

National Centre for Circus Arts
Trustees Report & Financial Statements
For the year ended 31st July 2020

National Centre for Circus Arts

Trustees' report and financial statements
for the year ended 31st July 2020

Company number: 2553293 (England & Wales)

Charity Number: 1001839



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LEGAL AND ADMINISTRATIVE INFORMATION

Company Number 2553293 (registered in England & Wales)
Charity number 1006927
Registered office & operational address Coronet Street, London N1 6HD

Board Members

Craig Calvert, Deputy Chair (acting chair from 26/07/19)
Tuikku Alaviitala (from 21/09/19)
Cameron Brookhouse (from 20/10/20)
Kate Cavelle
David Chinn
Jane Crowther
Sue James
Alison King (from 20/10/20)
Matthew Lloyd (stepped down 27/11/19)
Elizabeth (Betsy) Lynch
Bill Morris
Tarun Nagpal
Thomas Nowacki
Darshak Shah (from 21/09/19)
Paul Steggall
Lesley Strachan
William Underhill (from 21/09/19)
Robert West (from 21/09/19)
Rachael Williams (from 20/10/20)
Company Secretary
Vanessa Penzo (until 30/11/19)
Froniga Lambert (from 01/12/19)

Senior Management Team

Kate White – Chief Executive
Froniga Lambert – Chief Operating Officer
Adrian Porter – Director of Higher Education
Glen Stewart – Director of Training

Key Business Advisors and Contacts

The Conservatoire for Dance and Drama, The Energy Centre, London N1 6AL
Slaughter and May, One Bunhill Row, London EC1Y 8YY
Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, EC1M 7AD
Co-operative Bank, 80 Cornhill, London, EC1V 3NJ
LexLeyton, Harmsworth House, 13-15 Bouverie Street, London EC4Y 8DP

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The Trustees, who are also the directors of the company for the purposes of the Companies Act, submit their annual report and audited financial statements for the year ended 31 July 2020 which have been prepared in compliance with current statutory requirements, The Charities SORP (FRS 102) and with the charity's governing document, its Articles of Association.

Acting chair's welcome

2020 started at the National Centre like many other years, with a sense of excitement and anticipation and our largest ever student cohort. The team was looking forward to unlocking the huge potential identified at audition and training started well with students making great progress. The staff team was energised and looking to the future through a strategic review delivered by an expert team from McKinsey and given as an extraordinarily generous pro bono donation. Implementation of recommendations for structural change had just been approved by the trustees and was about to start when COVID-19 loomed into view and changed the year beyond all recognition.

The year has certainly seen huge challenges for the cultural sector as a whole and these unique times have seen the National Centre for Circus Arts respond to a previously unimaginable situation with creativity and adaptability. The closure of our Coronet Street building in March led to the incredible team swinging immediately into action to enable circus arts training to be delivered online for our Higher Education students. Who would have thought that a cohort of students who are so physical and visceral in all they do could be guided and trained remotely to continue their development as artists when all the space, equipment and expertise that is their usual playground, is snatched away from them? Everyone is incredibly proud of the fact that every student graduated with either their BA (Hons) or Foundation degree and made it to their remote graduation ceremony via Zoom.

At the same time, the Participation and Outreach team and the Training team developed and delivered online content for our younger students throughout the summer, much appreciated by many families who struggled with lockdown.

As soon as the academic year ended the team began the huge task of preparing us to reopen in September in a new world. COVID safe and with a blended learning offer, we finally opened the doors once again for students on 7th September when our first London Youth Circus group came back to training, and have subsequently welcomed back our Degree students to Coronet Street as well as our Open Training professional members.

We are indebted to the hard work of the Operations teams who have followed guidance from so many sources to make the building safe for us to use, installing new hygiene regimes,

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setting up social distancing measures and creating a secure environment for everyone. The dedication of the entire staff team is something we have always been grateful for but never more so than through the last six months. Many organisations were frozen for a period, unable to see a way to function; however the team at the National Centre have adapted to remote working, blended delivery models and supporting the community in new ways that have been creative and so impressive.

Our fourth biennial Gala planned for May was a sad casualty of the pandemic and was cancelled, losing not only the funds we would have raised, but also the opportunity to welcome many long-time supporters of the organisation into the building for a very special celebratory event. Cancellation of our regular programme of courses and classes, as well as work with corporate partners, further impacted our income by around £182k across the year. Many of our funders and stakeholders have been incredibly generous and flexible in how they have supported us, allowing us to make changes and to pivot activities or change timescales within funded projects to suit the situation we find ourselves in, but still enabling us to deliver support to students and artists. We are also incredibly grateful to those members of our community who donated generously to us when their courses or classes were cancelled. In addition, our thanks go especially to Arts Council England for their unswerving commitment to us, including through an Emergency Funding grant, and the performing arts sector generally.

The National Centre throughout 2020 has remained committed to supporting its diverse staff team and while a small core worked tirelessly, embracing remote working and finding creative solutions to facilitating circus arts training digitally throughout the pandemic, we had to furlough 110 staff, with others taking voluntary reductions in hours and salaries. We were able to utilise the government job retention scheme and are delighted to say that most staff are now back, with a few still being supported by the flexible furlough scheme until it ceases at the end of October.

The board of trustees has been hugely supportive and responsive to organisational needs during this difficult time and I would like to thank them for their ongoing commitment and expertise. We recruited four new trustees during the year. Since the year end we have also recruited two more trustees and, following a rigorous selection process, we now have a Chair elect who is going through a handover and induction process; the two new trustees and the Chair will all be formally joining the board in October 2020.

As ever, the entire team at the National Centre has been amazing, but I would like to particularly thank the Senior Management Team for their incredible efforts over the last few months. They have shown great creativity, dedication and resilience. As we move into a 'new

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normal' we look ahead with ambition and a clear belief that circus, the arts and culture, will play an important role in helping to rebuild the health, wellbeing and confidence of the population. We have the right team and capabilities in place to ensure that the National Centre will play its part.

Craig Calvert
Acting Chair of the Board
Tuesday 20th October 2020

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Objectives of the charity

The charity is a company limited by guarantee governed by articles of association and was established on 30 October 1990. In October 2013 revised Articles of Association were approved by the Charity Commission and the Board of Trustees.

The National Centre for Circus Arts' objective, as set out in the Articles of Association, is to advance the education of the public in the Arts and to advance the Arts in each case with particular but not exclusive reference to the Circus Arts.

This is summarised in the organisation's vision statement that allows the National Centre for Circus Arts to look into the future for the organisation and the sector:

"Great Circus Everywhere"

We will support circus as it matures and is ever more widely recognised as a dynamic, relevant and important part of the arts and cultural life of the UK. We will deliver excellent circus arts training to support the development of the next generation of world-class circus artists. We will support and collaborate with circus artists and companies throughout their careers to embed professional standards in teaching, facilities and the creation and presentation of circus to reach new audiences and participants with relevant, challenging and engaging work. We will grow the National Centre's reach and relevance through the development of revenue generating activities that can support our core education and artists support activity.

This will enable us to build on our role as sector leader and continue to push the boundaries of the Circus Arts, while maintaining core 'business as usual' activities at our home in Hoxton.

We are:

Ambitious and willing to take risks

We are ambitious for ourselves and our art form even in challenging times. With high professional standards and an expert community, we are adept at mitigating risk and safeguarding participants while allowing them to challenge themselves and explore the myriad physical and creative possibilities of circus. This, along with robust reflection and evaluation and a constant push to 'be better', allows us to provide a safe space for artists, students and participants of all ages and stages in their own circus journeys, to take bigger physical and creative risks as sector leaders. 2020 and COVID-19 has required us to look once again at how we manage risk in the context of circus arts training. We have employed a raft of measures to make the building and training processes COVID secure to support artists and students to continue their creative lives as fully as possible within the limitations required by government advice and guidance. Our priority is keeping our community safe and well.

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Inclusive and accessible

We are not fearful of the unknown and have a solid track record of innovation. The anarchic nature of circus means it appeals to a broad range of people and we are committed to ensuring we meet the needs of our sector by being inclusive, open and accessible to everyone. We want to get better at tackling micro-aggressions to make sure all our staff, students, partners and stakeholders feel comfortable and able to work and create in the very best way possible. We will make sure there are spaces available for discussion and debate around issues of current concern, not least how we can support the management of mental health within our community, and while we may not be the expert in the field, we will engage with others to help us to ask the right questions and take action to disrupt and change to be a truly diverse and open organisation.

Environmentally aware and sustainable

From our impact on individual participants and our own community of artists to our wider responsibility that comes from our leadership role in the sector, we are committed for the long term and strive to ensure our organisation is resilient and sustainable. We operate a mixed economy model and demonstrate a truly entrepreneurial spirit to ensure our business can survive and thrive in our ever-changing world. In our home building in Hoxton we have employed an environmental plan to ensure we inhabit our building efficiently, monitoring our energy usage, making use of schemes that are available to us to support our ambitions around the reduction of our carbon footprint year on year.

Public benefit statement

The National Centre for Circus Arts has been providing public benefit by enabling the creation of excellent and innovative circus for almost thirty years. Every year we involve thousands of people in the physical challenges and artistic pleasures of the Circus Arts. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Our diverse range of work includes the UK's first BA degree-level education in Circus Arts, which is supported at either side by a structured training programme for under-18s and professional development opportunities for aspiring and established performers. Adults and young people can enjoy recreational classes and people of all ages can attend performances. We also run highly regarded workshops, away days and team building events for the corporate community. Over the last decade we have been developing our creation and production capabilities and have been working in partnership to make work that can tour regionally, nationally and internationally. Our emphasis is always on collaborative and partnership working.

We are engaged in activity that significantly contributes to the cultural life of the UK by:

- producing exceptional artists who shape the future of the Circus Arts;
- developing potential and creativity through world-class vocational training;
- finding and nurturing the young artists with great potential;
- supporting the cultural infrastructure;
- fuelling development in the creative industries; and
- national and international leadership in Circus Arts.

The National Centre for Circus Arts takes its responsibility to provide public benefit very seriously and we welcome the scrutiny that statutory funding relationships expect, as we believe that it has helped us to raise standards and to continue to challenge ourselves. It ensures we gather evidence to back up our claims to excellence. We continue to report against various criteria to our major statutory stakeholders, Arts Council England and the Office for Students via our membership of the Conservatoire for Dance and Drama, and consistently exceed our agreed targets.

Achievements and performance

Organisational development

2019/20 started with a strategic review of our entire operations where we scrutinised our work to enable us to ensure a resilient and sustainable future for the organisation in response to external funding volatility and organisational challenges. This work was led and supported by a team from McKinsey and Company. The result of this intensive two-stage process led us to a re-articulation of our work into three distinct strands. These are

- **Developing the performers of tomorrow** – encompassing all of the work we do in the education sphere from early years, through the London Youth Circus and Centre of Advanced Training, Outreach and into the Higher Education programme.
- **Supporting circus professionals** – through our Open Training resource, funded residencies in collaboration with Jerwood Arts, support and advocacy for the wider UK circus sector.
- **Growth through revenue generation** – developing our recreational programme, how we use our building and our offer to corporate partners.

This exciting project has delivered a blueprint for changes to the structure of the organisation that will make us fit for the future and stage one of implementation had just begun when we were hit by COVID-19 and was then put on hold.

The overwhelming impact of the global pandemic has meant we have had to review every aspect of our operations and training to ensure everything we do is COVID secure and we will continue to consider carefully the short and medium term implications of this new world, as detailed below.

We have now reopened the building and are adjusting to many new ways of working with an ambition to move forward with change during 2020/21.

Key focus for 2020/21

Our focus remains on creating resilience throughout our business and building our brand and position to enable us to thrive through challenging political and economic times while still supporting the wider circus arts sector. We will examine our strategic review through the lens of our experiences of COVID-19 and the challenge that has added, before embarking on putting a new structure in place over the course of the year.

- We will challenge and test our commercial income streams, seeking out additional opportunities, including digital developments, which will allow us to continue to support our core activity and charitable delivery of circus arts training.

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- We will review and implement a new structure to ensure efficient and cost-effective delivery and management for all activity.
- We will develop a best practice model of governance to enable our recruitment, retention and engagement of trustees to flourish.

Higher education achievements and challenges

Our Higher Education programme has had a remarkable year from an unremarkable but solid start with a great student cohort making impressive progress in their chosen disciplines, to then moving to an entirely online delivery model when we were forced to close the building in March 2020 due to COVID-19. Classes were delivered live online daily, and a series of creative tasks were set for all students who then worked independently, filming and feeding back in a variety of ways. Our core teaching team worked tirelessly to create new models of work and assessment to support our students through such a challenging time. Included in the summer term were, as usual, ensemble productions with both the FD2 and BA students. Both projects were moved online and both groups worked with an artistic director remotely, creating work that was then filmed and edited creating two extraordinary pieces of work premiered online in July. These works were seen by an extensive online audience. BA ensemble 'Nest' has been viewed 1,010 times and has been watched for 92.4 hours and FD2 ensemble 'Noise/Silence' has been viewed 1,154 times and has been watched for 151 hours.

We saw 10 graduates from the BA programme, four with first class honours and six upper second class degrees awarded and validated by the University of Kent. 24 students were awarded a Foundation degree after two years of study and 17 have progressed onto the BA course commencing in September 2020 as a blended learning programme. The graduating group has taken a step into the unknown as they begin their professional lives with performances in all settings across the world cancelled, with thousands of circus artists who are so often freelancers, unemployed. We have provided access to information about opportunities for any work or funding and have extended the time that graduates will be able to access free training space at the National Centre to a full year as gradually artists are returning to training and creation. Our international work as part of FEDEC, the European Federation of Professional Circus Schools, has once again been busy with our Director of Higher Education playing a leading role on the board of trustees to support the executive. Two new projects have been developed between the partner schools and one has successfully received funding. The project titled 'COSMIC' will introduce professional circus schools to the use of new digital technology applied to their pedagogy and will encourage a new collaboration between the international partners.

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The challenges presented by COVID-19 have fed into our learning and teaching strategy as we have responded to limitations while trying to embed more creative and student-led learning as we continue to move away from the master/pupil model of delivery.

The new regulatory framework for Higher Education has meant a shift of focus and change within the Conservatoire for Dance and Drama with a huge amount of work happening to standardise and create a suite of core policies and procedures to support each school.

Key focus for 2020/21

- We will need to prepare our students through their training for what a 'new normal' in the arts world may look like, and we will need to be flexible, open and collaborative to make changes that may have seemed previously impossible, or even undesirable.
- Undertaking a HE audit with an external consultant to review our position in light of new Office for Student registration requirements.
- Planning for a 2020/21 Periodic Programme Review by our validating partner University of Kent helping us to focus on the fundamentals that underpin our degree programme.
- Enabling creative student-led learning to enrich the student experience and keep us at the forefront of international developments in circus arts training particularly as we embark on the new FEDEC led COSMIC project to develop the use of new digital technology within our pedagogy.

Supporting circus professionals and companies to create great circus

Our professional members continued to make use of training space, mentoring and networking opportunities in our building until March. Last ACE year (Apr 19 – Mar 20), 309 professional members used a total of 4958 training sessions – we continue to subsidise membership as our primary support mechanism for professionals at a level of approximately £500 per annum for every member. All members receive weekly communications with sector updates, job and training opportunities. Last financial year, we delivered five commercial projects which have provided direct employment for 16 circus artists. The National Centre continues to support the creation of great circus by using our resources in a variety of creative ways to enable great ideas not to fall at the first hurdle due to lack of funds. In 2019/20 until we closed in March, we were able to give 21 artists and companies free days in the Creation Studio where they could play with early ideas, or polish acts that were closer to being performance ready.

We launched a new support programme for artists with funding from Jerwood Arts. A series of residencies were planned for the spring, and recipients had been chosen via a robust selection process. Again, COVID-19 cut the activity short and the programme has now been

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amended and pushed back into late autumn of 2020. Artists were given an allocation of funds as we went into lockdown and have continued to plan their projects. The adjustments we have had to make to ensure everyone is COVID safe means there will no longer be a semi-produced sharing of work, but each recipient will have a little more studio time and space and each will be documented on film possibly allowing for an online sharing of a final edit. With circus artists often travelling extensively, and now in many cases being located longer than planned in countries across the world, we are now expecting at least one project to happen outside the UK. Jerwood Arts have been supportive, flexible and understanding, allowing us to support the circus artists involved in the best way possible.

Our support for artists and companies will continue to be responsive in its nature but will be led by investment in our own website and IT systems allowing us to share policies, procedures and examples of best practice in teaching, rigging and technical circus, health and safety, safeguarding etc. more easily. We have applied for funding to support this development.

Key focus for 2020/21

- Delivery of 2020 Jerwood Arts Circus Residencies and launch of round two.
- Increase time, space and support for open training professional members to enable a recovery for careers impacted by COVID-19.
- New website and digital technology development.

Supporting the wider sector, associates, teachers and young people

Our Participation and Outreach team had another successful and busy year through until March. 26 CAT (Centre of Advanced Training) students achieved great progress through a combination of their regular discipline and supporting classes and intensive masterclass sessions that allowed them to work with four professional companies and performers including alumni company BMT and world renowned Ockhams Razor, three of which were delivered remotely while in lockdown. Before March the group took two organised trips to professional circus productions, seeing Ockhams Razor performing *Tipping Point* at Shoreditch Town Hall and Upswing's *Circus Circus Circus* at Hoxton Hall. Again they visited the world renowned *Cirque De Demaine* festival in Paris and while they were in the city also visited Academie Fratellini. Five CAT members applied to and have been successful in gaining entry onto the Higher Education programme at the National Centre. For the first time this year, in early March the CAT students created their own pieces of work which were performed at Jacksons Lane. Throughout lockdown CAT and LYC students were able to access live classes online along with support from the core team to enable them to continue their circus training.

Each week we have welcomed around 800 adults, young people and families into our building to take part in recreational circus course and classes in a broad range of circus disciplines.

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Many participants have been engaged in circus activities over many years and view it as an integral part of maintaining their health and wellbeing and our closure in March has been a huge blow for many longstanding recreational users. The adult recreational programme included new (and very popular) short courses in Chinese Pole and straps, as well as a pilot programme called Act Creation. The latter ran for 10 weeks and taught participants how to create an act from scratch, finishing with a performance to family and friends at the end of the term.

The team delivered 20 outreach workshops and tours to various groups and organisations, for a total of 537 participants. Our Sensory Circus project, although cut short and currently on hold, ran 12 highly successful sessions for 27 participants.

The 2020 National Youth Circus Event in February hosted 92 young people from across the UK with 46 practitioners and group leaders. This was the largest cohort for the event ever and once again our geographic coverage was broad with participants from Aberdeen to Cornwall and Norwich to the Forest of Dean. We hosted 23 schools in total with nine from London and 14 from the rest of the UK, with five attending the event for the first time. The weekend was, as usual, filled with physical skills sessions as well as classroom-based and discussion groups for both young people and their leaders, with a shared performance as a highlight on the Saturday night. Once again, our young volunteers worked hard to support our teachers and administration team throughout the weekend taking on a wide range of tasks. The event provides a vital recruitment pathway for our CAT programme with all current external CAT students having attended the event. This year one student was recruited through the event and joins the CAT scheme in September.

Our pathways into Higher Education are robust and continue to strengthen with all applicants from feeder programmes at the National Centre being offered places on the Foundation Degree following auditions.

This year the Training Team had a number of projects that allowed us to work with groups from outside the direct circus community. The most significant of these was a pilot which developed relationships with three London schools and was funded by contributions from Allen & Overy, the Arsenal Foundation and the Teale Charitable Trust. The project allowed us to understand their needs from a physical education standpoint and to look at how circus could complement the PE curriculum. The desire to find a sustainable way to support the development of primary school teachers to continue to use circus arts methodologies was a catalyst for the creation of online video resources. From the same learning and teaching ethos as the primary school work, we also designed a programme for fitness professionals. This project highlighted how the creativity and adaptability that is inherent in circus can transform the effectiveness of conventional exercise prescription.

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We collaborated with an orthopaedic surgeon from Spain to collect data on the spinal shape of Circus Artists for a research project. This data is currently with a statistics team and we hope to see it published at some point in the future.

The Training Team hosted a secondment from the Civil Service Fast Stream programme. Maia spent six months working with the Training Team as well as other departments and helped us to develop ideas for revenue generation and how we may commercialise and use our intellectual property more effectively. This early research has led us to develop an enhancement of our corporate workshop offer. Roll-out of this work was curtailed on closure on March and we will now review it in light of COVID restrictions and adapt once again.

During lockdown the Training Team focused on supporting the delivery departments by teaching remotely and creating learning resources that were shared on a private YouTube playlist providing activities suitable for a wide range of our community to enjoy.

Our role as the National Centre for Circus has been challenged by the huge impact of COVID-19 on the circus sector and we have tried to be responsive to the needs and desires of our community and partner organisations. The support we have offered has varied hugely but we have tried to ensure that information is easily available to professional artists via our newsletter and regular updates, and we created a suite of home training films for children and young people to enable them to continue their circus journey in lockdown. Classes were delivered live online for various groups and we engaged external professionals to bring their expertise to our students. Within the sector we have facilitated and supported debate and entered into discussion and forums around various topics including COVID safety for buildings and in teaching practice, space availability and suitability, technical and rigging issues, health and safety and cleaning and hygiene and business planning for those reviewing strategy, offering our staff team's expertise and knowledge via various means. Never has it been more necessary for organisations to unite and present a single voice to government about the challenges being faced by the sector and a submission was made to the Parliamentary Enquiry for the cultural sector.

Key focus for 2020/21

- Reintroduction of recreational circus activity for children, young people and adults.
- Delivery of Gold Arts Awards for older London Youth Circus Students.
- Achieve targets set within our Access and Participation Plan to engage with groups in areas of low participation in Higher Education and underrepresented groups.
- Develop our teacher training offer via online platforms to create a resource library that is accessible and widely shareable.

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Corporate and Commercial work

The work we deliver to the corporate and commercial sectors has been crucial to supporting the delivery of our charitable objectives and between the start of the year in August 2019 and our enforced closure in March 2020 we successfully hit our full year's financial target. This virtuous circle of delivering high quality corporate events from which we then feedback the financial benefit gained into our education programmes and student support, is enshrined in our values, however we recognise that the events market has been hard hit in 2020 and this strand of work may not resume for some considerable time. We facilitated seven events hires of varying sizes over a total of 23 days. The corporate clients we welcomed were diverse as usual and included a major product launch for Nike and a new range promotion for Zara that saw a 'house' built within our largest space.

Key focus for 2020/21

- Reignite our events work as the market recovers from COVID-19.
- Redevelop our corporate workshop offer for a new target market.

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Financial review

The National Centre's model

We derived our income, £2.16m (2019: £2.41m) of which was unrestricted, from a number of sources during the year. Around 33% was generated by our Higher Education programme, a further 33% from Grants & Fundraising with the remaining 33% attributable broadly equally to Recreational Courses & Artist Support and our Commercial Activities. Inevitably this income mix was significantly impacted from mid-March 2020 by the COVID-19 pandemic which, for instance, resulted in special grants from the Arts Council and the COVID-19 Job Retention Scheme that were vital to the National Centre's continued viability.

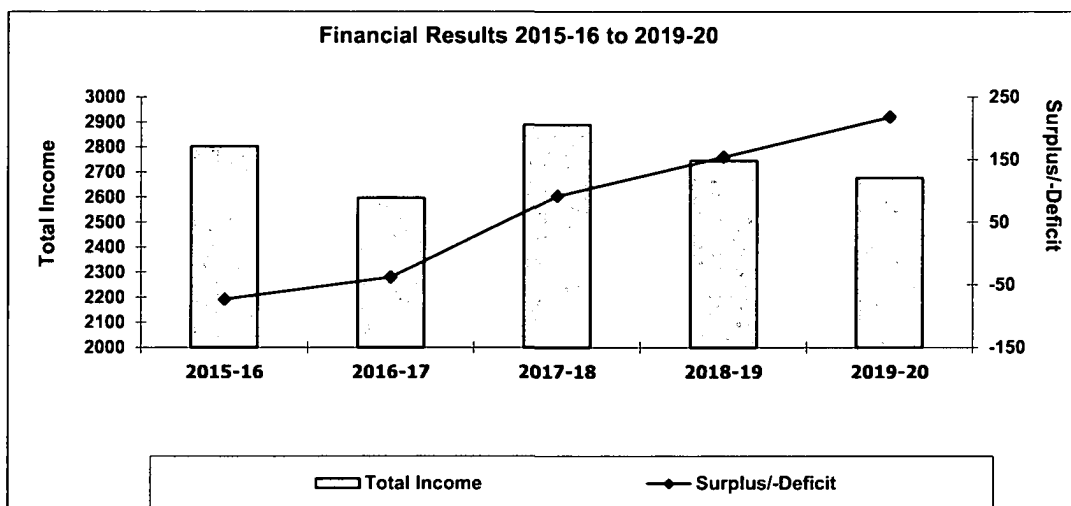
Results for the year

Even with the receipt of these grants, total income fell to £2.59m but without this financial support would have declined by circa £550k from the £2.75m recorded for 2018-19.

Despite the sudden impact of COVID-19, we were able to reduce our non-salary costs by circa £300k from pre pandemic expectations.

The surplus of £218k for the year ended 30 July 2020 (2019: Surplus £154k) reflected £201k of the Emergency Response Fund grant from the Arts Council that was recognised in the year; in practice this grant is going to be directed at supporting our activities from August 2020.

This graph illustrates our financial history over the past five years:



At 31 July 2020, the group had net current assets of £174k (2019: net current liabilities £62k). As a result of the very different prevailing circumstances at the end of July, the mix and content of Accrued and Deferred Income is very different at the year-end.

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Following the receipt of the grant from the Arts Council Emergency Response Fund shortly before the year-end, our cash balances were boosted to £832k (2019: £464k) at 31st July 2020.

General Reserves and Going Concern

During late 2019, and before COVID-19 appeared, the Board revised its target for a General Reserve from £330k to £450k to ensure the charity could cover both semi-fixed and fixed costs in full for a period of at least three months. In hindsight clearly this decision was well founded and provided some financial reassurance during a difficult economic period triggered by the COVID-19.

Unrestricted reserves stand at £645K at the 31st July 2020 (2019: £427k) and whilst this is well above the Board's target of £450k, as covered earlier in this report, that reflects the recognition of £201k in grant income that in practice will be applied to support the charity from August 2020 onwards.

As a matter of policy, each year the Trustees review the value of reserves required to be held in investments, cash and cash equivalents that are not restricted to any particular purpose. We also consider our exposure to the risk of any significant loss of income or unforeseen cost. A drop in income is the major risk that these reserves are held to mitigate against and we recognise that there is always an income risk in relation to the current economic climate, current market conditions and the changes within public sector funding. We also account for expected expenditure on upcoming capital projects.

However, at this time (October 2020), as there remains considerable uncertainty around the pace of economic recovery from COVID-19, the Trustees felt it prudent to arrange bank facilities in the addition to the £150k already available from Charity Bank. As a result it has reached agreement in principle with its mainstream bankers, the Co-operative Bank, which will increase its total available facilities to £300k and take advantage of the Government's COVID-19 Business Interruption Loan Scheme.

In light of the above, our reserves level along with our future plans and expectations, the Trustees consider it appropriate to prepare the financial statements on a going-concern basis.

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Subsidiary Companies: Review of Activities

The two companies are wholly owned subsidiaries of the charity; trading profits are distributed to the charity to support our charitable objectives.

Circus Space Property Company Limited

The Property Company holds the 150-year lease of the three phases of the Hoxton site.

It is through the Property Company that we manage the letting of space to SMEs in our small office units and companies using the Creation Studio to make and rehearse work.

In 2019/20 [until closure in March]:

- 21 artists/companies have spent time free of charge in the Creation Studio, equating to 37 days given as support in kind at a commercial value of approximately £20k.
- 21 artists/companies have collectively spent 65 days in the Creation Studio at a supported rate, equating to approximately £11k of subsidy.

Circus Space Events Limited

It is through the Events Company that we manage corporate and private training workshops and hires of our large training spaces and courtyard for major events.

In 2019/20 we ran 17 workshops for a total of 365 participants over the year. The mix of clients in this group was as varied as usual with groups from the finance, marketing, consultancy and fashion sectors as well as a handful of Christmas and children's birthday parties.

We facilitated seven events in our large training spaces and courtyard which were a diverse mix ranging from a Christmas party for Twitter, auditions for Marvel Universe through to huge brand activation events for the international press and media as well as the general public. Some events have provided employment for graduate circus artists as performers or activity facilitators.

Principal Risks and Uncertainties

We have a rigorous approach to risk management and risk is identified and discussed throughout the organisation with the trustees, via the audit subcommittee which receives quarterly information for scrutiny and reports to the board of trustees. 2020 has given us the unique new risk of all that has come with COVID-19 and this risk has been overlaid on all existing risk assessments.

We have identified the following as significant risks:

Conservatoire for Dance and Drama

Changes to the regulatory framework in Higher Education have led to a review of governance and assurance arrangements between the central function of the Conservatoire for Dance and Drama ("CDD") and the member schools. There are possible changes in the membership of CDD which may affect long-term sustainability of the current business model. Work has started on a review of the current situation and development of a new strategy.

Funding and economic risks

During 2019/20 our statutory funding from both Arts Council England as a national portfolio organisation and from the Higher Education Funding Council/ Office for Students remained static at current levels. However, we are planning for the uncertainty we face with Brexit looming and changes in HE funding that are looking ever more likely although consultation processes have been delayed. Our closure from March 2020 until September 2020 has resulted in a loss of earned and fundraised income of £314k. We were fortunate in applying for and achieving Emergency Funding from ACE supporting us until the end of September and we have applied to the Recovery Fund for further support through to the spring of 2021.

A government review of Institutional Specific Targeted Allocation (ISTA) funds is overdue. ISTA provides additional resource for intense specialist training and the outcome of this review could have a material effect on our future funding. We are also facing uncertainties from Brexit. We are taking these uncertainties into account in our planning.

We remain ambitious both for ourselves and our art form. However, we recognise the significant risk associated with reliance on any single source of funding or income and endeavour to ensure a broad base of economic opportunities supported by robust financial controls and an ability to respond swiftly to external changes, both in terms of risks and opportunities.

We had made significant progress in driving income from the use of our main asset, the building, by hosting an increasing number of corporate events during the year. COVID-19 has

National Centre for Circus Arts
Trustees Report & Financial Statements
For the year ended 31st July 2020

decimated the events industry and the income we would expect from that activity is unlikely to resume until the middle of 2021 at the earliest. We will seek alternative funding and support to mitigate these losses.

Fundraising

Fundraising targets are being reviewed and recruitment will soon be underway for a new fundraiser to join the team. The charitable sector is under huge pressure and funders are seeing huge increases in the demand for resources. The developmental work we are planning, including a project to develop and support teachers and teaching practice; work with underrepresented groups; and developing our digital capacity, is largely scalable and only undertaken when funding is secured. We will review and rewrite our fundraising strategy and have a funding application in place to allow us to work with a consultant on this in early 2021. Our Gala event was cancelled in May due to COVID-19 losing us around £100k of expected income and £25 in sunk costs. We have yet to decide when we may return to running such an event in the future. Raising support for core costs remains challenging.

Raising voluntary funds from trusts, foundations and individuals is a vital source of income for the National Centre, enabling us to fulfil our charitable objectives as effectively as possible. We are grateful for the support given by all our donors. We believe that fundraising should be an open, honest and respectful process and we aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values and goals. In developing our approach to fundraising we have considered the Code of Fundraising Practice issued by the Fundraising Regulator. The National Centre operates with a very small internal fundraising team and does not engage external professional fundraisers or commercial partners to carry out fundraising activity.

In May 2018 the National Centre for Circus Arts reviewed and updated its Privacy Policy to ensure compliance with the new General Data Protection Regulations. This policy, published on our website, clearly states what personal data the National Centre will hold in relation to supporters and how this data will be used. It sets out how individuals can raise concerns or complaints. The National Centre for Circus Arts has received no complaints about its fundraising activities either during the financial year or subsequently.

Managing our national role and reputation

The support we can offer the wider sector is crucial at this time and how we engage with other circus artists and organisations to ensure the challenges we are all facing are heard at the highest levels is a key priority. We are active within various groups and forums, many of which have grown from the devastation and chaos that has been caused by COVID-19. The positive benefit we can take from this is a far more open approach to information sharing and a

National Centre for Circus Arts
Trustees Report & Financial Statements
For the year ended 31st July 2020

willingness to collaborate in ways that have previously not been explored. Without a doubt some people have had more time to reflect with enforced downtime and the wider circus community has developed a set of missions and ambitions that are widely shared, and an action plan shared by many organisations and artists is underway. Our focus on how we build the reputation of circus in the wider cultural sector is at the heart of this work as it will allow us all to amplify the voice circus has. The National Centre operates effectively in the digital world with a vibrant social media following and we allocate significant resources to ensuring that our communications across all platforms are positive, current and relevant. Our current undergraduate cohort faces huge challenges as the student experience is so very different in a COVID world, and we are working hard to make sure we support student and graduate expectations and understanding of this unique changing landscape. We are also offering advice and support to other circus companies and artists across the UK by providing newsletters and discussion forums for topics raised by the sector. We aim to make sure there are regular, if remote, opportunities for regional debate and skills sharing so artists are not left isolated. Collaborative and partnership working remains ever more critical in building a real strength in the sector. While we cannot offer financial support to others, we can enable the sharing of good practice, advocacy and lobbying for the benefit of all.

Governance and Internal Control

The Trustees have identified and incorporated best practice in accordance with the Charities SORP and Charity Commission guidance.

The Charity endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The Charity is an affiliate of the Conservatoire for Dance and Drama (CDD), an education corporation under the terms of the Education Reform Act 1988 and HE Act 1992.

The CDD Working Agreement requires the charity to have a Governing Body and an Academic Board, each with clearly defined functions and responsibilities to oversee and manage its activities.

- a) The Governing Body is the Trustee Board, responsible for matters including finance, property and staffing of the institution. It is specifically required to determine the educational character and mission of the institution and to set its general strategic direction.

The Trustee Board has several independent advisors. The Chair is elected from among the trustees; Trustee Board meetings are attended by all members of the Senior Management Team. No members of the Trustee Board may receive remuneration for the work that they do for that body. New trustees are recruited via an open recruitment process of advertisement and interview which is overseen by the Remunerations and Nominations Committee. All trustees are given an induction into the organisation by the Chief Executive, regular performance review by the Chair of Trustees and are offered relevant training when it arises. In addition to regular subcommittee and full board meetings, the trustees meet annually for an away day to review performance and set strategy for the coming years.

- b) Subject to the overall responsibility of the Trustee Board, the Academic Board has oversight of the academic affairs of the charity and draws its membership entirely from the staff and students of the charity. It is particularly concerned with general issues relating to the learning, teaching and research work of the charity.

The Chief Executive is the head of the charity and has a general responsibility to the Trustee Board for the organisation, direction and management of the charity. Under the terms of the formal financial memorandum between the charity and CDD, the Chief Executive is the accounting officer and, in that capacity, can be summoned to appear before the Public Accounts Committee of the House of Commons.

National Centre for Circus Arts
Trustees Report & Financial Statements
For the year ended 31st July 2020

Although the trustees meet at least four times each year, much of the board's detailed work is delegated to subcommittees, including committees for Finance, Nominations, Remuneration and Audit. These committees operate under specific terms of reference with all minutes being reported to the Trustee Board, and all decisions being ratified by the Trustee Board.

The trustees delegate responsibility for setting remuneration of senior staff to the Remuneration and Nominations Committee. The committee follow a process of external benchmarking within our sector, with particular reference to our peers within the Conservatoire for Dance and Drama, to set suitable levels of pay within our own pay structure.

A significant proportion of the membership of these committees consists of members of the Trustee Board. Co-opted staff and student members may also be eligible to serve on some of these committees, subject to the provisions of the articles. The Chair of each committee is selected from the Trustees.

The Chief Executive exercises considerable influence over the development of the institutional strategy, the identification and planning of new developments, and shaping of the institutional ethos. The Senior Management Team all contribute in various ways to these aspects of this work but the ultimate responsibility for what is done rests with the Trustees.

The charity maintains a register of interests of the Trustees and Senior Management Team which may be consulted by arrangement with the Company Secretary.

Statement of Trustees Responsibilities

The Trustees (who are also directors of the National Centre for Circus Arts for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

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

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

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

In so far as the Trustees are aware:

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

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. These include:

- A strategic plan and an annual budget approved by the Trustees.

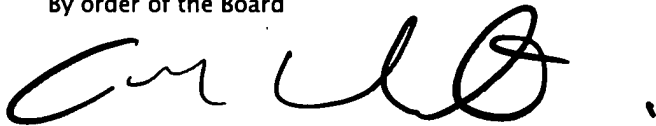
National Centre for Circus Arts
Trustees Report & Financial Statements
For the year ended 31st July 2020

- Regular consideration by the Trustees of financial results including variance from the approved budget.
- Delegation of authority and segregation of duties.
- An annual formal internal audit conducted by a representative of CDD, with the resulting report and actions reviewed and approved by the Trustees. One such audit has taken place during the year.
- Identification and management of risks.

The Trustees have formalised the management of risk. The risk register is developed and monitored by the Chief Executive and Senior Management. It identifies risks to the charity in terms of their severity and probability and identifies actions to be taken to mitigate the risks, identifying timescale and responsibility. The Trustees review the register annually.

This report has been prepared in accordance with the special provisions of Section 381 of the Companies Act 2006 relating to small companies.

By order of the Board

A handwritten signature in black ink, appearing to read 'Craig Calvert', followed by a small comma.

Craig Calvert
Acting Chair of the Board
Tuesday 20th October 2020

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

Independent Auditors Report to the Trustees of the National Centre for Circus Arts

We have audited the financial statements of the National Centre for Circus Arts for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated 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 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 Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2020 and of the group's income and expenditure for the year then
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

And in our opinion in all material aspects:

- funds administered by the National Centre for Circus Arts for specific purposes during the year ended 31 July 2020 have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the OfS and Research England have been applied in accordance with the terms and conditions of the Accounts Direction and any other terms and conditions attached to them during the year ended 31 July 2020;
- the requirements of the OfS's accounts direction have been met.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

Independent Auditors Report to the Trustees of the National Centre for Circus Arts

Opinions on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees' responsibilities statement the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

Independent Auditors Report to the Trustees of the National Centre for Circus Arts

Auditor's responsibilities for the audit of the financial statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

James Saunders FCCA DChA

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 13th November 2020

Devonshire House
60 Goswell Road
London
EC1M 7AD

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

**Consolidated Statement of Financial Activities for the year ended 31 July 2020
(including the income and expenditure account)**

| | Notes | Unrestricted funds £ | Restricted funds £ | Total funds 2020 £ | Total funds 2019 £ |
|--|-------|----------------------------|--------------------------|--------------------------|--------------------------|
| Income from: | | | | | |
| Donations and Grants | 3 | 1,016,141 | 218,305 | 1,234,446 | 889,328 |
| Investments | | 8 | - | 8 | 8 |
| Charitable activities | 4 | 909,486 | - | 909,486 | 1,222,142 |
| Other trading activities | | | | | |
| Income from trading activities and other receipts | 6 | 553,110 | - | 553,110 | 634,160 |
| Total income | | 2,478,745 | 218,305 | 2,697,050 | 2,745,638 |
| Expenditure on: | | | | | |
| Charitable activities | 7 | 2,050,003 | 205,691 | 2,255,694 | 2,372,795 |
| Raising funds | | | | | |
| Fundraising and Publicity | 9 | 166,374 | - | 166,374 | 174,790 |
| Commercial trading costs | | 60,791 | - | 60,791 | 65,321 |
| Total | | 2,277,168 | 205,691 | 2,482,859 | 2,612,906 |
| Net income/(expenditure) | | 201,577 | 12,614 | 214,191 | 132,732 |
| Transfer between funds | 18 | 12,614 | (12,614) | - | - |
| Other recognised gains: | | | | | |
| Tax credit | 20 | 4,000 | - | 4,000 | 21,640 |
| Net movement in funds | | 218,191 | - | 218,191 | 154,372 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 426,739 | 2,852,427 | 3,279,166 | 3,124,794 |
| Total funds carried forward | | 644,930 | 2,852,427 | 3,497,357 | 3,279,166 |

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020
Consolidated Balance Sheet at 31 July 2020**

| | Notes | 2020 £ | 2019 as restated £ |
|---|-------|------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 3,323,655 | 3,341,563 |
| Current assets | | | |
| Stock | | 4,901 | - |
| Debtors | 15 | 240,119 | 235,443 |
| Cash at bank and in hand | | 832,098 | 464,097 |
| | | <u>1,077,118</u> | <u>699,540</u> |
| Liabilities | | | |
| Creditors: Amounts due within one year | 17 | (903,416) | (761,937) |
| | | <u></u> | <u></u> |
| Net current assets/(liabilities) | | <u>173,702</u> | <u>(62,397)</u> |
| Net assets | | <u>3,497,357</u> | <u>3,279,166</u> |
| Funds | | | |
| Restricted funds | 18 | 2,852,427 | 2,852,427 |
| Unrestricted funds | | 644,930 | 426,739 |
| | | <u>3,497,357</u> | <u>3,279,166</u> |

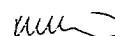
The financial statements were approved by the Board on 20th October 2020 and signed on its behalf by:



Craig Calvert
Trustee



Thomas Nowacki
Trustee



Kate White
Accountable Officer

Company Number: 02553293

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020
Charity Balance Sheet at 31 July 2020**

| | Notes | 2020 | 2019 as restated |
|--|-------|------------------|------------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 13 | 205,862 | 223,770 |
| Investments | 14 | 200 | 200 |
| | | <u>206,062</u> | <u>223,970</u> |
| Debtors | | | |
| Amounts falling due after more than one year | 16 | 3,140,092 | 3,140,092 |
| Current assets | | | |
| Stock | | 4,901 | - |
| Debtors | 15 | 342,383 | 93,744 |
| Cash at bank and in hand | | 782,334 | 273,704 |
| | | <u>1,129,618</u> | <u>367,448</u> |
| Liabilities | | | |
| Creditors: Amounts due within one year | 17 | (1,083,481) | (725,306) |
| Net current liabilities | | <u>46,137</u> | <u>(357,858)</u> |
| Net assets | | <u>3,392,291</u> | <u>3,006,204</u> |
| Funds | | | |
| Restricted funds | 18 | 2,852,427 | 2,852,427 |
| Unrestricted funds | | 539,864 | 153,777 |
| | | <u>3,392,291</u> | <u>3,006,204</u> |

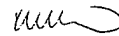
The financial statements were approved by the Board on 20th October 2020 and signed on its behalf by:



Craig Calvert
Trustee



Thomas Nowacki
Trustee



Kate White
Accounting Officer

Company Number: 02553293

**NATIONAL CENTRE FOR CIRCUS ARTS
STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

**Consolidated Statement of Cash Flows for the year ended
for the year end 31 July 2020**

Reconciliation of net income to net cash flow from operating activities

| | 2020 | 2019 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Net income for the reporting period | 218,191 | 154,372 |
| Depreciation charges | 17,908 | 17,091 |
| Interest received | (8) | (8) |
| Increase in stock | (4,901) | - |
| Decrease/(increase) in debtors | (4,676) | 68,844 |
| Increase /(decrease) in creditors | 141,479 | (4,230) |
| Net cash provided by operating activities | <u>367,993</u> | <u>236,069</u> |

| | £ | £ |
|---|-----------------------|------------------------|
| Net cash provided by operating activities | 367,993 | 236,069 |
| Cash flows from investing activities | | |
| Interest received | 8 | 8 |
| Purchase of tangible assets | - | (22,091) |
| Net Cash provided by/(used in) in investing activities | <u>8</u> | <u>(22,083)</u> |
| Change in cash and cash equivalents | <u>368,001</u> | <u>213,986</u> |
| Cash and cash equivalents at the start of the year | 464,097 | 250,111 |
| Cash and cash equivalents at the end of the year | <u>832,098</u> | <u>464,097</u> |

**National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020**

1 ACCOUNTING POLICIES

Charitable company status

The charity is a company limited by guarantee. The members of the company are the Trustees as set out on page 3. In the event of the charity being wound up the liability on repaying the guarantee is £10 per member.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the consolidated financial statements have been prepared in accordance with 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 (The FRS 102 Charity SORP) including Update Bulletin 2, the Companies Act 2006 and the Charities Act 2011.

The results of the subsidiary entities are consolidated on a line by line basis. A summary of the results of the subsidiary entities is shown in Note 14. The functional currency of the charity and its subsidiaries is sterling; amounts are rounded to the nearest pound.

National Centre for Circus Arts has taken advantage of the exemption in section 408 of the Companies Act 2006 from disclosing its individual statement of financial activities. The Charity only surplus (net movement in funds) was £386,087 (2019: surplus of £118,358).

Consolidation

The group accounts consolidate the accounts of National Centre for Circus Arts and its subsidiary undertakings, Circus Space Property Company Limited and Circus Space Events Limited, made up to 31 July 2020. The acquisition method of accounting has been

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the charitable group's forecasts and projections and have taken account of pressures on recreational course income and commercial hire income in light of the impact of COVID-19. After making enquiries the Trustees believe that there is no material uncertainty that the charitable group will not continue to be a going concern and have concluded that there is reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future.

Income

Total incoming resources as shown in the Statement of Financial Activities is the total income of the group. All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, the receipt is probable, and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

Charitable activities are accounted for in the period to which they relate. Investment income is included on a receivable basis.

**National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020**

1 ACCOUNTING POLICIES (continued)

Donations, grants and legacies are included in full in the Statement of Financial Activities when receivable. Grants received in advance for specified future periods or where conditions are attached to their use which remain outside the control of the charity are carried forward as deferred income and released when conditions for entitlement are fulfilled.

Fees and other funding received towards the provision of training courses is recognised when the training is delivered. Income received in advance is deferred in the Balance Sheet and then released at the point of delivery of the related training/educational provision.

Expenditure

Expenditure is accounted for on an accruals basis. Direct charitable expenditure includes all costs related to the main purpose of National Centre for Circus Arts and include: costs of delivering the degree course; youth and adult courses; and support to professional artists.

Fundraising and publicity includes all direct expenditure on publicising the work of National Centre for Circus Arts. Governance costs, which are included in the support costs, include those costs incurred in the governance of the charity and are primarily associated with regulatory requirements.

Staff costs and support costs

Staff costs and overhead expenses are allocated to activities on the basis of staff time and studio space used on those activities.

Pension costs

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

Employee costs

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the associated employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tangible fixed assets and depreciation

All fixed assets are stated at cost.

Depreciation is provided at the following annual rates in order to write off each asset over

| | |
|-------------------------------|-----|
| Plant and Equipment | 10% |
| Stage and acrobatic equipment | 25% |
| Computer and office equipment | 33% |

Assets with a value of less than £1,000 are written off in the financial statements in the period of purchase. Leasehold property has been capitalised and included in fixed assets at cost. On 24th July 2015, a professional valuation was undertaken by Jones Lang La Salle Limited, giving a current market value of £7,550,000. This supports the view that the residual value of the building is not considered to be lower than its current carrying value in the accounts. On that basis, no further depreciation has been provided since that date. The property is reviewed annually for any potential impairment.

**National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020**

1 ACCOUNTING POLICIES (continued)

Stock

Stock is valued at the lower of cost and net realisable value.

Restricted funds

Restricted funds are to be used for specified purposes as laid down by the donor.

Unrestricted funds

Unrestricted funds are donations and other incoming resources received or generated for the charities general purposes.

Taxation

The company is a registered charity and is not liable to United Kingdom income or corporation tax on its charitable activities. Tax credits claimed under the theatre tax relief scheme are shown as a credit in the year to which it relates.

Grants

Government and local authority grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Provided there are no remaining restrictions on the use of the capital asset, the grant is released to unrestricted income when the asset is acquired as this fulfils the restriction placed by the donor on the use of the grant. Grants of a revenue nature are credited to incoming resources in the period in which they are receivable.

Operating lease commitment

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Financial instruments

Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the SOFA.

The charity has provided a long term loan to its subsidiary company Circus Space Property Company Limited. The loan meets the definition of a public benefit entity concessionary loan and as such is accounted for at amortised cost and reviewed annually for impairment.

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going 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. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Useful

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property, plant and equipment and note 1 for the useful economic lives for each class of asset.

3 GRANTS

The group received financial assistance from various funders as follows:

| | 2020 | | |
|--|---------------------|-------------------|------------------|
| | £ | £ | £ |
| | Unrestricted | Restricted | Total |
| Arsenal Foundation | - | 2,500 | 2,500 |
| Arts Council England | 545,435 | - | 545,435 |
| Allen & Overy | - | 5,000 | 5,000 |
| BBC Children in Need | - | 2,000 | 2,000 |
| Chapman Trust | 2,000 | - | 2,000 |
| Coronavirus Job Retention Scheme | 221,440 | - | 221,440 |
| Conservatoire for Dance & Drama | 206,792 | 55,637 | 262,429 |
| Contemporary Dance School (London) | - | 87,404 | 87,404 |
| Garfield Weston | 12,160 | 7,840 | 20,000 |
| Jack Petchy Foundation | 250 | 500 | 750 |
| Jerwood | - | 11,445 | 11,445 |
| Katherine Roberts & Friends Bursary Awards | - | 400 | 400 |
| Leverhulme Trust | - | 34,570 | 34,570 |
| Rayne Trust | - | 2,000 | 2,000 |
| Teale Charitable Trust | - | 6,000 | 6,000 |
| Thistle Trust | - | 2,000 | 2,000 |
| Sundry donations | 28,064 | 1,009 | 29,073 |
| | 1,016,141 | 218,305 | 1,234,446 |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

3 GRANTS (continued)

| | 2019 | |
|---|---------------------|-------------------|
| | £ | £ |
| | Unrestricted | Restricted |
| | £ | £ |
| Arts Council England – Capital/Revenue | 341,867 | – |
| Conservatoire for Dance and Drama (CDD) | 193,421 | 205,934 |
| Contemporary Dance Trust Ltd | – | 66,787 |
| Leverhulme Trust | – | 43,000 |
| Coop Local Community Fund | 5,846 | – |
| Golsoncott Foundation | – | 2,000 |
| Harold Hyam Wingate Foundation | – | 2,500 |
| Teale Charitable Trust | – | 2,000 |
| D'Oyly Carte Charitable Trust | – | 3,500 |
| Regatta Foundation | – | 1,200 |
| Sundry donations | 20,803 | 970 |
| Gift Aid – CSP/CSE | (5,000) | – |
| St James Place Foundation | – | 2,500 |
| Chapman Charitable Trust | – | 2,000 |
| | 556,937 | 332,391 |
| | | 889,328 |

4 INCOME FROM CHARITABLE ACTIVITIES

| | 2020 | 2019 |
|---|----------------|------------------|
| | £ | £ |
| Fees from home and EU higher education students | 598,157 | 512,896 |
| Audition and other fees | 21,704 | 100,420 |
| Artists Development income | 20,433 | 48,835 |
| Short Course income | 269,192 | 559,991 |
| | 909,486 | 1,222,142 |

5 DEGREE FUNDING

The degree income figure excludes funding receivable from OfS through the Conservatoire for Dance and Drama:-

| | 2020 | 2019 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Contributions from CDD (see note 3) | 189,437 | 193,421 |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

6 OTHER TRADING ACTIVITIES

Income from other trading activities and other receipts

| | 2020 | 2019 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Workspace and room hire | 519,513 | 548,422 |
| Classes, courses and workshops | 25,996 | 59,707 |
| Merchandise income | 7,601 | 13,458 |
| Other income | – | 4,733 |
| Performance tickets | – | 7,840 |
| | <u>553,110</u> | <u>634,160</u> |

7 DIRECT CHARITABLE EXPENDITURE

| | Year ended 31 July 2020 | | |
|----------------------------|-------------------------|----------------|------------------|
| | Direct costs | Support costs | Total Funds |
| | £ | £ | £ |
| Artists Development | 45,515 | 177,007 | 222,522 |
| Degree | 690,759 | 335,083 | 1,025,842 |
| Participation and Outreach | 439,480 | 382,919 | 822,399 |
| Training | 100,353 | 84,578 | 184,931 |
| | <u>1,276,107</u> | <u>979,587</u> | <u>2,255,694</u> |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

7 DIRECT CHARITABLE EXPENDITURE (continued)

| | Year ended 31 July 2019 | | |
|----------------------------|-------------------------|------------------|------------------|
| | Direct costs | Support costs | Total Funds |
| | £ | £ | £ |
| Artists Development | 45,643 | 211,247 | 256,890 |
| Degree | 683,594 | 351,991 | 1,035,585 |
| Participation and Outreach | 509,353 | 455,129 | 964,482 |
| Training | 94,332 | 21,506 | 115,838 |
| | <u>1,332,922</u> | <u>1,039,873</u> | <u>2,372,795</u> |

8 SUPPORT COSTS AND ADMINISTRATION

| | Year ended 31 July 2020 | | | | |
|--------------------------|-------------------------|----------------|---------------|----------------|----------------|
| | Governance | Administration | IT | Operations | Total |
| | £ | £ | £ | £ | £ |
| Artists Development | 676 | 3,629 | 506 | 172,196 | 177,007 |
| Degree | 32,454 | 174,176 | 24,282 | 104,171 | 335,083 |
| Participation & Outreach | 39,216 | 210,463 | 29,341 | 103,899 | 382,919 |
| Corporate activity | 2,028 | 10,886 | 1,518 | 49,813 | 64,245 |
| Training | 2,705 | 14,515 | 2,024 | 1,089 | 20,333 |
| | <u>77,079</u> | <u>413,669</u> | <u>57,671</u> | <u>431,168</u> | <u>979,587</u> |

| | Year ended 31 July 2019 | | | | |
|--------------------------|-------------------------|----------------|---------------|----------------|------------------|
| | Governance | Administration | IT | Operations | Total |
| | £ | £ | £ | £ | £ |
| Artists Development | 675 | 3,217 | 434 | 206,921 | 211,247 |
| Degree | 33,733 | 160,846 | 21,713 | 135,699 | 351,991 |
| Participation & Outreach | 47,226 | 225,184 | 30,398 | 152,321 | 455,129 |
| Corporate activity | 2,024 | 9,651 | 1,303 | 52,343 | 65,321 |
| Training | 2,699 | 12,868 | 1,737 | 4,202 | 21,506 |
| | <u>86,357</u> | <u>411,766</u> | <u>55,585</u> | <u>551,486</u> | <u>1,105,194</u> |

9 FUNDRAISING AND PUBLICITY

| | 2020 | 2019 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Fundraising and Publicity | <u>166,374</u> | <u>174,790</u> |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

10 GOVERNANCE COSTS

| | 2020 | 2019 |
|--------------------------------|--------------|--------------|
| | £ | £ |
| Bank and other finance charges | 8,255 | 14,176 |
| Audit fees | 18,100 | 19,275 |
| Staff costs | 60,002 | 52,905 |
| | <hr/> 86,357 | <hr/> 86,356 |

11 NET INCOME

Net income is stated after charging:

| | 2020 | 2019 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 17,908 | 17,091 |
| Operating lease rentals | 38,500 | 38,500 |
| Auditor's remuneration | 18,100 | 19,275 |
| | <hr/> 174,508 | <hr/> 174,866 |

12 STAFF COSTS

| | 2020 | 2019 |
|-----------------------|-----------------|-----------------|
| | £ | £ |
| Wages and salaries | 1,685,820 | 1,617,214 |
| Social security costs | 124,110 | 128,823 |
| Pension | 29,110 | 24,165 |
| Redundancy | 4,500 | - |
| | <hr/> 1,843,540 | <hr/> 1,770,202 |

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

| | 2020 | 2019 |
|----------------|-----------|-----------|
| | No. | No. |
| Tutors | 67 | 52 |
| Administration | 46 | 51 |
| | <hr/> 113 | <hr/> 103 |

The average monthly number of employees includes a high number of part time staff, particularly among highly specialised teaching disciplines. The full time equivalents are:

| | No. | No. |
|----------------|----------|----------|
| Tutors | 9 | 12 |
| Administration | 39 | 36 |
| | <hr/> 48 | <hr/> 48 |

The following number of employees received salaries in excess of £60,000:

| | 2020 | 2019 |
|-------------------|------|------|
| | No. | No. |
| £70,000 – £80,000 | 1 | 1 |

Pension contributions for the above employee was £1,314 (2019: £976).

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

12 STAFF COSTS (continued)

The National Centre for Circus Arts considers the Board of Trustees, the CEO, the COO and the Directors of each area as comprising the key management personnel of the charity. The total employment benefits for the six (2019: six) key management personnel was £289,823 (2019:

13 TANGIBLE ASSETS

| Group | Improvements to Leasehold Premises £ | Stage & Acrobatic Equipment £ | Computer & Office Equipment £ | Plant & Equipment £ | Total £ |
|-----------------------|---|--|--|---------------------------|------------|
| Cost | | | | | |
| At 1 August 2019 | 4,135,241 | 31,092 | 64,662 | 142,103 | 4,373,098 |
| Additions | - | - | - | - | - |
| Disposals | - | (31,092) | (64,662) | - | (95,754) |
| At 31 July 2020 | 4,135,241 | - | - | 142,103 | 4,373,098 |
| Depreciation | | | | | |
| At 1 August 2019 | 892,277 | 30,275 | 64,662 | 44,321 | 1,031,535 |
| Charge for the period | 2,721 | 817 | - | 14,370 | 17,908 |
| Disposals | - | (31,092) | (64,662) | - | (95,754) |
| At 31 July 2020 | 894,998 | - | - | 58,691 | 1,049,443 |
| Net Book Value | | | | | |
| At 31 July 2020 | 3,240,243 | - | - | 83,412 | 3,323,655 |
| At 1 August 2019 | 3,242,964 | 817 | - | 97,782 | 3,341,563 |

The National Centre for Circus Arts, The Arts Council England, The Charity Bank Limited and The London Borough of Hackney hold various charges over the property and assets of one of the Charity's subsidiaries, Circus Space property Company Limited.

**National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020**

13 TANGIBLE ASSETS (continued)

Charity

| | Improvements to Leasehold Premises £ | Stage & Acrobatic Equipment £ | Computer & Office Equipment £ | Plant & Equipment £ | 2020 Total £ |
|-----------------------|---|--|--|---------------------------|-----------------|
| Cost | | | | | |
| At 1 August 2019 | 136,055 | 31,092 | 64,662 | 142,103 | 373,912 |
| Additions | - | - | - | - | - |
| Disposals | - | (31,092) | (64,662) | - | (95,754) |
| At 31 July 2020 | 136,055 | - | - | 142,103 | 278,158 |
| Depreciation | | | | | |
| At 1 August 2019 | 10,884 | 30,275 | 64,662 | 44,321 | 150,142 |
| Charge for the period | 2,721 | 817 | - | 14,370 | 17,908 |
| Disposals | - | (31,092) | (64,662) | - | (95,754) |
| At 31 July 2020 | 13,605 | - | - | 58,691 | 72,296 |
| Net Book Value | | | | | |
| At 31 July 2020 | 122,450 | - | - | 83,412 | 205,862 |
| At 1 August 2019 | 125,171 | 817 | - | 97,782 | 223,770 |

14 FIXED ASSET INVESTMENTS

Charity

| | 2020 £ |
|-----------------------------------|-----------|
| Investment in subsidiaries | |
| Cost | |
| At 1 August 2019 | 200 |
| Additions | - |
| At 31 July 2020 | 200 |
| Net Book Value | |
| At 31 July 2020 | 200 |
| At 1 August 2019 | 200 |

The National Centre for Circus Arts has two wholly owned trading subsidiaries: Circus Space Events Limited, which runs commercial events, and Circus Space Property Company Limited which owns the leasehold of the Coronet Street site which rents the majority space to National Centre for Circus Arts with smaller areas rental to third parties. These companies donate their distributable profits to National Centre for Circus Arts. The registered offices of both subsidiaries is Coronet Street, London. A summary of their trading results is shown below. Audited financial statements for these subsidiaries are filed annually with the Registrar of Companies.

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

14 FIXED ASSET INVESTMENTS (continued)

Circus Space Events Limited results

| | 2020 | 2019 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Profit and loss | | |
| Turnover | 430,632 | 505,003 |
| Administrative Expenses | (53,964) | (52,502) |
| Operating profit | <u>376,668</u> | <u>452,501</u> |

Profit and loss reserve

| | | |
|---|---------------|----------------|
| Brought forward at 1 August 2019 | 205,401 | 199,071 |
| Operating profit | 376,668 | 452,501 |
| Distribution to National Centre for Circus Arts | (555,401) | (446,171) |
| Carried forward at 31 July 2020 | <u>26,668</u> | <u>205,401</u> |

Balance Sheet

| | 2020 | 2019 |
|---|-----------------|------------------|
| | £ | £ |
| Debtors | 19,862 | 260,647 |
| Cash at bank and in hand | <u>22,424</u> | <u>157,524</u> |
| | 42,286 | 418,171 |
| Creditors: amounts falling due within one | <u>(15,518)</u> | <u>(212,670)</u> |
| Net current assets | <u>26,768</u> | <u>205,501</u> |
| Capital and reserves | 26,668 | 205,401 |
| Called up share capital | 100 | 100 |
| Total Equity | <u>26,768</u> | <u>205,501</u> |

Circus Space Property Limited results

| | 2020 | 2019 |
|-------------------------------|---------------|---------------|
| | £ | £ |
| Profit and loss | | |
| Turnover | 147,082 | 142,940 |
| Administrative Expenses | (106,423) | (113,253) |
| Operating profit | 40,659 | 29,687 |
| Tax credit | (1,204) | - |
| Profit for the financial year | <u>39,455</u> | <u>29,687</u> |

Profit and loss reserve

| | | |
|---|---------------|---------------|
| Brought forward at 1 August 2019 | 67,668 | 37,981 |
| Operating profit | 39,455 | 29,687 |
| Distribution to the National Centre for Circus Arts | (28,621) | - |
| Carried forward at 31 July 2020 | <u>78,502</u> | <u>67,668</u> |

**National Centre for Circus Arts
Notes to the Financial Statements**

14 FIXED ASSET INVESTMENTS (continued)
Circus Space Property Limited results (continued)

| Balance Sheet: | 2020 | | 2019 | |
|---|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Tangible fixed assets | 3,117,790 | <u>3,117,790</u> | 3,117,790 | <u>3,117,790</u> |
| Debtors | 210,285 | | 221,480 | |
| Cash at bank and in hand | <u>27,340</u> | | <u>32,869</u> | |
| | 237,625 | | 254,349 | |
| Creditors: amounts falling due within one year | <u>(136,721)</u> | | <u>(164,279)</u> | |
| Net current assets | | <u>100,904</u> | | <u>90,070</u> |
| Creditors: amounts falling due after more than one year | | (3,140,092) | | (3,140,092) |
| Net assets | | <u>78,602</u> | | <u>67,768</u> |
| Capital and reserves | | 78,502 | | 67,668 |
| Called up share capital | | 100 | | 100 |
| Total Equity | | <u>78,602</u> | | <u>67,768</u> |

15 DEBTORS

| | 2020 | | 2019 | |
|-------------------------------|----------------|----------------|----------------|---------------|
| | Group | Charity | Group | Charity |
| | £ | £ | £ | £ |
| Trade debtors | 19,191 | 8,787 | 150,388 | 15,609 |
| Amounts owed by subsidiaries | - | 112,543 | - | - |
| Other debtors | 52,789 | 52,914 | 65,046 | 58,126 |
| Prepayments and accrued incor | 168,139 | 168,139 | 20,010 | 20,010 |
| | <u>240,119</u> | <u>342,383</u> | <u>235,443</u> | <u>93,744</u> |

16 DEBTORS: Amounts Due after more than one year

| | 2020 | | 2019 | |
|---|----------|------------------|----------|------------------|
| | Group | Charity | Group | Charity |
| | £ | £ | £ | £ |
| Amounts owed by subsidiary undertakings | <u>-</u> | <u>3,140,092</u> | <u>-</u> | <u>3,140,092</u> |

The long term loan has been provided to the subsidiary company Circus Space Property Company Limited and meets the definition of a public benefit entity concessionary loan as it was made to further the charitable objects of the charity. The loan is secured on the property held by the subsidiary company and is interest free. At present a repayment schedule has not been decided.

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

17 CREDITORS: Amounts falling due within one year

| | 2020 | | 2019 as restated | |
|----------------------------------|----------------|------------------|------------------|----------------|
| | Group | Charity | Group | Charity |
| | £ | £ | £ | £ |
| Trade creditors | 82,478 | 48,469 | 99,244 | 44,348 |
| Social security and taxes | 132,717 | 129,322 | 77,168 | 31,333 |
| Other creditors | 78,828 | 54,241 | 49,284 | 20,387 |
| Accruals and deferred income (i) | 609,393 | 597,768 | 536,241 | 355,672 |
| Amounts owed to subsidiaries | – | 253,681 | – | 273,566 |
| | <u>903,416</u> | <u>1,083,481</u> | <u>707,280</u> | <u>670,649</u> |

Deferred income reconciliation (i)

Deferred income in 2020 includes fees for courses and grant income relating to the next

| | Brought forward | Added amount | Amount released | Carried forward |
|----------------------|-----------------|----------------|------------------|-----------------|
| | £ | £ | £ | £ |
| Deferred income 2020 | <u>369,632</u> | <u>434,882</u> | <u>(369,632)</u> | <u>434,882</u> |
| Deferred income 2019 | <u>414,532</u> | <u>369,632</u> | <u>(414,532)</u> | <u>369,632</u> |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

18 RESTRICTED FUNDS

Group

The funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

| | Balance 1 August 2019 | Income | Expenditure | Transfers | Balance 31 July 2020 |
|--|-----------------------------|----------------|------------------|-----------------|----------------------------|
| | £ | £ | £ | | £ |
| Capital Fund | | | | | |
| Building Development | 2,850,427 | 12,614 | - | (12,614) | 2,850,427 |
| Hackney sustainable grant | 2,000 | - | - | - | 2,000 |
| Generation Fund | | | | | |
| Arsenal Foundation | - | 2,500 | (2,500) | - | - |
| Allen & Overy | - | 5,000 | (5,000) | - | - |
| BBC Children in Need | - | 2,000 | (2,000) | - | - |
| Conservatoire for Dance & Drama | - | 55,637 | (55,637) | - | - |
| Contemporary Dance School (London) | - | 74,790 | (74,790) | - | - |
| Garfield Weston | - | 7,840 | (7,840) | - | - |
| Jack Petchy Foundation | - | 500 | (500) | - | - |
| Jerwood | - | 11,445 | (11,445) | - | - |
| Katherine Roberts & Friends Bursary | - | 400 | (400) | - | - |
| Leverhulme Trust | - | 34,570 | (34,570) | - | - |
| Rayne Trust | - | 2,000 | (2,000) | - | - |
| Teale Charitable Trust | - | 6,000 | (6,000) | - | - |
| Thistle Trust | - | 2,000 | (2,000) | - | - |
| Small donations | - | 1,009 | (1,009) | - | - |
| | 2,852,427 | 218,305 | (205,691) | (12,614) | 2,852,427 |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

18 RESTRICTED FUNDS (continued)

| | Balance 1 August 2018 £ | Income £ | Expenditure £ | Transfers | Balance 31 July 2019 £ |
|---------------------------|----------------------------------|---------------|------------------|----------------|---------------------------------|
| Capital Fund | | | | | |
| Building Development | 2,850,427 | 15,623 | - | (15,623) | 2,850,427 |
| Hackney sustainable grant | 2,000 | - | - | - | 2,000 |
| Generation Fund | | | | | |
| Conservatoire for Dance | - | 190,311 | 190,311 | - | - |
| Contemporary Dance Trust | - | 66,787 | 66,787 | - | - |
| Leverhulme Trust | - | 43,000 | 43,000 | - | - |
| Golsoncott Foundation | - | 2,000 | 2,000 | - | - |
| Harold Hyam Wingate | - | 2,500 | 2,500 | - | - |
| Teale Charitable Trust | - | 2,000 | 2,000 | - | - |
| D'Oyly Carte | - | 3,500 | 3,500 | - | - |
| Charitable Trust | - | | | | |
| Regatta Foundation | - | 1,200 | 1,200 | - | - |
| Sundry donations | - | 970 | 970 | - | - |
| St James Place Foundation | - | 2,500 | 2,500 | - | - |
| Chapman Charitable Trust | - | 2,000 | 2,000 | - | - |
| | <hr/> 2,852,427 | <hr/> 332,391 | <hr/> 316,768 | <hr/> (15,623) | <hr/> 2,852,427 <hr/> |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

18 RESTRICTED FUNDS (continued)

Generation Fund

The Generation Fund represents monies received from various donors for discreet projects within Circus Development, Participation and Outreach and to support student learning,

Transfers

Transfers from the capital fund to general funds in 2020 represent the re-allocation of amounts received under restricted donations to cover small scale capital spending in 2019 and 2020. By utilising the funds for this purpose the restrictions on the donations have been met and the funds have therefore been released. The depreciation relating to these assets will be charged to the general fund over the life of the asset in line with depreciation rates set out in Note 1 to the accounts.

19 RELATED PARTY TRANSACTIONS

During the year the Charity's trading subsidiary distributed their profits to the National Centre for Circus Arts, see note 14 for further details.

National Centre for Circus Arts reimbursed salary and other expenses of £47,000 (2019: £47,391) to its subsidiary, Circus Space Events Limited during the year. At year end, £58,743 (2019: £61,463 owed to Circus Space Events Limited) was outstanding and is included within National Centre for Circus Arts creditors.

A management fee of £38,500 (2019: £41,283) was charged from National Centre for Circus Arts to Circus Space Property Limited during the year. Other expenses totalling £53,800 (2019: £14,096) were reimbursed during the year. At year end, £199,881 (2019: £212,103) was payable and included with National Centre for Circus Arts creditors.

One trustee (2019: none) was reimbursed £68 for travel expenses during the year.

| | 2020 | 2019 |
|--|--------|-------|
| | £ | £ |
| Total donations from trustees without conditions | 10,325 | 9,926 |

20 THEATRE TAX RELIEF CLAIM

| | 2020 | 2019 |
|---|-------|--------|
| | £ | £ |
| Tax credit in respect of theatre tax relief claim | 4,000 | 21,640 |

21 ANALYSIS OF NET ASSETS BY FUND Group

| | Unrestricted Funds | 2020 Restricted Funds | Total Funds |
|----------------------------------|--------------------|-----------------------|-------------|
| | £ | £ | £ |
| Tangible Assets | 473,228 | 2,850,427 | 3,323,655 |
| Net Current Assets/(Liabilities) | 171,702 | 2,000 | 173,702 |
| | 644,930 | 2,852,427 | 3,497,357 |

National Centre for Circus Arts
Notes to the Financial Statements
For the year ended 31 July 2020

21 ANALYSIS OF NET ASSETS BY FUND (continued)

| | 2019 as restated | | |
|----------------------------------|-----------------------|---------------------|----------------|
| | Unrestricted Funds | Restricted Funds | Total Funds |
| | £ | £ | £ |
| Tangible Assets | 491,136 | 2,850,427 | 3,341,563 |
| Net Current Assets/(Liabilities) | (64,397) | 2,000 | (62,397) |
| | 426,739 | 2,852,427 | 3,279,166 |

Charity

| | Unrestricted Funds | 2020 Restricted Funds | Total Funds |
|----------------------------------|-----------------------|-----------------------------|----------------|
| | £ | £ | £ |
| Tangible Assets | 206,062 | - | 206,062 |
| Debtors greater than one year | 289,665 | 2,850,427 | 3,140,092 |
| Net Current Assets/(Liabilities) | 44,137 | 2,000 | 46,137 |
| | 539,864 | 2,852,427 | 3,392,291 |

| | 2019 as restated | | |
|----------------------------------|-----------------------|---------------------|----------------|
| | Unrestricted Funds | Restricted Funds | Total Funds |
| | £ | £ | £ |
| Tangible Assets | 223,970 | - | 223,970 |
| Debtors greater than one year | 289,665 | 2,850,427 | 3,140,092 |
| Net Current Assets/(Liabilities) | (359,858) | 2,000 | (357,858) |
| | 153,777 | 2,852,427 | 3,006,204 |

22 FINANCIAL COMMITMENTS

At 31st July 2020 the group held a one hundred and twenty seven year lease on its Coronet Street site and was committed to making quarterly payments under this non-cancellable operating lease. These payments will total £38,500 in the year to 31st July 2020. The next rent review is due in August 2020, this rent review has not yet been finalised and as such the amounts payable over the remainder of the lease are not reasonably quantifiable due to the expected periodical rent reviews and over the timescale involved.

23 PRIOR YEAR RECLASSIFICATION

An adjustment was raised to reclassify £54,657 of accruals, previously recognised as creditors due after more than one year, to creditors due within one year and now correctly reflects the substance of the accruals.