24	19	404	-	448
Eliminated on disposals	-	-	(5)	-	-	(5)
At 31 July 2021	50	-	514	2,529	48	3,141
Net book value						
At 31 July 2021	1	18,865	26	591	-	19,483
At 31 July 2020	2	18,407	43	943	1	19,396

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Year ended 31 July 2021

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19 Tangible and intangible fixed assets (continued)

The RAD owns freehold properties in the UK, Australia and South Africa. The current valuations, after amortisation charges and exchange gains arising out of the translation of Group Freehold properties at the end of the financial year, are:

	Value at 1 August 2020	Exchange movement	Charge for the year	Additions to freehold	Increase / (decrease) in valuation	Value at 31 July 2021
	£000	£000	£000	£000	£000	£000
United Kingdom	15,733	-	-	374	-	16,107
Australia	2,663	(179)	(24)	-	298	2,758
South Africa	142	-	-	-	-	142
Total	18,538	(179)	(24)	374	298	19,007

The freehold property in the UK has been valued at the contractual sale price.

The freehold property in Sydney, Australia was valued on 31 July 2021 at fair value. This valuation was carried out by Cviker Property Valuations & Consultancy.

The valuation of the freehold property in Johannesburg, South Africa was taken from the latest edition of the Johannesburg Municipality rating, which is revised periodically.

The charity does not hold any heritage assets, which are defined as tangible fixed assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

20 Investments

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Quoted investments				
Market value at 1 August	154	150	154	150
Investment during the year	5	-	5	-
Net realised / unrealised gains /(losses)	(9)	4	(9)	4
Market value at 31 July	150	154	150	154
Historical cost at 31 July	23	23	13	13
Investment in joint venture				
Dance Proms ²	-	-	-	24
Investment during the year	-	-	-	-
less impairment during year	-	-	-	(24)
At 31 July	-	-	-	-
Investments in subsidiaries				
Balance at 1 August	-	-	114	114
Exchange differences	-	-	-	-
At 31 July	-	-	114	114
Total investments at 31 July	150	154	264	268
<i>Quoted investments</i>				
Held in the United Kingdom	54	49	54	49
Held outside the United Kingdom	96	105	96	105

² Celebration of Dance Festival Ltd; a joint venture between the ISTD, IDTA and RAD

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All quoted investments are held within restricted funds, are listed on a recognised stock exchange and are valued at market value at year-end. Prior year balances have been restated to correct disclosure in last year's accounts where quoted investments in Portugal and South Africa were incorrectly classified as investment in subsidiaries.

The charity owns 100% of the issued share capital of the subsidiary companies as listed below, whose aims and objectives mirror those of the RAD, with the exception of Royal Academy of Dance S/C Ltda., a company registered in Brazil, and Royal Academy of Dance de Mexico AC, a company registered in Mexico whose issued share capitals are held 100% in trust on behalf of the RAD; and RAD Dancing (Thailand) Co Ltd, where the RAD holds 49% of the issued share capital but has effective control.

The charity also has effective control over a building fund in South Africa which is administered by the Royal Academy of Dance, an association incorporated under s21 of the Republic of South Africa's Companies Act, and over Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia. The results of these entities are included in the Group's results for as long as the RAD continues to maintain a branch in South Africa, and operations in Indonesia. RAD Dancing (Malaysia) Sdn. Bhd. is a wholly owned subsidiary of Royal Academy of Dance Singapore Pte Ltd.

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Investments in subsidiaries

Subsidiaries	Country of incorporation	Co Registration number	% of issued share capital	Assets £'000	Liabilities £'000	Net Assets £'000	Capital £'000	Income £'000	Expenditure £'000	Surplus / (deficit) £'000
Royal Academy of Dance S/C Ltda	Brazil	CNP-J27907864/0001-48	Held in trust	92	42	50	-	164	178	(14)
Royal Academy of Dance gGmbH	Germany	HRB 103317	100%	238	167	71	64	339	290	49
Yayasan Royal Academy of Dance Indonesia	Indonesia	Yayasan No 138	100% control	19	115	(96)	-	39	68	(29)
Royal Academy of Dance Srl	Italy	TN-0174567	99%	365	193	172	8	437	427	10
Royal Academy of Dance Asbl	Luxembourg	RCS F1236	100%	18	70	(52)	3	11	27	(16)
Royal Academy of Dance de Mexico AC	Mexico	RFC RAD 011026DT5	Held in trust	141	1	140	-	131	185	(54)
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	No 282399-X	100%	443	169	274	-	302	447	(145)
Royal Academy of Dance Singapore Pte Ltd	Singapore	No 02211/1988-M	100%	1,059	290	769	-	941	903	38
Royal Academy of Dance	South Africa	1990/004233/08	100% control	210	90	120	-	254	210	44
Royal Academy of Dance SL	Spain	CIF No B-59915330	100%	390	162	228	2	586	390	196
RAD Dancing (Thailand) Sdn Bhd	Thailand	0505554003970	49%	118	34	84	37	198	166	32
Royal Academy of Dance Enterprises Ltd	United Kingdom	No 2773495	100%	659	625	34	-	834	535	299
Balance as at 31 July 2021				3,752	1,958	1,794	114	4,236	3,826	410

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21 Stocks	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Finished goods and goods for resale	560	560	366	298
Balance at 31 July	560	560	366	298

22 Debtors: amounts falling due within one year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade debtors	433	1,709	351	780
Amounts due from subsidiaries	-	-	803	1,350
Other debtors	228	253	172	457
Prepayments and accrued income	601	754	448	570
Balance at 31 July	1,262	2,716	1,774	3,157

In the prior year intercompany transactions relating to gift aid and receipts have been reclassified from accrued income and trade debtors respectively to amounts due from subsidiaries and balances grossed up as required.

23 Creditors: amounts falling due within one year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Bank overdrafts	-	1,615	-	1,615
Bank loans	163	34	163	35
Trade creditors	1,017	2,748	807	2,189
Amounts owed to subsidiaries	-	-	388	433
Taxation and social security	419	154	203	60
Accruals and deferred income	4,301	3,956	3,956	3,112
Balance at 31 July	5,900	8,507	5,517	7,444

Bank overdrafts

At 31 July 2021, the Royal Academy of Dance in the United Kingdom had not utilised any of the £700,000 available in the grouped overdraft facility (2020: £700,000). The facility is secured on the freehold property at 36 Battersea Square, London SW11 3RA. The overdraft facility was renewed for a further twelve months in August 2021. Following discussions with HSBC, the directors believe that this facility will be renewed for another year in accordance with the standard annual renewal process.

At the year-end, the Royal Academy of Dance Enterprises Ltd had not utilised any of the £300,000 overdraft facility available to it, which is separate from the grouped overdraft facility referred to above. This overdraft facility was renewed for a further year in August 2021. Following discussions with HSBC, the directors believe that this facility will be renewed for another year in accordance with the standard annual renewal process.

An overdraft facility of A\$400,000 with Westpac, secured on the property at 20 Farrell Avenue, Sydney, was made available in March 2012 to facilitate the completion of building works on the property and to supplement the cyclical nature of the Australian operations cash flow. The facility was made available for ten years expiring in February 2022.

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Year ended 31 July 2021

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Movement on deferred income during the year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Balance brought forward	3,574	3,276	2,830	3,021
Received in year	4,891	3,672	4,697	3,072
Released to income	(5,237)	(3,374)	(4,537)	(3,263)
Balance carried forward	<u>3,228</u>	<u>3,574</u>	<u>2,990</u>	<u>2,830</u>

24 Creditors: amounts falling due after more than one year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Provision for long-service award	30	24	30	24
Bank loans	3,232	73	3,232	73
Balance at 31 July	<u>3,262</u>	<u>97</u>	<u>3,262</u>	<u>97</u>

Bank loans

Bank loans of £3,232,126 (2020: £73,348) relate to:

- the Australian branch has a bank bill business loan of A\$400,000 drawn down in March 2012 to complete building works on 20 Farrell Avenue, Sydney. The loan was free of interest and fees for the first three years, then principal, interest and fees for the remaining period of 10 years, expiring 2027. The current interest rate is 4.10%. The change in total liability is due to exchange movements as well as payments against the loan. The loan is secured on that property.
- the Canadian branch has a Canada Emergency Business Account (CEBA) loan which is a government-backed Covid-support unsecured loan of C\$60,000. The loan is interest-free until 31 December 2022 and if settled in full before then, C\$20,000 will be forgiven. If the loan is not repaid in full before 31 December 2022, interest will be charged at 5.00% per annum on the outstanding balance. The loan must be repaid in full no later than 31 December 2025.
- the Royal Academy of Dance in the United Kingdom has two loans:
 - Coronavirus Business Interruption Loan (CBILS) is an unsecured loan of £800,000 drawn down in March 2021 for general working-capital requirements. The loan repayments will commence 12 months after the drawdown date and comprise capital repayments together with interest at a rate of 3.99% per annum above the Bank of England base rate on the outstanding loan balance. An election has been made to utilise the business-interruption payment scheme (BIP) where interest payments in the first 12 months will be covered by the BIP. The loan must be repaid in full no later than March 2027.
 - a term loan of £2,500,000 utilised in July 2021 to facilitate the purchase of the new Group Headquarters property located at York Road, London, UK. The loan repayments commenced one month after the drawdown date and will be made in 58 instalments of £12,319 each with a final repayment of the outstanding balance. Interest of 3.25% per annum over the Bank of England base rate will be calculated on the outstanding amount of the loan on a monthly basis. The loan must be repaid in full no later than July 2026.

25 Commitments

Capital commitments

There are £426,000 (2020: £nil) of capital commitments as at 31 July 2021.

Operating leases

Equipment is leased by Royal Academy of Dance for defined periods. The full cost over the lease period is shown below:

	2021	2020
	£'000	£'000
Less than 1 year	34,119	15,923
2-5 years	140,430	71,824
Over 5 years	3,233	11,971

Lease payments of £18,916 (2020: £19,900) were charged to the Consolidated Statement of Financial Activities during the year.

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26 Movement in restricted funds

Type of Fund			Balance at 1 Aug 2020	Exchange Movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2021
			£000	£000	£000	£000	£000	£000	£000
Restricted									
Step into Dance programme	UK	Project	(6)	-	310	(286)	-	-	18
CLIF programme	UK	Project	(2)	-	-	-	-	2	-
Benesh Projects	UK	Project	98	-	5	-	-	-	103
Scholarship / bursary funds	UK	Restricted	569	-	-	(33)	-	-	536
<i>Boys Only!</i> funds	UK	Restricted	53	-	-	-	-	-	53
Iris Truscott fund	UK	Restricted	31	-	16	(39)	-	-	8
Regional Scholarship funds	UK	Restricted	68	-	12	(6)	-	-	74
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	-	18
RADiate	UK	Restricted	14	-	-	-	-	-	14
Christel Addison Funds	South Africa	Restricted	69	(2)	-	-	-	-	67
Scholarship funds	Israel	Restricted	1	-	-	-	-	-	1
New London Headquarters	UK	Restricted	-	-	745	-	-	-	745
Total Charity			913	(2)	1,088	(364)	-	2	1,637
Building fund	South Africa	Restricted	6	-	-	-	-	-	6
Total Group			919	(2)	1,088	(364)	-	2	1,643

26 Movement in restricted funds (prior year)

Type of Fund			Balance at 1 Aug 2019	Exchange Movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2020
			£000	£000	£000	£000	£000	£000	£000
Restricted									
Step into Dance programme	UK	Project	12	-	406	(424)	-	-	(6)
CLIF programme	UK	Project	(2)	-	-	-	-	-	(2)
Benesh Projects	UK	Project	86	-	12	-	-	-	98
Scholarship / bursary funds	UK	Restricted	574	-	15	(20)	-	-	569
<i>Boys Only!</i> funds	UK	Restricted	41	-	18	(6)	-	-	53
Iris Truscott fund	UK	Restricted	59	-	7	(35)	-	-	31
Regional Scholarship funds	UK	Restricted	48	-	42	(22)	-	-	68
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	-	18
RADiate	UK	Restricted	16	-	34	(36)	-	-	14
Christel Addison Funds	South Africa	Restricted	72	(3)	-	-	-	-	69
Scholarship funds	Israel	Restricted	1	-	-	-	-	-	1
Total Charity			925	(3)	534	(543)	-	-	913
Building fund	South Africa	Restricted	6	-	-	-	-	-	6
Total Group			931	(3)	534	(543)	-	-	919

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Restricted funds

Restricted funds are funds arising out of donations, grants, legacies and awards given or raised for specific purposes. Furlough income was incorrectly disclosed as restricted income in 2020. This has now been corrected in 2021 and 2020 to be reflected within unrestricted income.

These funds are used for specific projects:

Step into Dance: A fully inclusive, community dance programme, a partnership between the RAD who lead the programme and The Jack Petchey Foundation who fund it.

The Community Learning and Innovation Fund (CLIF): Funded research into Dance for Lifelong Wellbeing.

Benesh Projects: Funds are raised from the Benesh Institute Endowment Fund to finance changes made in the Benesh Movement website and Benesh course material.

Scholarship/bursary funds: To provide grants to students attending teacher education and notation programmes at the Academy. Awards totalling £33,493 were made (2020: £20,177).

Boys Only! funds: Funds raised at a joint RAD/RBS Billy Elliot preview gala to provide opportunities for male students whose access to dance is limited for economic, geographic or physical reasons. There was spend of £nil in the year (2020: £6,241) to support Project B, created to inspire boys and men of all ages to dance.

Iris Truscott fund: A trust deed registered with the Charity Commissioners to give awards to students wishing to progress from either the CBTS to a Level 2 or 3 teaching qualification validated by the University of Bath and delivered by the RAD; or from BA Ballet Education to LRAD programme.

Regional Scholarship funds: Funds are raised and administered by Regional Advisory Committees in England and Wales to provide scholarships for students to further their training.

Jubilee Awards 2012: One of four awards made to the Royal Academy of Arts, the Royal Academy, the Royal Academy of Dramatic Art and the Royal Academy of Dance to honour HM The Queen's patronage of the four Academies in her Golden Jubilee Year.

RADiate funds: Funds are raised from a grant received by City Bridge Trust and school tuition fees for special needs education in primary schools.

Christel Addison funds (South Africa): A legacy left by a South African teacher to fund teacher training opportunities overseas for South African residents. No awards were made.

Scholarship funds (Israel): To provide scholarships for students to further their training. No awards were made.

New Headquarters Fund (United Kingdom): Funds are currently being raised for the fit out costs for the new Group headquarters building / studios.

Building Fund (South Africa): The building is owned by Royal Academy of Dance, a company registered in South Africa under its s21 Companies Act. Funds are raised by renting the building.

27 Movement in unrestricted funds

	Balance at 1 Aug 2020	Exchange movements	Income	Expenditure	Other recognised (losses)/ gains	Transfer between funds	Balance at 31 Jul 2021
	£000	£000	£000	£000	£000	£000	£000
Charity							
Designated funds	288	(3)	-	(2)	-	(47)	236
Unrestricted funds	1,715	(58)	14,288	(13,215)	-	(2,730)	-
Fixed asset reserve	16,421	-	-	-	287	2,775	19,483
Balance as 31 July	18,424	(61)	14,288	(13,217)	287	(2)	19,719
Group							
Designated funds	288	(3)	-	(2)	-	(47)	236
Unrestricted funds	3,673	(126)	17,607	(16,492)	-	(2,817)	1,845
Fixed asset reserve	16,547	-	-	-	287	2,862	19,696
Balance as 31 July	20,508	(129)	17,607	(16,494)	287	(2)	21,777

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Movement in unrestricted funds (prior year)

	Balance at 1 Aug 2019	Exchange movements	Income	Expenditure	Other recognised (losses)/ gains	Transfer between funds	Balance at 31 Jul 2020
	£000	£000	£000	£000	£000	£000	£000
Charity							
Designated funds	263	2	82	(59)	-	-	288
Unrestricted funds	4,567	(290)	14,738	(17,300)	-	-	1,715
Fixed asset reserve	16,353	-	-	-	68	-	16,421
Balance as 31 July	21,183	(288)	14,820	(17,359)	68	-	18,424

Group

Designated funds	263	2	82	(59)	-	-	288
Unrestricted funds	6,440	(146)	16,371	(18,992)	-	-	3,673
Fixed asset reserve	16,479	-	-	-	68	-	16,547
Balance as 31 July	23,182	(144)	16,453	(19,051)	68	-	20,508

During the year the designated reserve associated with fixed assets was reviewed and updated to reflect the net book value of fixed assets in total.

Movement in designated funds (Charity and Group)

	Balance at 1 Aug 2020	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2021
	£000	£000	£000	£000	£000	£000
Genée Legacy Funds	6	-	-	-	-	6
Challengenée Funds	56	-	-	-	-	56
Social Responsibility Fund	130	-	-	-	(47)	83
Evans Legacy	54	(3)	-	-	-	51
Fiona Campbell Legacy	42	-	-	(2)	(2)	40
Designated funds*	288	(3)	-	(2)	(49)	236

Prior year

	Balance at 1 Aug 2019	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2020
	£000	£000	£000	£000	£000	£000
Genée Legacy Funds	6	-	-	-	-	6
Genée Legacy Funds	1	-	-	(1)	-	-
Challengenée Funds	29	-	29	(2)	-	56
Social Responsibility Fund	147	3	35	(55)	-	130
Evans Legacy	55	(1)	-	-	-	54
Fiona Campbell Legacy	25	-	18	(1)	-	42
Designated funds*	263	2	82	(59)	-	288

* Designated funds have been ear-marked for specific purposes of the RAD and include support for ballet competitions, student bursaries and innovation and need in dance education, training and performance, especially in communities where opportunity is limited. There have been challenges in spending these funds during the year due to the pandemic but the amounts will be spent as activity gradually returns to more normal levels

Notes to the accounts

Year ended 31 July 2021

Notes

		2021	
	Unrestricted funds £000	Restricted Funds £000	Total funds £000
28 Analysis of group net assets between funds			
Tangible and intangible fixed assets	19,696	-	19,696
Investments	136	14	150
Current assets	11,099	1,629	12,736
Current liabilities	(5,900)	-	(5,900)
Amounts falling due after more than one year	(3,262)	-	(3,262)
Total net assets	21,777	1,643	23,420
	Unrestricted funds £000	2020 Restricted Funds £000	Total funds £000
Analysis of group net assets between funds (prior year)			
Tangible and intangible fixed assets	19,580	-	19,580
Investments	117	37	154
Current assets	9,438	882	10,297
Current liabilities	(8,507)	-	(8,507)
Amounts falling due after more than one year	(97)	-	(97)
Total net assets	20,508	919	21,427

Notes to the accounts

Year ended 31 July 2021

Notes

29 Prior year adjustments

	at 1 August 2019 £'000	at 31 July 2020 £'000
Reconciliation of Funds		
Funds as previously stated	23,940	20,875
RADE Income*	-	36
RADE Intercompany**	173	173
RAD debtors/Intercompany***	-	343
Funds as restated	24,113	21,427

	at 31 July 2020 £'000
Reconciliation of 2020 Statement of Financial Activities	
2020 total as previously stated	(3,065)
RADE Income*	36
RAD debtors/Intercompany***	343
Total as restated	(2,686)

	at 1 August 2019 £'000	at 31 July 2020 £'000
Charity		
Reconciliation of Funds		
Funds as previously stated	21,935	18,821
RADE Intercompany**	173	173
RAD debtors/Intercompany***	-	343
Funds as restated	22,108	19,337

	at 31 July 2020 £'000
Reconciliation of 2020 Statement of Financial Activities	
2020 total as previously stated	(3,114)
RAD debtors/Intercompany***	343
Total as restated	(2,771)

* This adjustment relates to missing trade sales in Royal Academy of Dance Enterprises Limited due to the sales not being recorded in the retail system (RMS). It takes into account the VAT due on these sales as well as the corporation tax due on the resulting income which was not transferred to the Charity as gift aid. The support for RMS was discontinued and new retail system (TRIMS) has now been implemented.

** Adjustment relates to historic intercompany payroll transactions not being recorded correctly in the parent entity. Following a detailed line by line review of the ledger the adjustments have been made in the accounts.

*** Adjustment relates to the write back to expenditure of a write off posted in the prior year. Following a detailed line by line review of the ledger adjustments have been made in the accounts.

Overall these prior year adjustments have increased funds brought forward at 1 August 2020 by £552,000.

Group

The results of the twelve subsidiary companies below are consolidated with the results of the Charity (Branch Offices and UK Group) to form the Group:

Subsidiary companies

Benelux & France	Royal Academy of Dance Asbl., 8, rue de Beggen, L-1220 Luxembourg.
Germany	Royal Academy of Dance gGmbH, Waldenserstrasse 2-4, 10551 Berlin
Indonesia	Yayasan RAD Indonesia, Jl. Angur III / no:1 Cipete, Jakarta Selatan 12410
Italy	Royal Academy of Dance Srl., Via Vannetti 12, 38122 Trento
Malaysia	RAD Dancing (Malaysia) Sdn Bhd., No 16F 1 Sentral, Jalan Stesen, Sentral, Kuala Lumpur 50470
Mexico & Central America	Royal Academy of Dance de Mexico AC, Amates 18 Fracc Alconfores, San Mateo, Naucalpan CP 53240, Mexico
Singapore	Royal Academy of Dance Singapore Pte Ltd., Farrer Road Post Office, PO Box 106, Singapore 912804
South Africa	Royal Academy of Dance s21 Company, PO Box 200, Bramley 2018, Johannesburg
South America	Royal Academy of Dance Brasil Ltda, Av. Angelica, 566/86, Santa Cecilia, 01228 000 São Paulo-SP, Brasil
Spain, Andorra & Gibraltar	Royal Academy of Dance SL., Ventura i Gassol, 3, 5è-3a, 43203 Reus, Tarragona, Spain
Thailand	RAD Dancing (Thailand) Co Ltd, 121/12, Moo 10, Chiangmai-Handong Road, Tambon: Pae Dad, Ampur: Muang, Chiangmai 50100
United Kingdom	Royal Academy of Dance Enterprises Ltd, 36 Battersea Square, London SW11 3RA

Charity

The results of the eight branch offices below are consolidated with the results of the UK Group to form the Charity:

Branch offices

Australia	20 Farrell Avenue, Darlinghurst, NSW 2010
Canada	Suite 601, 1210 Sheppard Avenue East, Suite 601, Toronto, Ontario M2K 1E3
Israel	Hadar Street 491, Neve Yamin
Japan	Trad Mejiro B2F, 2-39-1 Mejiro, Toshima-Ku, Tokyo 171-0031
New Zealand	Level 11 49 Boulcott Street, Wellington 6011
Portugal	Rua 4 Infantaria 86, 138 C/V Esq, 1350-241 Lisboa
Southern Africa & Mauritius	PO Box 200, Bramley 2018, Johannesburg, South Africa
United States	1927 N 4th Street, Milwaukee 53212, Wisconsin

UK Group

The results of the fourteen representative offices below are included in the results of the UK entity to form the UK Group:

Representative Offices

Caribbean	PO Box 1433, 8 Rockhampton Drive, Kingston 8, Jamaica
China	2nd Floor Tower 2, Dong Hai Commercial Building, 588 Yan An Dong Lui, Shanghai
Cyprus	71 Irinis Street, 3041 Limassol
Greece	British Council, 17 Kolonaki Square, Athens 10673
Hong Kong	Hong Kong Examination and Assessment Authority, 17 Tseuk Luk Street, San Po Kong, Kowloon
Ireland	3 Ravenswood Drive, Solihull, B91 3NL, UK
Malta	c/o 29/10 Sir Luigi Camilleri Street, Sliema SLM1281
Philippines	British Council, 10F Taipan Building, Ortigas Jn Road, Ortigas Center, Pasig City 1605
Scandinavia	Smedstuveien 25, 7040 Trondheim, Norway
South Asia	40a Lake Gardens, off Lake Drive, Rajagiriya 10100, Sri Lanka
South Korea	1703 Artnouveau Palace, 258 Sukchonhosu-ro, Songpa Gu, Seoul 05624
Taiwan	5f, No 122, Sect 7 Chung Shan N. Road, Taipei 11151
Turkey	British Council, Buyukdere Caddesi Maya Akar Centre, No: 100 – 102 Kat: 5, Esentepe 34394, Istanbul
UAE & Qatar	British Council, PO Box 1636, Dubai, UAE

Advisors

UK bank	HSBC Bank Plc	31 Holborn Circus, London EC1N 2HR
UK law firm	Fieldfisher LLP	Riverbank House, 2 Swan Lane, London EC4R 3TT
UK and Group auditor	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW




Crowe U.K. LLP is the auditor of the consolidated group. Where not audited by Crowe U.K. LLP, branches and subsidiaries are audited or reviewed by the firms shown below:

Australia	Crowe Australia	Level 15, 1 O'Connell Street, Sydney, NSW 2000
Brazil	Liberty Assessoria Contabil S/S Ltda.	Rua Mituto Mizumoto, 56, Liberdade, 01513 040 São Paulo-SP
Canada	Grant Thornton LLP	15 Allstate Parkway, Suite 200, Markham, Ontario L3R 5B4
Indonesia	KAP Ekna Masni, Bustaman & Rekan	Sentra Kramat B-18, JL Kramat Raya 7-9, Jakarta 10450
Israel	Hannan Gabriel CPA	8 Hayod-Chef Street, Hod Hasharon 45200
Portugal	CERB	Beloura Office Park, Rua do Centro Empresarial, Edifício EE06 – Escritório 12, Quinta da Beloura, 2710-444 Sintra
Malaysia	Crowe Malaysia PLT	Level 16, Tower C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia
Singapore	Crowe Singapore	9 Raffles Place, #19-20 Republic Plaza Tower 2, Singapore 048619
Spain	Asesoria Berzosa	Donoso Cotres 85, 28015 Madrid
Thailand	KT&R Business Consultant Co Ltd	59/1 Sukhumvit 64 Bangchak, Prakanong, Bangkok 10260
United States	Millner Woodruff CPA	4325 Windsor Centre Trail Suite 400, Flower Mount, TX 75028
Southern Africa & Mauritius	Collins Walt Inc.	2nd Floor, The Terrace Building, 3 Easton Terrace, New Redruth, 1449 Alberton, South Africa

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