

Company registration number: 02490618

Charity registration number: 702801

# DANCE NORTH

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

# **Dance North**

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## **Dance North**

### **Reference and Administrative Details**

<b>Trustees</b>	Ms A Cooper (resigned 28 September 2021) Ms K Crosbie Mrs R Israni Mrs S Paterson Mr A Robson Ms J Elgie Mr J A Hails (appointed 29 June 2021) Mr A Hope (appointed 29 June 2021) Ms T J Petrides (appointed 29 June 2021) Mr K L Tindall (appointed 29 June 2021) Mr A Bairstow (resigned 28 June 2021) Mr M Cockburn (resigned 15 June 2021) Mrs K Wilson (resigned 15 June 2021) Ms S Dewar (appointed 1 November 2021) Ms P Fox (appointed 28 September 2021)
<b>Secretary</b>	Ms K Crosbie
<b>Key Management Personnel</b>	Mr I McKeown, Director of Finance (resigned 31 March 2022) Ms C Greener, Head of Communications (resigned 21 July 2022) Mr P Douglas, Director of Artistic Programmes & Artistic Development (resigned 18 May 2022) Mr A Bhatt, Artistic Director and CEO Ms A Anslow, Producer Ms H Kumar, Dance Engagement Coordinator (resigned 16 September 2022) Ms H Dean (appointed 20 June 2022), Classes and Events Coordinator Ms G Kleiman, Head of Higher Education
<b>Principal Office</b>	Dance City Temple Street Newcastle upon Tyne NE1 4BR
<b>Company Registration Number</b>	02490618
<b>Charity Registration Number</b>	702801
<b>Solicitors</b>	Muckle LLP Time Central 32 Gallowgate Newcastle Upon Tyne Tyne And Wear NE1 4BF
<b>Bankers</b>	Barclays Bank plc Grey Street 71 Grey Street Newcastle upon Tyne NE99 1JP

## **Dance North**

### **Reference and Administrative Details**

<b>Auditor</b>	Azets Audit Services Chartered accountant and statutory auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
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## **Dance North**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

#### **Structure, governance and management**

##### ***Nature of governing document***

The company is limited by guarantee and its governing document is its Memorandum and Articles of Association, dated 9th April 1990 and last amended 16 May 2019.

The governing body of the company is the board of directors, who also act as trustees for the charitable company, hold no shares in the charitable company, but each member is a guarantor of the charitable company to an amount not exceeding £1 in the event of winding up.

New members of the board are elected by the board or by the members of the charitable company in General Meetings.

##### ***Arrangements for setting key management personnel remuneration***

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the reference and administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis.

The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees obtain pay comparisons from the Newcastle Gateshead Cultural Venues (NGCV) which is a collaboration of various cultural producers across the region. Pay levels are set using this information together with budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

##### ***Risk Management***

The trustees are responsible for keeping proper accounting records and safeguarding the assets of the charitable company. We have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity. We are satisfied that systems are in place to mitigate the exposure to the major risks.

##### ***Objectives and activities***

###### ***Objects and aims***

The charity is governed by its constitution and its main objective is that of promoting, maintaining, improving and educating by the encouragement of the arts including dance, drama and music.

##### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

## **Dance North**

### **Trustees' Report**

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Review of charitable activities undertaken**

##### **Achievements and performance**

Dance City's primary charitable objective is that of promoting, maintaining, improving and educating by the encouragement of the arts. We primarily focus on dance, but touch on drama and music and many other artforms too. Looking back on 2020-21 it is clear that Dance City's activities were reduced intrinsically by the impact of the COVID-19 pandemic.

Dance City has taken time this past year to refresh and recalibrate the tone of its mission and values. In consultation with staff, participants, students and trustees the organisation has been reflecting on its future responsibilities which requires greater environmental and equality outcomes, a greater dialogue with communities. Dance City proposed to make the below proposals live in April 2022, following some refinement. This also aligns Dance City's work with Arts Council's new 10-year strategy Let's Create and be more seamless in delivering the vision for the Regional North East Culture Partnership vision and the local Culture Compact (Newcastle Creates).

**Vision Statement – Believing in the power of dance to invigorate people and communities, and for dance to hold a special place in people's hearts.**

**Mission Statement – The North East to be an inspiring place to dance and experience dance.**

Dance City is catalyst, convenor, and creator of excellent dance and movement experiences from the north east, for the north east and the world. Dance City is not a building, Dance City has a building. We act as a home and incubator for artists; a place where participants and audiences can experience dance and a place for students (including participants of non-accredited learning) to learn and create. Activity that takes place in our building is not the limit of how dance programmes are delivered. From Berwick to Teesside and from Hexham to Sunderland, Dance City will ensure that great quality dance and movement programmes can be experienced locally. We want the artists of the north east to make world class, export quality work here with us, and we invite international artists to share their dance with our community - and we welcome them as a friend, so when they go back home, they take a little bit of the north east back in their heart with them.

**Purpose - Dance City is a privileged organisation. It might even be considered an institution. Using this power and influence, Dance City's purpose is:**

1. To advocate for and invest in the highest standards in dance
2. To champion more people having access to best quality dance experiences as learners, participants and audiences.
3. To ensure the dance workforce (on stage and off) are as skilled and as supported as they can be through our resources
4. To collaborate with partners from across the cultural industries and the wider community to ensure that cultural life is the fabric of our country

## **Dance North**

### **Trustees' Report**

#### **A THEATRE SPECIALISING IN DANCE**

Dance City has a 240-seat theatre showcasing dance performances from the North East, the UK and across the globe. We recognise the value of having such a specialised programme. It provides breadth to the offer for North East audiences, and valuable work for dance companies. The theatre from time to time is available for different kinds of performances and events, but dance will remain the main art form.

#### **THEATRE HEADLINES 2021-22**

During 2021-22 Dance City programmed 79 performances of 34 different productions, receiving a total of 5515 attendances.

Key highlights include:

- World Premiere of The Dan Daw Show
- World Premiere - MITNE - The Moncole by Rendez Vous Dance
- Kattam Kati - Pagrav Dance Company in partnership with Gem Arts

#### **PUBLIC CLASSES & WORKSHOPS: DANCE FOR EVERYBODY**

Our first full season of in-person classes re-commenced from September 2021. We were able to build back close to 70 classes per week and welcome some 700+ learners on average each week. This programme is still building back from the pre-pandemic highs. However, we recognise this will take more development work, and that the acceleration to digital has meant some medium-term changes to the way people spend their time.

New classes attracting new learners have offered encouragement, with great feedback from learners on how great it feels to be back in our space. Naturally, as in person classes commenced, there was a fall in demand for digital classes. From September to March, we were able to run hybrid classes for our most popular sessions. We recognise the value of online learning and will continue to explore new ways to make learning available through digital means.

#### **CLASSES HEADLINES 2021-22**

2625 public class sessions

27,334 attendances in total

#### **Class Feedback**

*"Thanks again to Jess for another amazing class!! We desperately need another one before January. Such a great instructor. I love feeling more confident too."*

*"I was anxious but the teacher was so nice and broke down the steps so it was easier to follow. The people there were nice too!"*

*"It wasn't 'pedestrian' at all, I loved how the teacher challenged us, it didn't feel like a class for oldies, I loved it."*

*"The yoga was gentle enough for my current health conditions. The leader was thoughtful, helpful and gave clear instructions"*

*"The teacher was amazing- so encouraging of self-expression. They put the class at ease. I had so much fun!"*

## **Dance North**

### **Trustees' Report**

#### **DANCE CAREERS START HERE**

Dance City has a strong reputation for developing and nurturing the future generation of dancers. Our programmes offer specialist dance training for gifted and talented young people from the age of 10 through our Centre for Advanced Dance Training (CAT), BA (Hons) Professional Dance and the MA Advanced Dance Performance.

#### **CENTRE FOR ADVANCED TRAINING (CAT)**

Dance City's CAT is part of the Department for Education's Music and Dance Scheme offering dance training for young people. Means tested grants are available which means that affordability is not a barrier to taking part and Dance City also supports families with tuition and travel bursaries.

The 21-22 year was the first full year of 'in person' classes since the pandemic. With the Omicron wave, the team adapted to ensure hybrid options were available for students. This did require extra resources, but our recent investment in equipment helped ensure that our students could continue their training in studio or at home.

We started a new Street Dance CAT strand from Sunderland's Fire Station. The new programme was designed to attract young people, who have a particular interest in this dance form, to have access to high quality training in the region.

Dance City's CAT recruitment team were able to deliver face to face sessions once more, which had a significant positive impact on the numbers of young people auditioning in person, in particular from the North East's increasingly ethnically diverse community.

The CAT students, supported by the CAT faculty, returned to performing live in our theatre which is a key development and enrichment aspect of the students experience on the CAT programme.

#### **HIGHER EDUCATION**

In the 21-22 year, our Higher Education work in partnership with Sunderland University continued with vigour.

#### **BA (HONS) PROFESSIONAL DANCE and MA ADVANCED DANCE PERFORMANCE**

A new Dance City Higher Education faculty hit the ground running from September 2021 with a renewed vision and a faculty of seasoned international dance educators. Staff and students alike adapted to pandemic and omicron conditions, with students adapting to work in hybrid scenarios.

Recruiting 8 students into the BA in 2021, despite wider dance HE challenges nationwide, our BA cohort was 32 for the year, with 12 students recruited to the MA. Retention within and beyond Year 1 of the BA remains healthy.

#### **We worked with industry professionals**

BA students worked with renowned industry professionals to develop their understanding and practices of dance, choreography, teaching and facilitation, research, and management, including guest choreographers Roberta Jean, Vanhulle Dance Theatre and Victor Fung drawn from national and international circuits. They benefited from expert arts fundraising guidance from Amanda Drago, and took part in placements at balletLORENT, Surface Area Dance Theatre, and a range of schools in the region.

Our MA was conceived as a touring company, The Collective; last year students performed work by in-house Associate Artist David Lloyd and Alleyne Dance, as well as undertaking contact improvisation training with Charlie Morrissey and labs with Lucy Suggate and Debbi Purtill.

## **Dance North**

### **Trustees' Report**

#### **Successful partnerships**

We continue to work in close partnership with the University of Sunderland; the relationship is developing positively, and indeed each year of the MA has included graduates from Sunderland's Performing Arts programme. In financial year 21-22 relationships were continued with partner organisations Trinity Laban and Northern School of Contemporary Dance, as well as Nexus, through which we commissioned Robby Graham/Southpaw Dance Company to create work with MA students, which led to ongoing performance collaborations between the newly-graduated performers and the company.

#### **EDUCATION HEADLINES 2021-22**

- 117 CAT students
- 68% of students in receipt of means tested DfE funding to cover all or part of CAT Tuition Fees
- 32 BA (Hons) Professional Dance students
- 12 MA Advanced Dance Performance students
- 100% pass rate for MA and BA graduates

CAT is such a great learning experience and has the ability to boost you into a career of dance, but also you can take with you so many things that will help you in any sort of industry or in any aspect of life. – *Dance City CAT Alumni, Daisy*

#### **SUPPORT FOR PROFESSIONAL ARTISTS**

Public investment allows us to support dancers to develop their creative careers. The COVID-19 pandemic had huge impacts on our professional artist programme of support and development. However, we were able to offer our building and facilities for use by professional artists wherever possible.

Professional Class continued throughout 2021-2022 with an increasingly diverse offer. Pro Space continues to be a valuable tool for artists. Through 21-22, available rehearsal space is emailed weekly to artists advising them of space they can train, rehearse, develop new work in on an ad-hoc basis. We offered c. 800 hours of free studio space for professionals was utilised to support them and their work.

We continued with our most inclusive process to date for commissions. Across our strands we continued to prioritise support for artists who identify as Lesbian, Gay, Bisexual, Transgender, Queer, Black, Asian, Minority, Ethnic/People of Colour, Disabled and mid-scale/mature (10 years plus of professional practice).

#### **Future programme**

Dance City is a world class facility. Aligning our physical and financial resources with the skills and expertise of the staff will unlock the potential for world class choreographic creation and premieres to be realised in and with Dance City.

In 21-22 we were able to gain the commitment from two Trusts to help with achieving some of this. The Gillian Dickinson Trust has made a pledge to support Dance City to support artists to be in residence with us. The artists will have a 2-4 week education residency, working across our programmes mainly with young people to develop work. Thereafter, they will continue with Dance City for another 2-4 weeks to develop their own new choreographic work with us. The Esmée Fairbairn Foundation supported Dance City with the projects 'Inside Out, Outside In'. This project supports Dance City to programme choreographic work outside of our Temple Street site as well as inviting artists to curate a night at Dance City. Both these programmes will be realised in the 22-23 year.

## **Dance North**

### **Trustees' Report**

The purchase of the Northstar House in Heaton was a further step to have a future resource for artists. The house purchased in August 2021 has plans to become an artist accommodation space once financial recovery from the pandemic is realised. At the point of purchase and writing, the house had tenants.

#### **ARTISTIC HEADLINES 2021-22**

- Over 800 hours of free studio space used by professional dance artists.
- We delivered 38 weeks and 152 individual Professional Classes totalling 228 hours.
- We have supported 35 residencies.
- Dance City commissioned 10 UK based artist/companies to make new work.

#### **COMMUNITIES DANCE WITH US**

The Dance City Engagement team continued to develop their activities to 'get people moving' inside and outside of the Dance City Temple Street site. The team developed regionwide partnerships with schools and community groups across the region.

##### **Schools Projects**

We delivered activities in schools, to children aged 5 to 16, engaging a total of 7605 people over 276 sessions as part of Make Your Move. Through this, 526 Arts Awards were also completed.

At the end of the Make Your Move project, 6 Sunderland schools came to perform in our theatre for an event named Sunderland Schools Festival. This was in collaboration with Sunderland School Games.

The Street Games Christmas workshop was a huge success, engaging 81 people who came to Dance City, watched a professional performance, participated in workshops and had a meal with us.

We engaged a further 3962 people over 325 sessions led outside of formal education.

##### **Activities with Older People**

In 2021-22, we continued working with 55+ Company Boundless. The company, composed of 12 dancers, worked with Pelican Theatre, Dora Frankel and John Kendall in weekly rehearsals in termtime weeks, and performed the three works as part of the Inspire Festival in October 2021 and January 2022.

Zoom and in person sessions were also delivered, including Titan Travel 65+ and as part of Make Your Move 55+

Inspire Festival took place in October 2021 and January 2022, with 2 performances, workshops and talks. The festival engaged a total of 1024 people over 4 days, and included performances by a number of local groups, and a piece choreographed by Richard Alston.

In February 2022 we were also successful in obtaining a £9800 grant from Community Foundation for work with older people happening between Summer 2022 to March 2023.

##### **Community Projects**

In Spring 2022 Dance City hosted the U.Dance Sub-Regional and Regional events. The Sub-Regional event saw 9 groups perform, and was attended by 172 audience members. The Regional saw 6 groups perform and was attended by 177 audience members.

Other activities included Move Dance Connect workshops at Circus Central, Useful Vision, Mercy Hub, amongst other workshops across the region. These workshops allowed us to reach and connect with communities in some of Newcastle's more deprived areas.



## **Dance North**

### **Trustees' Report**

#### **Financial review**

##### ***Policy on reserves***

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of 10-12 weeks salary and overhead costs, which would equate to holding approximately £280,000 in free reserves.

At the year end, free reserves (including designated reserves) were £367,045 (2021: £439,911).

The charity had previously designated £160,000 towards a deficit year in 2021-2022. However, the deficit was smaller than projected, and the remaining balance will now return to free reserves. This will leave the organisation at the end of 2021-2022 a target level of Unrestricted Reserves in the region of £280,000, in line with the policy.

The Trustees will review the Unrestricted Reserves policy during the financial year to account for planned changes to staffing and potential long-term disruption to income.

The trustees will continue to work with funders to budget future surpluses in order to provide improved organisational survivability.

##### ***Investment policy and objectives***

The charity's funds are controlled by the directors, who also act as trustees, who invest with a view to maximising annual investment income while maintaining capital growth in line with market trends. The attached financial statements show the current state of finances which the trustees consider to be sound.

The trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest money, with power from time to time to change for others of a like nature.

## **Dance North**

### **Trustees' Report**

#### **Plans for future periods**

At the time of writing, there are a great number of challenges in society, some of which will impact Dance City. As we emerged from COVID-19 imposed restrictions, we enter into the cost of living crisis. Brexit continues to provide uncertainty of ease of trading and exchange in relationship with European partners. A weaker pound and dollar has also meant working abroad for the benefit of the North East has become more expensive. Throughout this, Dance City remains resolute on its mission and purpose.

The organisation has just received a conditional offer from Arts Council England for continued funding for 3-years from April 2023 to March 2026. This will be helpful for Dance City, however, the standstill funding will potentially mean a smaller programme of activity if the organisation is not able to resource the programme from other sources. Dance City's work will always be needed in society, so long as Dance City's offer remains relevant to the communities we serve. The retention of student numbers in our CAT programme and encouraging uptake on our BA and MA programmes is testament to the great teaching team, and also to the undiminished aspirations of young people to engage in culture. The high levels of bookings and continued demand for our services for the over 55s continues to push us with respect to finding invigorating ways to engage this active cohort, who deserve our excellence no less.

Dance City is a world-class dance creation facility. Enabling artists to maximise the potential of our space to create work which is thereafter in demand will be essential in ensuring that the North East has a reputation for being a world-class place to make dance, which in turn will lead to better retention of the North East dance community.

#### **Going concern**

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.



## Dance North

### Trustees' Report

#### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Dance North for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Disclosure of information to auditor

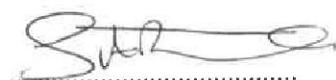
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 14.12.22 and signed on its behalf by:



Mrs S Paterson  
Trustee

## **Dance North**

### **Independent Auditor's Report to the Members of Dance North**

#### **Opinion**

We have audited the financial statements of Dance North (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Dance North**

### **Independent Auditor's Report to the Members of Dance North**

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 11], the trustees 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 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**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## Dance North

### Independent Auditor's Report to the Members of Dance North

- enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- assessment of matters recorded in the Charities's accident book;
- challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to deferred income provisions; and
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the field in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services,  
Chartered accountant and statutory auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 15/12/2022

Azets Audit Services is a trading name of Azets Audit Services Limited.

## Dance North

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	604,795	315,499	920,294	878,202
Charitable activities	4	328,896	510,478	839,374	360,512
Investment income	5	-	-	-	1,213
Other income	6	325,820	19,783	345,603	651,588
Total Income		<u>1,259,511</u>	<u>845,760</u>	<u>2,105,271</u>	<u>1,891,515</u>
<b>Expenditure on:</b>					
Raising funds	7	(29,030)	-	(29,030)	(6,919)
Charitable activities	8	<u>(1,369,808)</u>	<u>(730,760)</u>	<u>(2,100,568)</u>	<u>(1,638,351)</u>
Total Expenditure		<u>(1,398,838)</u>	<u>(730,760)</u>	<u>(2,129,598)</u>	<u>(1,645,270)</u>
Net (expenditure)/income		(139,327)	115,000	(24,327)	246,245
Transfers between funds		<u>193,210</u>	<u>(193,210)</u>	<u>-</u>	<u>-</u>
Net movement in funds		53,883	(78,210)	(24,327)	246,245
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>789,194</u>	<u>78,210</u>	<u>867,404</u>	<u>621,159</u>
Total funds carried forward	21	<u>843,077</u>	<u>-</u>	<u>843,077</u>	<u>867,404</u>

All of the charity's activities derive from continuing operations during the above two periods.

## Dance North

### Comparative Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	858,738	19,464	878,202
Charitable activities	4	168,702	191,810	360,512
Investment income	5	1,213	-	1,213
Other income	6	651,588	-	651,588
Total income		<u>1,680,241</u>	<u>211,274</u>	<u>1,891,515</u>
<b>Expenditure on:</b>				
Raising funds	7	(6,919)	-	(6,919)
Charitable activities	8	<u>(1,421,792)</u>	<u>(216,559)</u>	<u>(1,638,351)</u>
Total expenditure		<u>(1,428,711)</u>	<u>(216,559)</u>	<u>(1,645,270)</u>
Net income/(expenditure)		<u>251,530</u>	<u>(5,285)</u>	<u>246,245</u>
Net movement in funds		251,530	(5,285)	246,245
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>537,664</u>	<u>83,495</u>	<u>621,159</u>
Total funds carried forward	21	<u><u>789,194</u></u>	<u><u>78,210</u></u>	<u><u>867,404</u></u>

## Dance North

(Registration number: 02490618)  
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	15	330,684	349,283
Investments	16	<u>380,000</u>	<u>-</u>
		<u>710,684</u>	<u>349,283</u>
<b>Current assets</b>			
Debtors	17	337,335	305,768
Cash at bank and in hand		<u>429,139</u>	<u>633,923</u>
		766,474	939,691
<b>Creditors: Amounts falling due within one year</b>	18	<u>(399,429)</u>	<u>(421,570)</u>
<b>Net current assets</b>		<u>367,045</u>	<u>518,121</u>
<b>Total assets less current liabilities</b>		1,077,729	867,404
<b>Creditors: Amounts falling due after more than one year</b>	19	<u>(234,652)</u>	<u>-</u>
<b>Net assets</b>		<u>843,077</u>	<u>867,404</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		-	78,210
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>843,077</u>	<u>789,194</u>
<b>Total funds</b>	21	<u>843,077</u>	<u>867,404</u>

The financial statements on pages 15 to 37 were approved by the trustees, and authorised for issue on ~~14.12.22~~ and signed on their behalf by:



.....  
Mrs S Paterson  
Trustee

## Dance North

### Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(24,327)	246,245
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	15	66,512	55,804
Investment income	5	-	(1,213)
		<u>42,185</u>	<u>300,836</u>
<b>Working capital adjustments</b>			
Increase in debtors	17	(31,567)	(46,312)
Increase in creditors	18	10,011	53,282
(Decrease)/increase in deferred income	19	(53,396)	13,379
Net cash flows from operating activities		<u>(32,767)</u>	<u>321,185</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	-	1,213
Purchase of tangible fixed assets	15	(47,913)	(34,440)
Purchase of investments	16	(380,000)	-
Net cash flows from investing activities		<u>(427,913)</u>	<u>(33,227)</u>
<b>Cash flows from financing activities</b>			
New loans and borrowings	18	<u>255,896</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		(204,784)	287,958
Cash and cash equivalents at 1 April		<u>633,923</u>	<u>345,965</u>
Cash and cash equivalents at 31 March		<u><u>429,139</u></u>	<u><u>633,923</u></u>

All of the cash flows are derived from continuing operations during the above two periods.



## **Dance North**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Dance City, Temple Street, Newcastle upon Tyne, NE1 4BR.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Dance North meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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

##### **Going concern**

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

## **Dance North**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Estimation uncertainty and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the charitable company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

**Assessing indicators of impairment** - In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions, counterpart credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

**Deferred income** - In assessing grants which have performance conditions (in relation to a time period or activity) the trustees have assessed information available. In the absence of clear contracts, the trustees defer income where it remains unspent at the year end and relates to a future activity.

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

**Depreciation** is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the useful economic life of assets is detailed in the depreciation accounting policy. The carrying amount is £330,684 (2021 -£349,283).

**Deferred income** is estimated to recognise income in the period in which the performance conditions of the income are met. Income is deferred where performance conditions have not been fully met at year end. The carrying amount is £262,638 (2021 -£316,034).

During the year a property was acquired at its market value of £380,000. The property is currently let and until such time that the tenancy ends the Trustees have categorised the property as an investment property, held at its market value which is currently the same as its purchase price. The carrying amount is £380,000 (2021 -£-).

#### **Income and endowments**

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

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

## **Dance North**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### ***Investment income***

Bank interest receivable is recognised once notification has been received, normally once the bank statement has been received.

#### ***Charitable activities***

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted or unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

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

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property	Straight line over 19 years
Furniture and equipment	15% - 20% reducing balance
Computer equipment	25% straight line

#### Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### Trade debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Dance North**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Trade creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provision are normally recognised at their settlement amount after allowing for any trade discounts due.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Foreign exchange**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charitable company operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the entity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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

## **Dance North**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations from individuals	6,672	2,000	8,672
Grants, including capital grants;			
Government grants	-	84,336	84,336
Grants from other charities	598,123	229,163	827,286
	<u>604,795</u>	<u>315,499</u>	<u>920,294</u>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from individuals	12,964	-	12,964
Grants, including capital grants;			
Grants from other charities	845,774	19,464	865,238
	<u>858,738</u>	<u>19,464</u>	<u>878,202</u>

#### Grant income

	2022	2021
Arts Council England	564,048	564,047
Arts Council England Covid Recovery Fund	-	240,000
Community Foundation	24,500	-
Esmee Fairbairn	79,300	11,135
Esmee Fairbairn Covid Support	-	8,329
Kickstart Scheme (Government Grant)	84,336	-
Music and Dance Scheme	15,401	-
Newcastle Covid Business Support	26,000	41,227
Northstar	115,000	-
Other	3,037	500
Total Grants (Including Government Grants)	<u>911,622</u>	<u>865,238</u>

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Classes and workshops	215,047	3,273	218,320
Box office	34,757	-	34,757
Training programme	-	507,205	507,205
Room hire	3,488	-	3,488
Rental income	48,728	-	48,728
Cafe income	26,876	-	26,876
	<u>328,896</u>	<u>510,478</u>	<u>839,374</u>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
Classes and workshops	30,550	-	30,550
Box office	876	-	876
Training programme	132,794	191,810	324,604
Room hire	(176)	-	(176)
Rental income	2,615	-	2,615
Cafe income	2,043	-	2,043
	<u>168,702</u>	<u>191,810</u>	<u>360,512</u>



## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

The majority of cafe income is taken in respect of students and other guests using the charity's facilities. As a result, most of this income is considered in line with the primary purpose and is not considered as trading income.

Rental income, likewise, is rental of studio space and is in line with the charity's Primary Purpose.

#### 5 Investment income

	Total 2022 £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>-</u>	<u>1,213</u>

#### 6 Other income

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Other income	311,409	19,783	331,192
Government Grants - CJRS	<u>14,411</u>	<u>-</u>	<u>14,411</u>
	<u>325,820</u>	<u>19,783</u>	<u>345,603</u>

Other income includes; Degree MA, College, & Merchandise income.

	Unrestricted funds General £	Total 2021 £
Other income	336,787	336,787
Government Grants - CJRS	<u>314,801</u>	<u>314,801</u>
	<u>651,588</u>	<u>651,588</u>

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 7 Expenditure on raising funds

##### a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2022 £
Other direct costs of activities for generating funds		29,030	29,030
		<u>29,030</u>	<u>29,030</u>
	Note	Unrestricted funds General £	Total 2021 £
Other direct costs of activities for generating funds		6,919	6,919
		<u>6,919</u>	<u>6,919</u>

#### 8 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Classes and workshops	759,367	446,987	1,206,354
Support costs	610,441	283,773	894,214
	<u>1,369,808</u>	<u>730,760</u>	<u>2,100,568</u>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
Classes and workshops	347,684	154,291	501,975
Support costs	1,074,108	62,268	1,136,376
	<u>1,421,792</u>	<u>216,559</u>	<u>1,638,351</u>
	Activity undertaken directly £	Activity support costs £	2022 £
Classes and workshops	1,206,354	885,294	2,091,648
Governance costs	-	8,920	8,920
	<u>1,206,354</u>	<u>894,214</u>	<u>2,100,568</u>

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Activity undertaken directly £	Activity support costs £	2021 £
Classes and workshops	501,975	1,127,856	1,629,831
Governance costs	-	8,520	8,520
	<u>501,975</u>	<u>1,136,376</u>	<u>1,638,351</u>

The charitable company allocates costs direct to activities as far as possible, the identified the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

Direct to governance: audit fees and accountancy fees. Direct to charitable activities: all other support costs.

#### 9 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Governance costs £	Support costs £	Total 2022 £	Total 2021 £
Staff costs	-	463,274	463,274	759,567
Premises costs	-	170,799	170,799	142,470
Communications and IT	-	36,951	36,951	24,605
General office	-	94,327	94,327	120,988
Human resources	-	-	-	6,440
Finance costs	-	7,639	7,639	6,656
Governance costs	8,920	-	8,920	8,520
Depreciation	-	62,002	62,002	55,804
Motor, travel and accommodation	-	4,690	4,690	4,024
Technical costs and venue hire	-	2,761	2,761	4,088
Legal and professional fees	-	42,851	42,851	3,214
	<u>8,920</u>	<u>885,294</u>	<u>894,214</u>	<u>1,136,376</u>

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### Governance costs

	Unrestricted funds General £	Total 2022 £
Audit fees		
Audit of the financial statements	7,000	7,000
Other fees paid to auditors	1,920	1,920
	<u>8,920</u>	<u>8,920</u>
	Unrestricted funds General £	Total 2021 £
Audit fees		
Audit of the financial statements	6,500	6,500
Other fees paid to auditors	2,020	2,020
	<u>8,520</u>	<u>8,520</u>

#### 10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2022 £	2021 £
Audit fees	7,000	6,500
Other non-audit services	1,920	2,020
Depreciation of fixed assets	66,512	55,804
Pension contributions	<u>18,635</u>	<u>17,587</u>

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Professional indemnity insurance of £749 (2021: £1,487) was paid by the charitable company on behalf of the trustees.

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,094,436	811,716
Social security costs	73,069	67,755
Pension costs	18,635	17,587
	<u>1,186,140</u>	<u>897,058</u>

Additional costs charged through the charity's payroll, but posted to non payroll costs, total £Nil (2021: £177,828).

The monthly average number of persons (including senior management team) employed by the charity during the year :

	2022 No	2021 No
Administration and finance staff	39	23
Artistic staff	33	63
	<u>72</u>	<u>86</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £274,196 (2021 - £176,002).

#### 13 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>7,000</u>	<u>6,500</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>1,920</u>	<u>2,020</u>

#### 14 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2021	300,000	490,230	62,133	852,363
Additions	-	5,508	42,405	47,913
Transfers	-	(49,334)	49,334	-
At 31 March 2022	<u>300,000</u>	<u>446,404</u>	<u>153,872</u>	<u>900,276</u>
<b>Depreciation</b>				
At 1 April 2021	173,683	267,820	61,577	503,080
Charge for the year	15,791	28,879	21,842	66,512
Transfers	-	(10,319)	10,319	-
At 31 March 2022	<u>189,474</u>	<u>286,380</u>	<u>93,738</u>	<u>569,592</u>
<b>Net book value</b>				
At 31 March 2022	<u>110,526</u>	<u>160,024</u>	<u>60,134</u>	<u>330,684</u>
At 31 March 2021	<u>126,317</u>	<u>222,410</u>	<u>556</u>	<u>349,283</u>

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £110,526 (2021 - £126,317) in respect of leaseholds.

#### 16 Fixed asset investments

	<b>2022</b>
	<b>£</b>
Investment properties	<u>380,000</u>
<b>Investment properties</b>	
	<b>Investment properties £</b>
<b>Cost or Valuation</b>	
Additions	<u>380,000</u>
<b>Provision</b>	
At 31 March 2022	<u>-</u>
<b>Net book value</b>	
At 31 March 2022	<u>380,000</u>

The investment property was acquired in the year at its market value and the Trustees' consider this to be unchanged at the year end.

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 17 Debtors

	2022 £	2021 £
Trade debtors	305,902	266,391
Prepayments	21,984	37,203
Other debtors	9,449	2,174
	<u>337,335</u>	<u>305,768</u>

Included in Trade Debtors is a provision for doubtful debts totalling £17,748 (2021:£Nil)

#### 18 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	48,755	22,146
Other loans	21,244	-
Other taxation and social security	24,499	24,190
Other creditors	13,774	4,270
Accruals	28,519	54,930
Deferred income	262,638	316,034
	<u>399,429</u>	<u>421,570</u>

Creditors includes the following liabilities:

	2022 £
Amounts due within one year	21,243
Amounts due between 1-2 years	21,243
Amounts due between 2-5 years	77,889
Amounts due in more than 5 years	<u>135,521</u>
	<u>255,896</u>

#### Other loans

Other loans includes a loan from Northstar Ventures Limited of £265,000 with a nominal interest rate of 6% (2021 - £Nil), and the final instalment is due on 1 June 2031. The carrying amount at year end is £255,896 (2021 - £Nil).

	2022 £	2021 £
Deferred income at 1 April 2021	316,034	302,655
Resources deferred in the period	246,638	316,034
Amounts released from previous periods	<u>(300,034)</u>	<u>(302,655)</u>
Deferred income at year end	<u>262,638</u>	<u>316,034</u>

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 19 Creditors: amounts falling due after one year

	2022 £
Other loans	<u>234,652</u>

#### 20 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £18,635 (2021 - £17,587).

Contributions totalling £5,051 (2021 - £4,270) were payable to the scheme at the end of the year and are included in creditors.



## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 21 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted</b>					
<b>General</b>					
General Fund	629,194	1,259,511	(1,398,838)	353,210	843,077
<b>Designated</b>					
Funds Set Aside - Budget Deficit	160,000	-	-	(160,000)	-
<b>Total Unrestricted</b>	<u>789,194</u>	<u>1,259,511</u>	<u>(1,398,838)</u>	<u>193,210</u>	<u>843,077</u>
<b>Restricted</b>					
Esmee Fairbairn	-	86,783	(86,783)	-	-
Centre for Advanced Training	-	525,841	(525,841)	-	-
Catalyst: Evolve	78,210	-	-	(78,210)	-
Community Foundation	-	19,500	(19,500)	-	-
Nexus Co	-	8,300	(8,300)	-	-
Thrift Co	-	4,000	(4,000)	-	-
Kickstart	-	84,336	(84,336)	-	-
Donors	-	2,000	(2,000)	-	-
Northstar	-	115,000	-	(115,000)	-
<b>Total restricted</b>	<u>78,210</u>	<u>845,760</u>	<u>(730,760)</u>	<u>(193,210)</u>	<u>-</u>
<b>Total funds</b>	<u>867,404</u>	<u>2,105,271</u>	<u>(2,129,598)</u>	<u>-</u>	<u>843,077</u>

## **Dance North**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

The specific purposes for which the funds are to be applied are as follows:

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds, where the trustees, at their discretion, have created a fund for a specific purpose.

The basis for calculating 'free reserves' are after allowing for all designated funds, fixed assets and other non-current assets and liabilities.

Funds set aside - Budget Deficit - Funds set aside for budgeted trading deficit in the 22/23 year.

Esmee Fairbairn is an intensive leadership and management development course for 10 professional artists in the North East each year.

Esmee Fairbairn - Covid Support Grant

Centre for Advanced Training are funds received from the Department of Education which contributes towards the delivery to students participating in the Government Music and Dance Scheme.

Catalyst: Evolve is funding from the Arts Council England to provide a two year programme which commenced in September 2016. A transfer has been made in the year as the fund has been fully spent as at the year ended 31 March 2022.

Dance City received income from a number of partner organisations through the year for specific projects.

Nexus Co: supported Dance City to create a site specific performance at their train stations to celebrate their anniversary.

Thrift Co: We received income from Festival of Thrift to co-commission a new choreography to be presented at the Festival in Kirkleatham in September 2021.

Kickstart: We were proud to host the government's Kickstart scheme. With this grant, we were able to support young people aged 16-25 into employment opportunities related to dance.

Northstar: Dance City were fortunate to receive support from Northstar for the purchase of a property which is in Heaton. The property came with sitting tenants. The long term ambition of this property is to be able to house artists whilst they work on dance projects at Dance City.

## Dance North

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 22 Analysis of net assets between funds

	Unrestricted	Total funds at 31 March 2022
	General £	£
Tangible fixed assets	330,684	330,684
Fixed asset investments	380,000	380,000
Net current assets/(liabilities)	367,045	367,045
Creditors over 1 year	(234,652)	(234,652)
Total net assets	<u>843,077</u>	<u>843,077</u>

	Unrestricted			Total funds at 31 March 2021
	General £	Designated £	Restricted £	£
Tangible fixed assets	349,283	-	-	349,283
Net current assets/(liabilities)	<u>279,911</u>	<u>160,000</u>	<u>78,210</u>	<u>518,121</u>
Total net assets	<u>629,194</u>	<u>160,000</u>	<u>78,210</u>	<u>867,404</u>

#### 23 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	633,923	(204,784)	429,139
Other loans due within one year	-	(21,244)	(21,244)
Other loans due after more than one year	-	(234,652)	(234,652)
Net funds	<u>633,923</u>	<u>(460,680)</u>	<u>173,243</u>
	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	345,965	287,958	633,923
Net funds	<u>345,965</u>	<u>287,958</u>	<u>633,923</u>

#### 24 Related party transactions

There were no related party transactions in the year.