



ROYAL
ACADEMY
OF
DANCE

Annual Report and Financial Statements

For the year ended 31 July 2021

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Chair of the Board of Trustees' report

We are pleased to present the Annual Report and financial statements for the Royal Academy of Dance for the year to 31 July 2021. Once again, we find ourselves issuing a report that covers a period of continuing trials wrought by Covid-19, with significant impacts on our activities. Now in our centenary year, we are as determined as ever to meet these challenges and to address the impact of the pandemic on our activities around the world. I am confident that we have a strong global team in place to continue to fulfil our mission to inspire the world to dance.

Since the start of the pandemic, the Board of Trustees and our Finance and Audit Subcommittees have met much more frequently to help lead the organisation through the real difficulties it has faced. Our members and students have been prioritised throughout the period under review, both through additional online resources and guidance and, where possible, financial support. We are delighted that in-person activities are now gradually returning in an increasing number of countries, but many are still being held online. We have been surprised and pleased at how successful online teaching has proved and are grateful to all our colleagues who have worked so hard to adapt quickly to the challenges that they faced. However, although we may be moving to a hybrid model, face-to-face teaching is a key part of our activities and will not be given up.

The RAD family was very disappointed that we had to cancel our flagship event, the Margot Fonteyn International Ballet Competition, which was to have been held in London during September 2020. The risks involved in moving candidates around the world during a pandemic were simply too great, but we were able to stage it online in 2021 and we are already planning for the next competition in early 2023.

On behalf of my fellow Trustees, I would also like to recognise and commend all the RAD management and staff for their exceptional commitment and dedication during this uncertain and difficult period. Their willingness, hard work and sacrifices have enabled us to continue to operate throughout the pandemic, and we are so very grateful to them.

I would also like to thank all our members, friends and supporters for their help and assistance during this period. We know that many of you have experienced another year of real hardship and difficulty, and we hope that things will soon improve for everyone.

As Chair of the Board of Trustees, I want to take this opportunity to thank the Department for Digital, Culture, Media & Sport for approving a second tranche of funding from the Culture Recovery Fund. This has been invaluable in helping the organisation continue to operate and is a recognition of the value of our work and our contribution to so many communities. The RAD's financial position remains stable, and our fundraising activities have begun to bear fruit, for which we are most grateful to supportive sponsors and donors.

Finally, I would like to express our sincerest gratitude to our Chief Executive, Luke Rittner. Luke will be stepping down soon after the opening of the RAD's global headquarters in York Road, Battersea in March 2022. He has been our Chief Executive for 23 years, and his transformational contribution to the RAD cannot be overstated. We will miss his wonderful blend of professionalism and passion, and it is difficult to imagine an Academy without him. I know that you will join with me in wishing him the very best for the future.

Luke's successor will be Tim Arthur, who joins us with a wealth of experience gained from senior roles in the commercial, charity and arts sectors. I am greatly looking forward to working with him as we consolidate and build on the success of recent years.



Guy Perricone
Chairman

Chief Executive's report

As we look back on the financial year 2020-21, the effects of the Covid-19 pandemic continue to be felt at the Academy, but we remain as determined as ever to ensure the smooth running of the business, and to support our staff, members and students come what may. The highlights of the year in review show that we have been successful in achieving this and this is due to the extraordinary dedication and commitment of our worldwide staff and the loyalty of our members.

In the last Annual Report, I referred to the investment we were making in digital technologies, and this has once again shown its huge value to the organisation. Despite the pandemic, 2020-21 saw delivery of all our Faculty of Education programmes using blended and hybrid learning and teaching. This allowed 100% of the students on our university-validated programmes the opportunity to graduate. In terms of wider examinations on the RAD syllabus, it also meant that of the over 170,000 students taking RAD examinations, nearly 70,000 were able to do so via video assessment. The Continuing Professional Development department was also able to offer their *Making Connections* symposium fully online, with participants joining from 41 countries – something that would not have been possible even a short time ago.

Our fundraising efforts have also adapted to the benefits of online communication with virtual meetings and presentations, eliciting significant donations and philanthropic gifts. Furthermore, the target for funding the move to our new global headquarters was exceeded – no small achievement, given the circumstances. The furlough scheme was a lifeline for the Academy, and we were further helped by securing two grants totalling almost £1m from the government's Culture Recovery Fund. We are very grateful to the government for this financial support.

May 2021 also saw us conduct our Annual General meeting online for the first time when it was live streamed from our London headquarters, giving members from around the world the opportunity to take part in the meeting.

The actions taken to respond to and counteract the effects of the pandemic on the Academy were in the main successful, but our activities were affected by government restrictions and our determination to ensure the health and safety of our staff. I am delighted that our exhibition at the Victoria & Albert Museum, *On Point: Royal Academy of Dance at 100*, survived the cull of activities and was well attended, showcasing the costumes and treasures from the Academy's archives. In June 2021, we were delighted that HRH The Duchess of Cornwall, our newly appointed Vice Patron, honoured the exhibition with a visit. Particularly disappointing was the cancellation of what would have been the first time the Genée competition was held under its new name, The Margot Fonteyn International Ballet Competition. We also had to cancel the biennial international gathering of all our examiners.

The many challenges presented by the pandemic also led to a delay in the move to our new global headquarters, now planned for March 2022. We continue to work on initiatives and partnerships with our local and international communities to make our new global headquarters a destination and home for dance that we can all be proud of. We also continue to expand the range of our activities as a world leader in dance education, engaging with increasingly diverse audiences and communities everywhere and at all levels.

I must once again acknowledge our dedicated staff around the globe for their hard work, perseverance and willingness to adapt in the face of the severe trials faced in the period covered. Once again, they have all have risen to the challenge with grace, fortitude and good humour and for that I am very proud and deeply grateful.

Last year was to have been my last Annual Report as Chief Executive, but at the request of the Board, my retirement was deferred due to the delays in the completion of our new global headquarters. What I wrote last year still holds and my thanks remain as sincere and heartfelt to all those trustees, committee members, examiners and worldwide staff, whose continuing loyalty, dedication and hard work have seen the Academy through the most challenging and difficult of times. I am delighted to be leaving the Academy in a strong financial and operational position, with a new global headquarters reflective of its potential, creativity and ambition for the future. The Academy is in a better financial position than we could possibly have imagined a year ago.

At the end of April 2022, I will hand over the reins to Tim Arthur, my successor as Chief Executive. In doing so, I wish Tim every success and happiness in what I believe to be one of the best jobs imaginable. My 23 years with the Academy have been enormously rewarding, occasionally frustrating, endlessly enjoyable and at times positively inspiring. I shall miss my colleagues and my involvement with this remarkable institution, but I know that in Tim Arthur, I am handing over to someone who cares deeply about the arts and who will rise to the challenges that lie ahead. I wish him every success and happiness.



Luke Rittner CBE
Chief Executive

Patron, President and Officers

Patron

HM Queen Elizabeth II

Vice Patron

HRH The Duchess of Cornwall LG GCVO CSM PC

President

Dame Darcey Bussell DBE

Trustees

Guy Perricone (Chair)

Vikki Allport RAD RTS T.DIP (appointed May 2021)

James Cane FCA (appointed May 2021)

Chi Cao PDTD (appointed May 2021)

Esther Chesterman LLM LLB Dip Ed (appointed May 2021)

Hilary Clark ARAD (dip PDTC) RTS

Professor Peter Flew

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS (appointed May 2021)

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip (appointed May 2021)

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

Ida Levine BA Juris Doctor JD

Andrew McIntee BA (hons) Bus Econ

David Nixon OBE

Kevin O'Hare CBE

Matthew Paluch MA, PDTD (Dist) RBS Dip. (appointed May 2021)

Darren Parish RAD PDTDiploma BMN Diploma RAD RTS and Diploma Arts and Dance NFSH

Penny Parks RAD RTS

Aliceson Robinson MBA

Joshua Tuifua PDTD (Dist) (appointed May 2021)

Executive Board

Chief Executive

Luke Rittner CBE

Artistic Director

Gerard Charles

Director of Education

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

Director of Development and Fundraising

Esther McLaughlin MInstF

Director of Marketing and Communications

Melanie Murphy Dip IPR MICPR

Director of Finance and Operations

Ian Pogue BA (Hons) ACA (until January 2022)

Director of Examinations

James Stockdale MlOD

Vice Presidents

David Bintley CBE

Li Cunxin AO

Dame Beryl Grey CH DBE DMus DLitt DEd FRSA

Dame Monica Mason DBE

David McAllister OAM

Wayne Sleep OBE

Sir Peter Wright CBE DMus DLitt FBSM

Advisory Council

Joy W Brown

Barbara Fewster OBE FISTD

Lady Porter

Sir Roy Strong CH DLitt PhD FRSA FRSL

Report of the Trustees

The Trustees of the Royal Academy of Dance (RAD) present their report and audited financial statements for the year ended 31 July 2021. This contains information to satisfy the requirements of trustees' reports under the Charities Act 2011, and to comply with current statutory requirements, the RAD's Charter and the Statement of Recommended Practice for Accounting and Reporting by Charities (2019) and Financial Reporting Standard FRS 102.

This report contains information about the group and charity. In the context of these financial statements, the group accounts include the audited accounts of the charity and its subsidiaries, and the charity accounts include the audited accounts of the Royal Academy of Dance in the United Kingdom and its branches for the year to 31 July 2021. The entities comprising the group and the charity are shown on page 12.

The RAD's registered and head office is 36 Battersea Square, London SW11 3RA. The RAD has 32 international offices which manage branches, representative offices and subsidiary companies, in which it holds, either in trust or outright, 100 per cent of the issued share capital. It also has effective control over an association incorporated under Section 21 of the Republic of South Africa's Companies Act which owns the freehold property in South Africa; Yayasan Royal Academy of Dance Indonesia, a non-profit foundation, based in Indonesia; and RAD Dancing (Thailand) Co Ltd where it holds a minority shareholding.

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

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

The RAD is required to report any Safeguarding (including Prevent) incidents to the Charity Commission; and to the OfS, Ofqual, Qualifications Wales and CCEA where there is an event which could have an adverse effect in leading to a loss of standards, integrity, or public confidence in qualifications; and to Ofsted according to the circumstances. The RAD follows the Charity Governance Code.

Principal activities

The RAD provides dance training, dance-teacher education, and dance-assessment services to students and teachers. The RAD is also:

- a registration organisation for dance teachers – providing opportunities for the education and training of young people and adults in dance, and employment opportunities for dance teachers,
- a higher education provider – offering programmes of study and associated qualifications for aspiring dance teachers,
- an awarding organisation – devising and administering a portfolio of examinations in dance which form part of the assessment process of courses of study, delivered by teachers, leading to proficiency in dance at high level,
- the owner of Benesh Movement Notation and a provider of programmes of study and qualifications for dance notators, and
- an organisation that delivers dance projects for specifically targeted groups, as well as offering a global programme of activities, events, competitions, awards, bursaries, and scholarships aimed at engaging local communities in the world of dance.

Its services can be accessed via www.royalacademyofdance.org and through local websites internationally.

Public benefit

The RAD is a charity registered in England and Wales. Trustees are required to ensure that they carry out the charity's aims for the public benefit whenever the exercise of any powers or duties may be relevant. As such, the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aim and objectives of the RAD and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which are set.

The charitable objectives of the RAD as set out in its Charter are to:

1. elevate and advance the art of dance by promoting the correct tuition of dance in its highest forms, and
2. advance education in the art of dance, by:
 - providing facilities for dance, dance education and training,
 - setting up and maintaining programmes of study for the education and training of dancers, teachers and notators of dance (such programmes to include, but not be limited to, the study of Benesh Movement Notation, when appropriate),
 - setting and conducting examinations in dance and the teaching of dance,
 - educating, training, assessing, registering, licensing and chartering teachers of dance who meet standards determined by the board from time to time, and
 - promoting teaching of dance.

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

Mission and vision

Our mission is to inspire the world to dance.

Our **vision** is to be:

- **The voice of expertise** – globally recognised as a leader in dance education and training
- **Flourishing** – financially healthy and agile with a diversified income to support our ambitions
- **Welcoming** – with a belief in the power of dance to transform lives, and the value of a diverse workforce and community
- **In step** – working collaboratively to deliver our vision
- **Choreographed to deliver** – with the right people and processes to realise our objectives.

Strategic objectives and achievements

Our strategic plan has three objectives. Two of these (SO1 and SO2) focus on how we operate and ensure financial stability, and the third (SO3) focuses on why we exist – our purpose – and how to use our position as a leading dance, education, and training organisation to attract, retain and support our members and students.

The following information shows how we set out to achieve our objectives during a continuing Covid-19 pandemic. We still face great challenges as an organisation, but we have also adapted and innovated to meet the needs of our global dance community.

SO1: Review and adapt structures and systems to focus use of people, skills, and resource to maximise impact

Achievements and Performance

- Our Faculty of Education (FoE) programmes continue to operate in a competitive recruitment market. September 2020, however, saw 93 new students begin undergraduate or postgraduate programmes of study – up on the 64 from the previous year.
- In November 2020, 50 students from 11 countries graduated from the Certificate in Ballet Teaching Studies. Three students graduated from the Diploma in Dance Teaching Studies, with 16 students successfully completing the Professional Dancers' Teaching Diploma in China. By June 2021, a further 237 students from 20 country cohorts graduated from the Certificate in Ballet Teaching Studies and 10 students graduated from the Diploma in Dance Teaching Studies. January 2021 saw 372 students begin RAD dance-teaching qualifications.
- All final-year students across university-validated programmes graduated in July 2021 with 74 per cent of undergraduate students being awarded a first- or second-class degree.
- Despite restrictions because of Covid-19, all FoE programmes were delivered during 2020-2021. Students returned to on-site tuition from April 2021 after the UK's early 2021 lockdown. We used digital technologies to deliver teaching and assessment online and via blended and hybrid learning.
- Our 'Guest Lecture' series saw an increase in attendance, with all lectures exceeding their target figures. Moving the series online allowed for attendees from across the world to listen to presentations by eminent professionals from dance education and research.
- Covid-19 restrictions meant that the planned *Mapping Dance and Dance Teaching: Past(s), Present and Future(s)* was postponed, with a virtual event re-scheduled to September 2021.
- The recruitment and retention of high-quality, experienced staff remains challenging in a competitive employment market.
- Despite the pandemic, over 170,000 learners worldwide took exams during 2020-21. Over 70,000 of these via video assessment. Refinement of the video-exams system also made it easier for teachers to upload videos and for them to be forwarded to examiners for marking.
- A successful pilot was conducted of the new marking application for RAD examiners, with plan to roll-out this new way of capturing marks during 2021-22, along with continued training. Our continued refinement of the new RAD Online Exams system has also received very positive feedback.
- CPD (Continuing Professional Development) introduced regular virtual networking meetings with national directors, managers, and representatives in September 2020. These provide an opportunity to share ideas and to gain a greater understanding of the needs of dance teachers in all member countries and have resulted in closer working relationships with international colleagues. Feedback has also helped shape CPD activities.
- CPD delivered its first livestreamed workshop in July 2021 with Silver Swans, forming part of *Making Connections: A Symposium for Dance Teachers*. Thirty teachers attended, and, due to demand, two more workshops were scheduled. In collaboration with the Spanish national office, we offered a live-stream course in Spanish – *Foundations and Progressions in Classical Ballet Technique*, which attracted 50 participants.
- *Making Connections* was a fully virtual event comprising 28 sessions, offering teachers the opportunity to attend talks, courses, and webinars. Approximately 900 places were sold, and participants joined from 41 different countries. A range of activities was offered on a 'free if it needs to be' or donation basis, aimed at ensuring that CPD was open to all members.
- The CPD UK Bursary scheme was piloted to assist dance teachers most in need, and we will continue to provide this support in future.
- In October 2020, CPD UK introduced payment in Euros for activities, providing overseas members with easier access to courses and events.
- During the year, CPD UK developed relationships with Show Racism the Red Card, the UK's largest anti-racism educational charity, and Final Bow for Yellowface, an organisation working to remove 'Yellowface' from the repertoire and to encourage more positive representations of Asians in ballet.
- Overall, attracting participants to activities during the pandemic has been difficult as restrictions have reduced, sometimes severely, dance teachers' income.

SO2: To secure capital funding and investment to transform access to dance

Achievements and Performance

- Targets for our capital campaign in the year to July 2021 had been set before the Covid-19 pandemic struck. We adjusted the fundraising target to £1.5 million in March 2020 and were delighted to exceed this by the end of July 2021. These funds have made a significant contribution to the successful completion of the new global headquarters, due to be opened in March 2022.
- With the loss of ‘in-person’ activities, we created ‘Sparkling Conversations’. While this has been a successful initiative, providing fascinating insights from many leaders in dance, progress in securing philanthropic gifts from individuals during the year was inevitably slower than we had hoped.
- Adapting to online meetings and presentations, and hybrid solutions, we enjoyed success in securing donations from individuals, trusts and foundations, notably from the Linbury Trust, and The Lees Charitable Foundation.
- Four trusts on our list closed their grant programmes for capital funding at the start of the pandemic. Since August 2021 we have, however, been delighted to secure pledges and donations from The Wolfson Foundation, the Garfield Weston Foundation, the Foyle Foundation, and several other leading philanthropic institutions.
- We launched a campaign addressed to members, dance schools, and the public, offering them the opportunity to ‘Name a Seat’ in the studio theatre in the new global headquarters. To date of signing, this has generated gifts from over 70 people totalling approximately £112,000.
- We were also successful in securing two grants from the Culture Recovery Fund totaling £909,366 to help compensate for the considerable reduction in income-earning activities during the year.
- RAD Enterprises, (our retail arm that gift aids its profits to the charity), narrowly missed its target for the year due to the impact of lockdowns and social-distancing protocols, producing a surplus of £360,000 (2020 – £422,000). We were able to continue to serve our customers via an outdoor ‘pop-up’ shop, and a ‘click-and-collect’ service.
- Our syllabus app has proved a vital resource during the pandemic and delivered a gross profit of £220,000 during the year.
- We sold more than 1,000 copies of our commemorative book, *Royal Academy of Dance: Celebrating 100 Years*, marking our centenary. In addition, a diverse range of gift items were sold in-store and via selected RAD branches.
- As soon as Covid protocols allowed, and as part of the RAD’s Equality Diversity and Inclusivity strategy, we commissioned a photo shoot in June. Dancers from various dance schools across the UK helped to create visual content for merchandise and marketing.
- The new global headquarters will include a significantly larger retail outlet, which we hope will become a destination for shoppers as well as a fulfilment centre for our online activities.

SO3: To set teaching and learning standards for dance teachers and students worldwide to enhance the RAD’s global reputation

Achievements and Performance

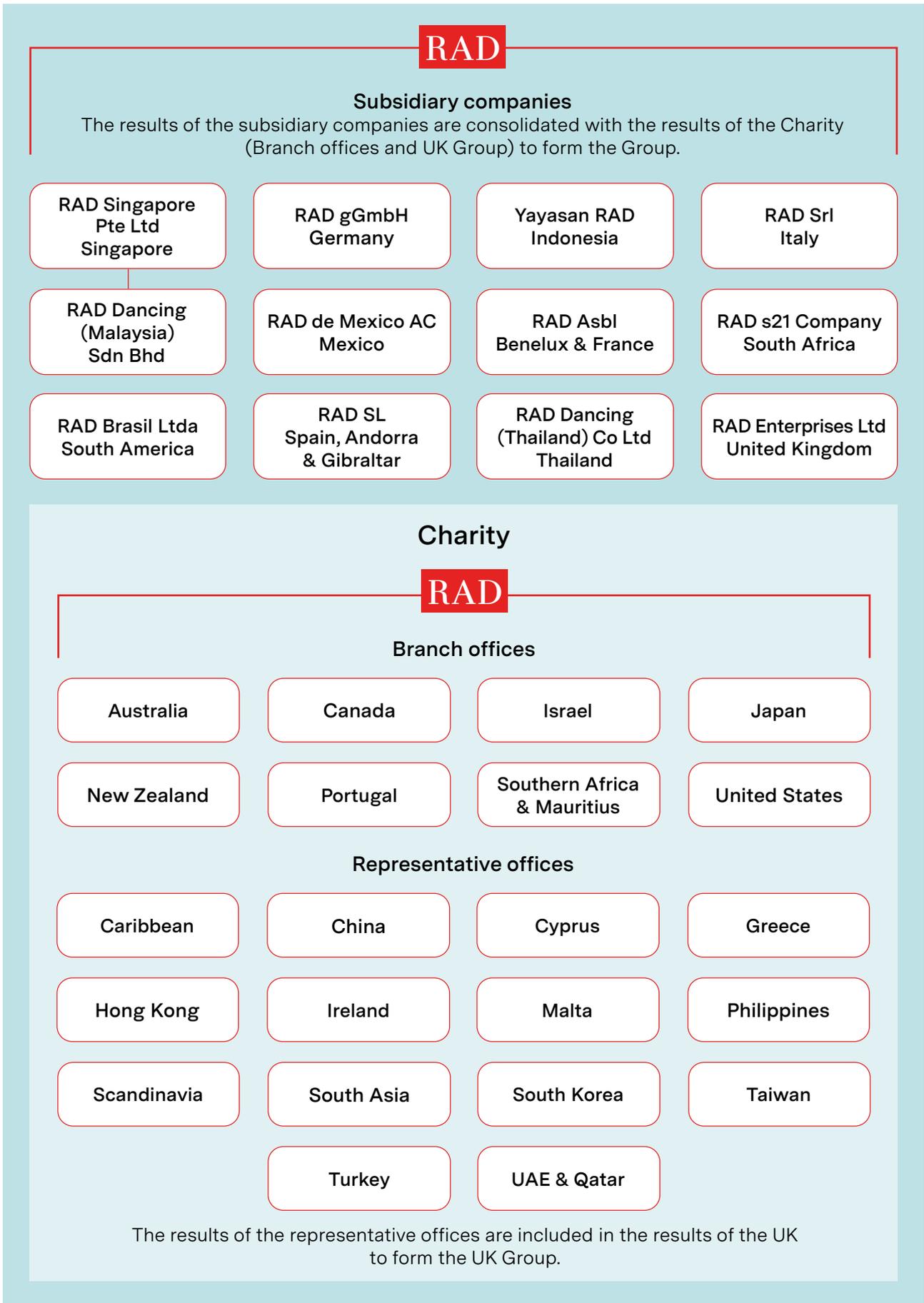
- On 28 July 2021 we launched a new brand identity, our first brand refresh in 20 years. The elements included two bespoke typefaces, RAD Serif and RAD Sans, and a vibrant new corporate red, new primary logo, a simplified coat of arms and a logo/arms lock-up and a secondary colour palette. Before the pandemic we carried out research with teachers, students, and partners across the globe to inform the design process. From the findings we developed three pillars, Excellence, Wellbeing and Community, which underpin the brand strategy and root us in our motto: ‘Salus et Felicitas’ – ‘Health and Happiness’.
- This period also saw the successful operation of exams at RAD headquarters, facilitated by the Examinations team.
- An audit of RAD activities was conducted by the Scottish Qualification Authority (Accreditation), with full statements of compliance submitted to Ofqual, Council for the Curriculum, Examinations and Assessment (Northern Ireland), and Qualifications Wales. The audit provided us with a clean bill of health.
- A new subcommittee was set up to monitor and oversee our regulatory activity for exams.
- In November 2020, the board of trustees approved the introduction of an ‘RAD Teacher’ category for inactive RAD Registered Teachers.
- Eligibility for Life membership was also changed from September 2021, with ‘Consecutive’ removed from the criteria, so that members must have 42 years of full/paid membership to qualify.
- As the pandemic continued, we launched several initiatives to support to our members:
 - In November 2020, we introduced a scheme for members to pay their subscriptions over four instalments, which continued throughout 2021.
 - For 2020-21, we reduced membership fees in the UK, Eurozone, and RoW. In Australia, Canada, New Zealand, South Africa and the USA, membership fees were frozen.

- During 2020-21, we removed late-payment and reinstatement charges for teaching members, and are extending this exemption until August 2022.
- We extended the payment deadline for 2020-21 and 2021-22 (September) membership renewals to 15 December.
- For 2021-22, UK and RoW membership fees were increased by 2%.
- Email updates to members were increased in frequency during the pandemic to highlight new government guidance and new resources for teachers.
- *Dance Gazette*, the RAD's magazine was relaunched in a digital-only format and membership e-cards and certificates were introduced. The designs were refreshed in line with the new RAD brand launch for September 2021 renewals.
- In April 2021, a survey received responses from 1,769 professional and non-professional members from 36 countries, with an average satisfaction score of 8/10 but also highlighted where we might improve our performance.
- On 11 May 2021, the RAD's 84th Annual General Meeting was the first to be lived-streamed from our London headquarters. This new digital format allowed members from all over the world to participate, and a survey of attendees saw provided positive feedback.
- During the year, we launched a new series of online member events, under themes of 'Entertain & Delight', 'Inform & Educate' and 'Connect & Inspire'.
- The 2021 Members Photo Competition launched in mid-June with a theme of 'Dance makes me feel...'. We received 41 entries (2020: 46) probably due to a shorter competition run and the choice of theme. The winning photograph was featured in *The Times*.
- We also incorporated good practice guidelines for safeguarding into the renewal process for teachers this year and, in July 2021, launched a safeguarding hub in the Members' Area. The following month, we asked teachers to submit information about their own safeguarding practices. From 1 July to 26 January, the GBP Safeguarding Hub landing page has had 2093 views (880 unique) and EUR landing page has had 438 page views (193 unique). The Members' area is made up of two child portals: EUR and GBP which also hosts the child portals of Australia, Canada, New Zealand, South Africa, and USA. This is because we take payment in different currencies and the payment pages need to be segmented.
- On the website, the Members' Area content quality and quantity has continued to increase significantly. We introduced a 'Welcome Area' for new members, brand and wellbeing toolkits, search functionality, and have continued to include information and resources on Covid-19. All content in the Members' Area reflects our new branding.
- Membership retention has improved. We ran a successful 'Lapsing Members' project that significantly reduced the 'churn rate' of annual September renewals.
- September 2020 saw a partnership with Emma Wiggle, an Australian singer and dancer, to help parents and students feel at ease returning to the dance studio. This achieved press coverage in Australia, and over 7,000 engagements on our social media platforms.
- October 2020: World Ballet Day. Our video had received 44,351 views on Facebook and YouTube within 24 hours uploading.
- The *On Point* V&A display opened in December 2020 (having been delayed due to Covid-19)
 - Over 100 objects from the RAD archives and collections were included. Those selected were thought to best embody the history of the organisation and the development of British dance.
 - In June 2021, HRH The Duchess of Cornwall paid a visit to the display.
 - To celebrate the display at the V&A, and the official Centenary of the RAD, the Archives and Records Manager wrote an article in the December issue of the *Dancing Times* and contributed to articles and interviews for *The New York Times*, *The Guardian*, *The Stage*, *The Today Programme*, and BBC Radio. The increased awareness of the RAD's history that this generated was reflected in an increase in the number of enquiries (research and other) into historical figures and family members, and requests for tours and talks from external customers and the public.
 - In the first month we achieved 47 pieces of coverage, including features, listings, news pieces, and reviews. On social media, posts about the display received 821,316 impressions, 86,710 engagements and directed 7,181 people to the website to book a visit. The visit by HRH The Duchess of Cornwall garnered 200 pieces of press coverage which included the key messages for the campaign.
- In January 2021, we reignited 'RAD@Home' as the UK was once again asked to stay at home and in-person classes were cancelled. We invited Silver Swans licensees to share their online classes with our community and featured free Step into Dance classes online. This gained coverage on ITV London and in *Time Out* magazine.
- In March 2021, we announced via an exclusive piece in *The Observer* that we had been gifted a portrait of Tamara Karsavina which will hang in our new global headquarters. The portrait by French painter Jacques Émile Blanche (1861 – 1942) is one of only a handful of portraits that exist of the pioneering ballet dancer. The story was also shared in a range of art and dance titles. We are immensely grateful to the donors for enabling the RAD to take ownership of this important work.
- May 2021 saw the launch of the RAD podcast *Why Dance Matters*. Hosted by David Jays, it has since attracted a range of high-profile guests, including Dr Guddi Singh, Xander Parish, Libby Clegg MBE, and James Whiteside.

- The Philip Richardson Library's general book collection was reviewed and enhanced with titles introduced to reflect current thinking in areas such as the history of cultures and society; diversity, inclusivity and discrimination in teaching; neurodiversity; eating disorders; somatics; and politics.
- A Preservation Assessment Survey of our archive and special collections was carried out in December 2020 to give an overview of the condition of the collections, identify risks and to prioritise conservation. The report found that 80 per cent of the RAD's collection is in 'good' or 'fair' condition but 20 per cent – or 15,000 objects – are categorised as 'poor' or 'very poor'. The report acknowledged that our archive store and research room in the new global headquarters 'will go a long way towards addressing the issues raised for most of the collection'. Policy development is planned for 2022-23 to ensure best conservation practice.
- Library and archive staff undertook professional training in conservation cleaning which enabled them to assist conservators and contractors and to prepare the book and archive collections before the move to the new global headquarters.

RAD corporate structure

All entities below form the group (the RAD)



Corporate Governance

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

President and Vice Presidents

We currently have seven elected vice presidents. These may not be Full Members of the RAD at the time of election but are deemed to become Full Members following election. Candidates for the office of president and up to nine vice presidents can be nominated by Full Members or be recommended by the board of trustees and are elected by members at the Annual General Meeting (AGM). Since the revision of the charter in 2008, the president and vice presidents elected since that date can only hold office for a maximum of two terms of five years, in accordance with clause 52.7 of the bye-laws.

Advisory Council

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

International Advisers

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

The Board of Trustees

The board comprises up to a maximum of twenty members, of which ten are Full Members of the RAD (List A) and ten, including the chair, who may or may not be Full Members but who have been recommended by the board as persons likely to bring skills or experience in areas other than dance or education (List B).

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

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

The board's role and responsibilities are set out in formal Terms of Reference and Standing Orders.

There are currently nineteen elected trustees on the board.

List A Trustees (Dance)

Hilary Clark ARAD (dip PDTC) RTS

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

Darren Parish RAD PDTDiploma BMN Diploma RAD RTS and Diploma Arts and Dance NFSH

Penny Parks RAD RTS

Amy Giancarlo BA (Hons) RBS DDT LRAD ARAD RAD RTS (appointed May 2021)

Vikki Allport RAD RTS T.DIP (appointed May 2021)

Joshua Tuifua PDTD (Dist) (appointed May 2021)

Matthew Paluch MA, PDTD (Dist) RBS Dip. (appointed May 2021)

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip (appointed May 2021)

List B Trustees

Guy Perricone (Chair)

James Cane FCA (appointed May 2021)

Professor Peter Flew

Ida Levine BA Juris Doctor JD

Andrew McIntee BA (hons) Bus Econ

David Nixon OBE

Kevin O'Hare CBE

Aliceson Robinson MBA

Chi Cao PDTD (appointed May 2021)

Esther Chesterman LLM LLB Dip Ed (appointed May 2021)

Meetings

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

Constitution

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

The chief executive is responsible for the executive leadership and day-to-day management of the RAD to ensure the delivery of the strategy agreed by the board. The chief executive is supported by six directors as listed on page 04.

Induction

All trustees are provided with a handbook, and take part in induction sessions with senior staff to familiarise themselves with the work of the RAD.

Related parties

The RAD has entered into a number of transactions with related parties during the year. These are in the form of management charges made to overseas branches and subsidiaries to cover the cost of administration of the group by UK headquarters, fees and expenses paid to seven trustees in their capacity as examiners, tutors or mentors, and rental paid on property used for RAD business. Further detail can be found in note 13 to the financial statements.

Independence

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

Trustees are required to disclose any third-party interests annually and to disclose any gifts received. These are disclosed in note 13 on page 04.

Indemnities and insurance

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

Board Subcommittees

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

All subcommittees have regular scheduled and unscheduled meetings, and papers are made available to all members and those in attendance.

Finance and Audit Subcommittee

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

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

The Finance Subcommittee also advises the board of trustees on all financial matters and considers the management and financial accounts, budgets, and financial resources of the group together with the strategic plan prepared on a five-year rolling basis with annual revisions. The subcommittee also assesses the risks to which the RAD is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention.

When considering the annual budgets, it also determines the general salary policy to apply throughout the group. It has four scheduled meetings a year.

Trustee members

James Cane FCA (Chair) (appointed chair June 2021)

Ida Levine BA Juris Doctor JD

Guy Perricone

Amy Giancarlo RBS DDT LRAD ARAD RAD RTS (appointed December 2021)

Julia Bond OBE (resigned May 2021)

Joanna Binder (resigned May 2021)

Co-opted members

Michelle McGrath

Sandra McAlister

Catherine Quinn (appointed January 2022)

Director

Director of Finance and Operations

Nominations and Remuneration Subcommittee

The Nominations and Remuneration Subcommittee ensures that there is a formal and appropriate procedure for the appointment of key trustees and management. It also considers the remuneration of key management, ensuring it is consistent with the competitive position of the salary for similar positions in the sector and within the RAD, considering their qualifications, experience, roles and responsibilities. It also considers the recipients for the Queen Elizabeth II Coronation Award, Fellowships of the Royal Academy of Dance, and President's Awards.

Membership is drawn from the chairs of the respective subcommittees:

Members

Guy Perricone (Chair)

Chairman of Board of Trustees

James Cane

Chair of Finance and Audit Subcommittee

Joanna Binder (resigned May 2021)

Chair of Board of Directors of RAD Enterprises Ltd

Peter Flew

Chair of Education Subcommittee

Penny Parks

Chair of Regional Subcommittee

Ida Levine

Chair of Fundraising and Development Subcommittee

Aliceson Robinson

Chair of Global Membership and Marketing Subcommittee

Imogen Knight

Chair of Artistic Subcommittee

Esther Chesterman

Chair of Examinations and Regulatory Subcommittee

Andrew McIntee

Chair of New Headquarters Subcommittee

The eight remaining subcommittees represent the main activities or functions of the RAD. Membership of subcommittees is made up of trustees and co-opted members recruited for their skills and experience. Each subcommittee has a chair who is a trustee and at least one director in attendance with the relevant specialism. All members of the executive board may attend these subcommittees. The chairman of the board of trustees is an ex-officio member of each subcommittee.

The Artistic and Examinations Subcommittee split into two separate subcommittees in May 2021.

Examinations & Regulatory Subcommittee

The Examinations & Regulatory Subcommittee advises and supports the director of examinations (and other directors) in overseeing the regulatory aspects that governs the work and policies of the examinations board and the RAD. The subcommittee seeks to ensure that our examination policies and standards are maintained and enhanced; that the examinations board is fully accountable; that it complies with the requirements of the external regulators (including annual submissions to the regulators); maintains the highest standards of efficiency and quality assurance in its policies and procedures; and that programmes remain practically and financially viable.

Trustee Members:

Esther Chesterman (chair) (appointed June 2021)

Co-opted Members:

Tim Arnold

Louise Norman

Ai-Lin Nio (appointed June 2021)

Brenda Soar (appointed June 2021)

Michael Smith (appointed June 2021)

Edith Devoy (appointed Sept 2021)

Directors:

Director of Examinations

Artistic Subcommittee

The Artistic Subcommittee is a source of advice, support, and debate for the Artistic Director on advances and changes in the dance, arts and education sectors that may impact on the the RAD. It supports the Artistic Director in ensuring that the RAD's Artistic ideals and standards; and the aims of the RAD's Royal Charter and Strategic Plan; are articulated, visible and upheld in all of our activities (including student training, community provision, competitions, syllabus, member teacher and independent contractor support, and outreach programming); and that our artistic initiatives are artistically, practically, and financially viable. The subcommittee may form limited time working groups with members outside of the subcommittee. It may also receive items for review delegated from the board of trustees, and may report recommended actions for approval.

Trustee members

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

Chi Cao PDTD

Hilary Clark ARAD (dip PDTC) RTS

Penny Parks RAD RTS

David Nixon OBE

Co-opted members

Amanda Eyles

Wade Lewin

Vidya Patel

Sidwell Roman

Bawren Tavasiva

Rebecca Taylor

Directors

Artistic Director

Director of Examinations

Education Subcommittee

The Education Subcommittee advises and supports the director of education on advances and changes in education that may have an impact on the work and policies of the Faculty of Education and the RAD. It ensures that all programmes of study are fully accountable, developed and maintained to the highest standards; and are financially viable. It also seeks to ensure that, as a provider of higher education, we uphold our public interest governance principles including, but not limited to, the principles of freedom of speech and academic freedom. The RAD complies with its duties under Section 29 of the Counter-Terrorism and Security Act 2015 (Prevent Duty).

Trustee members

Professor Peter Flew (Chair)

Hilary Clark ARAD (dip PDTC) RTS

Amy Giancarlo RBS DDT LRAD ARAD RAD RTS (appointed September 2021)

Rachel Jackson-Weingärtner MA, RAD TDIP RTS, SAC Dip, LISTD Dip (appointed September 2021)

Student representatives

Kathleen Ansell – MAE (Student rep 2021-22)

Rachel Webb – DDTS/Yr1 (Student rep 2021-22)

Co-opted members

Maria Clutterbuck (University of Bath representative)

Dr Joanne Cliffe PhD MSc BEd (Hons)

Professor Tina Chen FISTD MA Dip RBS TTC ARAD

Judith Hemery AB (Hons)

Fiona Sheehan MA BA

Paula Scales MTD BA (Hons) PGCE RTS

Professor (Emeritus) Prue Huddleston

Lynne Reucroft-Croome

Calvin Robinson

Shelly Yacopetti

Dr Janet Rose (appointed September 2021)

Director

Director of Education

Global Membership and Marketing Subcommittee

The Global Membership and Marketing Subcommittee advises and supports the director of marketing and communications on matters relevant to the marketing and promotion of our projects, events, and services. It also advises and supports the director and their teams in promoting the skills, knowledge, and expertise of its members, and providing support services and benefits for its members throughout their careers. The subcommittee also seeks to ensure that, as a membership organisation, we uphold the aims and objectives of the charter and its bye-laws in an open and transparent way, and that it is fair in all its dealings with members of the RAD and the public.

Trustee members

Aliceson Robinson MBA (Chair)

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

Vikki Allport de Orbe Tch Dip RTS

Josh Tuifua PDTD (Dist)

Co-opted members

Karen Harris Tch Cert RTS

Shelley Isaac-Clarke Tch Dip RTS

Carol Marlow

Lloyd Stringer

Verity Batchelder (resigned August 2021)

Director

Director of Marketing and Communications

Regional Subcommittee

The Regional Subcommittee facilitates feedback from the regional ambassadors of the UK and Ireland (all teaching Members of the RAD) to the executive board on all regional matters. Additionally, the regional ambassadors receive updates from the executive board on projects and initiatives to share with their regional membership, enhancing member engagement. The subcommittee ensures that we are fully accountable to our members in the UK and Ireland, and maintains the highest standards in all areas of its work. The terms of reference of the subcommittee determine that the incumbent chair is put forward to the board of trustees on initial election as a co-opted trustee and subsequently recommended for election at the AGM.

Chair and Trustee

Penny Parks RAD RTS (South East England)

Co-opted members

Cairíona Brocklebank (Ireland)

Caroline Peters (Midlands & East of England)

Dawn Edgar-Ulivi (Scotland)

Lisa McCourt (Northern Region)

Shelley Isaac-Clarke (South West, Wales & Channel Islands)

Director

Chief Executive

New Headquarters Project Subcommittee

The New Headquarters Project Subcommittee oversees all relevant aspects of the construction, design and fit-out of the RAD's new global headquarters on York Road, with the move taking place from February 2022. It supports the chief executive and executive board in ensuring the successful delivery of the project on time and on budget. The subcommittee upholds the aims and objectives laid down in the RAD's Royal Charter and bye-laws.

Trustee members

Andrew McIntee BA (hons) Bus Econ (chair)

Guy Perricone

Julia Bond OBE (resigned May 2021)

Ida Levine BA Juris Doctor JD

James Cane FCA

Co-opted members

Russell Middleton

Tina Wolder

Director

Chief Executive

The subcommittee is made up of trustees and experts providing wider experience in the fields of construction, design, and property management, and is attended by members of the executive board as required. The subcommittee meets monthly and will be disbanded once the move to the new global headquarters is complete.

Fundraising and Development Subcommittee

The Fundraising and Development Subcommittee advises on fundraising efforts that support the charitable purposes of the RAD, such as social benefits to the wider community. It also advises and supports the Director of Development and Fundraising on matters relating to the development of fundable programmes and fundraising strategy.

Trustee members

Ida Levine BA Juris Doctor JD (Chair)

Guy Perricone

Sarah Dickinson ARAD Adv Tch Dip RTS (resigned March 2021)

James Cane FCA (appointed March 2021)

Co-opted members

David Banks

Phil Dolling

Joanne Muller

Christopher Nourse

Jane Karczewski

Tristan Davies

Georgina Robbins

Director

Director of Development and Fundraising

Membership comprises trustees and members co-opted from the wider arts, business, and philanthropy sectors, and meets four times a year.

Development and Fundraising

The Development and Fundraising Department follows the rules of the Fundraising Regulator's Code of Fundraising Practice, the Chartered Institute of Fundraising guidance, and the Charities Commission guidance on Charitable Law, including fundraising.

The objectives of the department include raising funds for the organisation and its charitable purposes through individual gifts, trusts and foundations grants and corporate sponsorship and public sector. A legacy fundraising and patrons scheme are in development.

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

We develop strong personal relationships with our funders and listen to their preferences and requirements. The Department seeks to encourage donations and does not engage in pressurising potential donors. For trusts and foundations, there are strict guidelines for applying to and reporting on grants. Personal correspondence, relationship management and donor engagement help us to build trust with our supporters. We make every effort to ensure that our fundraising does not intrude on peoples' privacy, that it is not unreasonably persistent, and that it does not place pressure on anyone to donate.

We follow an ethical policy which seeks to ensure that the RAD does not accept gifts or support from organisations or individuals where we do not know the ultimate donor or where we believe that the donor has profited from, or has been associated with, illegal or criminal activity. We also seek to ensure that we do not accept gifts or donations from organisations or individuals where to do so would represent a conflict of interest, a reputational risk, or would impact adversely on our ability to fulfil our mission.

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

We have a team of three professional fundraisers – two being members of the Chartered Institute of Fundraising. They report directly to the chief executive as well as to the Fundraising and Development Subcommittee and the board of trustees.

There have been no fundraising complaints to date, but any arising will be handled swiftly and interrogated thoroughly with reference to the chief executive. We will also respond to all Freedom of Information requests from individuals.

Board of the Royal Academy of Dance Enterprises Ltd (RADE) Enterprises Subcommittee

The board of RADE also acts as the Enterprises Subcommittee of the RAD. Its members are made up of directors of the company and trustees.

RADE is a separately constituted private limited company owned by the RAD. It is our primary publishing and distribution arm for the RAD and its examination board. It sells examination syllabi in various media including print, audio-visual and apps, as well as recommended uniform wear, teaching resources, dance-related products, and gift items. Its products are sold and distributed through its website, mail order, printed catalogues, book distributors, RAD branches, and the RAD itself.

The Enterprises Subcommittee considers the management and financial accounts, budgets, and financial resources of the RADE in the context of its relationship to the group. The subcommittee also assesses the risks to which the company is exposed, and considers any other matters of a legal, statutory, or financial nature brought to its attention.

Company Directors

Joanna Binder (Chair)

Luke Rittner CBE

Ian Pogue BA (Hons) ACA (resigned January 2022)

Sue Bacchus

Trustee members

Guy Perricone

Co-opted members

Mark Richardson

The board and subcommittee discharge these responsibilities by meeting three times a year and advises the Finance and Audit Subcommittee and the RAD's board of trustees on all matters pertaining to RADE.

Principal risks and uncertainties

Governance, risk, and control

The trustees are responsible for the group's system of internal control and risk management and consider this to be fundamental to the achievement of the RAD's policies. Some of the key elements of the governance, risk, and control framework in which the RAD operates are set out below. The work of the trustees, subcommittees, management, and staff are at the heart of its processes. The board approves strategic plans and annual budgets, reviews quarterly results with comparisons against forecast, requests analytical reports as and when necessary and debates topics requiring attention. The relevant subcommittees receive papers and provide assurance to the board. The trustees review the effectiveness of governance, risk, and control through this reporting mechanism as well as management concerns raised by the external auditor through the Finance and Audit Subcommittee. As with any such system, the processes are designed to manage rather than eliminate the risk of failure to achieve objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Operational Risk Management

The chief executive, directors, and heads of departments review the Corporate and Activity Registers and act as the Business Continuity Committee in the event of a disaster.

Exposure to risk

Management continually reviews the risks to which the RAD could be exposed, particularly in terms of governance, operations. Risks are assessed for likelihood and severity of impact. This information is then used to develop a risk-management strategy, including the identification of existing operational controls and any new controls the trustees consider necessary. Several risks and uncertainties have been identified, which are listed below in no particular order of likelihood of occurrence:

- **Marketplace and products**

Other awarding organisations, which offer dance examinations across multiple genres at a lower cost, and higher-education bodies that offer places funded by government, compete against the RAD, which focuses on a single genre. Members may no longer wish to retain membership of the RAD or to use its products and services. A change in syllabus can have an adverse effect on the ability of teachers to continue to provide candidates for examination at previous levels due to the challenges of acquiring new knowledge and passing it on to candidates.

In mitigation of these risks, we use internal impact statements to assess risk, and use the full force of social media to publicise, promote and sell our products and services. We regularly consult members to ensure product relevance and help shape future initiatives.

- **World events**

As shown in the past two years, like many international organisations, we are vulnerable to pandemics, natural phenomena, changes in weather patterns, to conflict, and terrorism. All of these may impede or prevent activities from taking place, including travel by examination candidates, course attendees, and RAD staff such as examiners and tutors, thereby reducing business and income. We have developed policies and procedures to minimise the loss of income caused by such events, and to ensure the safety of staff and examiners. Our response to the Covid-19 pandemic is set out in more detail within the Financial Review.

- **Economic climate**

In common with most organisations, we are vulnerable to changes in the global economic climate. Our core business depends on the purchasing power of our customers, and we have no control over their financial circumstances – whether member, teacher, examination candidate, higher-education student or dance-class attendee.

It is difficult to forecast the effects of the economic climate on individual customers and therefore we endeavour – through better planning – to react to downturns which might adversely affect our performance. However, the global reach of our operations can mitigate against this risk, as markets experiencing strong economic conditions can support those in a downturn.

- **Statutory and regulatory compliance**

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

- **People**

Working with young people brings safeguarding responsibilities and as such, we have a safeguarding committee with designated safeguarding and senior safeguarding officers. Training needs are identified and addressed, and we work with lawyers or other professionals to ensure policies are fit for purpose. We review our safeguarding policies annually.

The behaviour of members and organisations associated with the RAD can lead to reputational loss. We perform due diligence before entering into partnerships, ensure legally sound contracts are in place, and operate Codes of Conduct and Professional Practice for our teaching members.

We seek to attract and retain high-quality employees and to manage them so that they contribute to the RAD and further their careers. However, as in most organisations, high staff turnover could expose the RAD to lack of continuity and loss of knowledge. We undertake annual performance reviews to ensure that staff are motivated and retained, and offer a range of benefits. Succession planning is undertaken for senior staff.

It is our policy to invest in the right people needed to support our operations. We provide training for all our staff, including external training where relevant to specialisms. We have a performance-review process, linked to its strategic goals and outcomes, which identifies and addresses development needs. We have also developed a series of human resource policies, the most important of which deal with equality, diversity, health and safety, information management and safeguarding. These are designed to guide employees to improve fairness and safety both in the workplace and for our customers, to ensure compliance with legal responsibilities, and to ensure that they respect one another.

Each of these areas has a policy group that monitors compliance with the relevant area and which reports directly to senior management.

All policies and procedures are reviewed and approved annually by the trustees and employees are informed of changes.

Financial Risk Management

Our risk management process is overseen by the Finance and Audit subcommittee. In controlling and underpinning financial risk, the following are key control procedures:

- **Operating unit financial controls**

A controls manual, which is updated annually, sets out the key disciplines expected of staff in managing their role, responsibility, operation or entity. The manual forms part of an employee's induction and can be found on our internal HR homepage.

The central finance office function performs comparison tests on the results of branches, subsidiaries, and offices, and undertakes remote reviews via online video calls with international offices. Management ensures that qualified finance professionals are appointed to senior positions of financial responsibility.

- **Information and computer systems**

Our financial and management information is processed and stored on several computer systems. This can lead to concerns about integrity, duplication, security, and other data issues. A disaster-recovery centre operates in the UK. Back-up systems are installed in major international offices and our servers are in a hosted data centre, providing additional resilience.

We set out data protection compliance in a framework of policies and procedures. We also monitor compliance with data-protection policies and regularly review the effectiveness of data handling/processing activities and security controls. We have implemented a basic GDPR training programme for all staff, supplemented by a needs-based data-protection training programme for staff across different functions and at different levels. We don't meet the criteria for an obligatory Data Protection Officer, however, due to our commitment to GDPR compliance, combined with the lack of internal expertise, we use an external professional data protection services firm to support the work of the information management committee.

- **Foreign exchange**

We operate in many jurisdictions, setting fees in local currencies, while at the same time incurring central costs based in sterling. We are therefore prone to fluctuations in its results due to currency gains and losses.

It is difficult to forecast movement in foreign exchange, and therefore we maintain awareness of movements in currency which might adversely affect our performance. This is then considered in making decisions concerning timing of movements of funds between countries.

These risks and uncertainties are included in the corporate and activity risk registers, which are reviewed by relevant subcommittees and board of trustees, along with actions to mitigate them. A further function of the risk registers is to inform business continuity plans which are underpinned by an offsite IT disaster recovery centre to provide the necessary technological backup in the case of unforeseen events.

Financial review

Overview

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), applicable from 2019.

Unrestricted activities

During the year the group adapted to and recovered from the pandemic and reported worldwide group net income, before transfers and other recognised gains and losses, of £1,113,000 against net expenditure of £2,598,000 last year. This improvement of results has been largely due to a return to normal trading, continuation to hold back on discretionary costs, receipt of grants, significant deferred income from the prior year for exams that could not be held in 2019-20 that were subsequently held in 2020-21 and we continued to make use of the furlough scheme in the UK and similar schemes around the world. Overall examination numbers were 182,560 (98,251 of these were assessed by video) compared to 122,031 in the prior year.

Unrestricted income for the group increased by 7% to £17,607,000 from £16,453,000 while overall expenditure decreased by around 13% to £16,494,000 from £19,051,000.

The value of the RAD's unrestricted net assets increased from £20,508,000 to £21,177,000. There was a gain on revaluation of tangible fixed assets of £287,000 (2020: £68,000), and an exchange loss of £129,000 (2020: £144,000 loss) on consolidation.

Restricted activities

The RAD has a number of funds which have been built up from donations, legacies, trusts, grants, fundraising events and appeals. These are administered in accordance with the accounting policy in Note 1 (m) Fund Accounting. There was net income of £724,000 before transfers and other recognised gains and losses, for the year to 31 July 2021 (2020: net loss £9,000) (Note 24). This significant increase in funds is due to the receipt of grants and donations for the new HQ building.

The RAD is in receipt of a funding grant through to 2021-22 from the Jack Petchey Foundation to run the Step into Dance programme (a fully inclusive, community dance programme in every London borough, and in some Essex schools) as well as using its own funds. All monies received from the Foundation were spent in accordance with the programme's aims.

Bursaries, awards and scholarships were awarded through various Scholarship Funds, Trusts, Jubilee Award and Regional schemes.

Performance by activity

Our targets for 2020-21 were to:

- Achieve worldwide membership of 12,057. There were 11,816 members globally on 31 July 2021 achieving 98% of total target. The downward decline is a result of the global pandemic.
- Deliver 210,000 dance examinations. Due to the pandemic 182,560 exams were delivered. The UK target was re-forecasted down to 25,812 with 26,611 exams being delivered.
- Generate an unrestricted net loss of £229,000 including net fundraising income of £1,592,000. Actual result was a net unrestricted income of £1,113,000. This positive result is mainly due to a delay in the move to the new HQ, natural reduction in direct costs related to activity and a reduction of discretionary costs.

Our targets for 2021-22 are to:

- Deliver 181,033 dance examinations. To 31 December 2021 the RAD has achieved, globally, 44% of this target (78,884) with the largest sessions yet to follow. Historically, we would expect to see 78% of the annual entries during the period January to July, this would indicate that we should achieve our target assisted by the added flexibility of the video assessment option which was used by 53% of entries in 2020-21.
- Achieve worldwide membership of 11,941.
- Achieve net expenditure of £900,000 before new global headquarters related income and expenditure.

Summary of FY21 results

Subscription income

Subscription income decreased by 6% to £1,111,000 (2020: £1,176,000), with net income, not including indirect costs, up 8% at £756,000 (2020: £702,000).

Membership

The number of Registered Teachers decreased slightly from 8,037 to 7,754. All other members decreased slightly from 4,185 to 4,062.

Examination fees

Examination fees income increased by 19% from £7,402,000 to £8,811,000, with direct expenditure decreasing by 15% from £4,812,000 to £4,077,000. This resulted in a significant increase in net income from £2,590,000 to £4,734,000. Total examination entries increased by around 67% to 182,560 (2020: 122,031).

We also continued with the processes and protocols that had been put in place in the prior year, to enable exams to be conducted via video assessment, with footage being sent to headquarters.

During the 2020-21 year 98,000 candidates were assessed by video (53% of entries). In 2021-22 video assessments were still popular (44% of the global market). We will see savings with tour costs (e.g. travel and accommodation), however, it should be noted that this will likely be offset with the cost of cloud storage and resources to accommodate the service.

Education and training income

Initial Education income was down £502,000 on prior year at £3,344,000, with overall net income decreasing from £1,027,000 to £679,000. The Faculty of Education continued to deliver programmes of study impacted by Covid 19 restrictions online and through hybrid modes of delivery. Normally, programmes such as the BA (Hons) Ballet Education and Licentiate of the RAD are delivered onsite.

The number of Faculty of Education students on programmes decreased slightly from 1,238 to 1,129, mainly due to the pandemic still affecting new and continuing students.

Income from Continuing Education fell from £1,797,000 to £1,533,000, as CPD was unable to deliver face-to-face courses, with overall net income of £101,000 (2020: £445,000 net expenditure).

Trading income (retail, licensing and royalties)

Trading income generated by the UK trading subsidiary, together with Licensing and royalty income, decreased to £931,000 (2020: £1,209,000) with no significant product launches. Overall net income decreased to £360,000 (2020: £709,000).

Other income

Other income is derived from advertising, rental from studios, the furlough scheme resulting from government support due to the pandemic, sundry income, gains on exchange, with associated expenditure and taxation on subsidiary company profits.

Support costs decreased from £8,109,000 to £7,068,000 mainly due to staff vacancies and cost cutting measures during the year.

Operating cash flows and capital expenditure

The group's overall net cash position was £10,914,000 compared to £5,406,000 last year. The cash balance includes £3,288,000 loans that have been drawn down.

There was a net cash inflow from operations of £2,787,000 compared to an outflow of £1,187,000 the year before. Capital expenditure increased from £249,000 to £473,000 mainly due to the capital spend on the new HQ building.

Net assets and reserves policy

The RAD's current pattern of activities provides fluctuating peaks in income and expenditure, and a reserves policy is necessary not only to cover these periods but also to ensure that its core activities can be covered if there is pressure on income and expenditure such as unforeseen emergencies, unforeseen day-to-day operational costs, income that has fallen below expectations, or planned commitments that cannot be met by future income alone.

At 31 July 2021 RAD had total funds of £23,420,000 which included restricted funds of £1,643,000 and designated funds of £19,932,000. Designated funds are represented by the fixed asset fund (being the net book value of fixed assets) of £19,696,000 and other designated funds totalling £236,000. RAD reviews its reserves policy annually. The long term target for group free reserves is £3,246,000 with £2,033,000 being within UK reserves. Actual free reserves at 31 July 2021 for the group were £2,081,000 (including other designated reserves) (2020: £928,000). For the UK only, actual free reserves at 31 July 2021 were £nil. (2020: £nil). There is a budgeted deficit in 2021-22, due to the delays with the move to the new global headquarters. However, we are returning to more normal levels of operations and aim to continue to build the reserves position to the target level.

The RAD reserves policy recognises that measuring free reserves is only one indicator. There is also much focus on monitoring the group and UK cash position. For 2020-21 cash balances have held up particularly well relative to the previous year as a result of operations being able to resume across the geographies that RAD operates within, supported by tighter cash management across the group. The continued emphasis on cash management and moving towards the reserves target will therefore be a feature of 2022 and beyond.

Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash inflow for the group of £5,486,000 in 2020-21, compared to an outflow of £1,930,000 in prior year, with an inflow from operating activities of £2,787,000 (2020: £1,188,000 outflow). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £10,914,000 at year end (2020: £5,406,000).

The RAD has mitigated the impact of the pandemic and generated an overall net income of £1,837,000.

Whilst the impact of the pandemic was severe, the Academy was able to mitigate this by cost reduction measures, use of the furlough and similar schemes around the world.

In the UK we also benefitted from the government Cultural Recovery Grants of £900,000 of which with £750,000 was received in the year.

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We have a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is to be repaid over 5 years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of 5 years). Both of these loans are secured on the RAD's headquarters at 36 Battersea Square. On the completion of the sale of Battersea Square and purchase of York Road, the security will be moved to York Road.

Achievement of the RAD's targets for 2021-22 is dependent on the ongoing impact of the pandemic but results to date have been broadly in line with targets. Forecasts have been reviewed for the twelve-month period from date of signing the accounts, including downside scenario planning (particularly further disruption to examinations and shortfall in capital fundraising) and mitigating actions against these. Possible mitigating actions include further cost reductions that can be implemented, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

Future outlook

While the last year has been another challenging year, it has also been another year that has highlighted the incredible dedication of all those involved with the organisation around the world: staff, president, vice-presidents, advisory council, trustees and its subcommittee members, examiners, tutors, teachers, students and parents.

We have worked hard to adapt our ways of operating, particularly in terms of digital and online systems, which has not only allowed us to continue activities during the pandemic, but will provide benefits and efficiencies in the future. While the current year shows good signs of recovery, the rollout of vaccinations provides hope that we will be able to return to more normal operations relatively soon. Our targets for the year are set out in the Performance by Activity section.

The move into our new purpose-built global headquarters will be a landmark moment for the RAD, and therefore whilst we acknowledge the difficulties of current times, we are excited by our move and the opportunities that it will bring.

Statement of the Board of Trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

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

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



Guy Perricone
Trustee, Board of Trustees



James Cane FCA
Trustee, Board of Trustees



Luke Rittner CBE
Chief Executive

21 February 2022

Independent auditor's report to the Trustees of the Royal Academy Of Dance

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Royal Academy of Dance ('the charity') and its subsidiaries ('the group') for the year ended 31 July 2021 which comprise the group consolidated statement of financial activities, group and charity balance sheets, group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 27, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment legislation and Office for Students regulation. We also considered compliance with local legislation for the group's overseas operating segments.

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

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
London
25 February 2022

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

Group consolidated statement of financial activities

For the year to 31 July 2021

Notes

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Income and endowments from						
2 Donations and legacies	891	746	1,637	382	-	382
3 Trading	655	-	655	850	-	850
4 Other trading activities	272	4	276	359	-	359
5 Investments	11	-	11	28	-	28
Income from charitable activities						
Examination fees	8,811	-	8,811	7,402	-	7,402
6 Education and training fees	4,542	335	4,877	5,109	534	5,643
Subscription income	1,111	-	1,111	1,176	-	1,176
7 Other income	1,314	3	1,317	1,147	-	1,147
Total income and endowments	17,607	1,088	18,695	16,453	534	16,987
Expenditure						
8 Expenditure on raising funds	(1,200)	(45)	(1,245)	(1,458)	-	(1,458)
9 Expenditure on charitable activities	(14,903)	(319)	(15,222)	(17,409)	(543)	(17,952)
11 Other expenditure	(391)	-	(391)	(184)	-	(184)
Total expenditure	(16,494)	(364)	(16,858)	(19,051)	(543)	(19,594)
Net income/(expenditure) before investment gains and losses and transfers between funds	1,113	724	1,837	(2,598)	(9)	(2,607)
Net gains on investments	-	-	-	-	4	4
Net income/(expenditure)	1,113	724	1,837	(2,598)	(5)	(2,603)
Transfers						
Transfers between funds	(2)	2	-	-	-	-
Other recognised gains and losses						
On revaluation of tangible fixed assets	287	-	287	68	-	68
Movement on exchange arising from the consolidation of branches and subsidiaries	(129)	(2)	(131)	(144)	(7)	(151)
Net movement in funds	1,269	724	1,993	(2,674)	(12)	(2,686)
Fund balances brought forward at 1 August	20,508	919	21,427	23,182	931	24,113
Total funds carried forward at 31 July	21,777	1,643	23,420	20,508	919	21,427

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

Group and charity balance sheets

At 31 July 2021

Notes

	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Fixed assets				
19 Tangible and intangible assets	19,696	19,580	19,483	19,396
20 Investments	150	154	264	268
	19,846	19,734	19,747	19,664
Current assets				
21 Stocks	560	560	366	298
22 Debtors	1,262	2,716	1,774	3,157
Cash at bank and in hand	10,914	7,021	8,248	3,759
	12,736	10,297	10,388	7,214
23 Creditors – amounts falling due within one year	(5,900)	(8,507)	(5,517)	(7,444)
Net current assets	6,836	1,790	4,871	(230)
Total assets less current liabilities	26,682	21,524	24,618	19,434
24 Creditors – amounts falling due after more than one year	(3,262)	(97)	(3,262)	(97)
Net assets	23,420	21,427	21,356	19,337
FUNDS				
26 Restricted Funds	1,643	919	1,637	913
27 Unrestricted Funds	21,777	20,508	19,719	18,424
Total funds	23,420	21,427	21,356	19,337

The accompanying notes form part of these accounts.

These financial statements were approved and signed on behalf of the Board of Trustees on 21 February 2022 by:



Guy Perricone
Trustee, Board of Trustees



James Cane FCA
Trustee, Board of Trustees



Luke Rittner CBE
Chief Executive

Group cash flow statement

For the year to 31 July 2021

Restricted and unrestricted funds	Notes	2021 £000	2020 £000
a. STATEMENT OF CASH FLOWS			
Cash flows from operating activities:			
<i>Net cash provided by/ (used in) operating activities</i>	b.	2,787	(1,187)
Cash flows from investing activities:			
Interest receivable		11	28
Interest payable		(127)	(134)
Purchase of tangible fixed assets and construction-in-progress		(473)	(249)
<i>Net cash (used in) investing activities</i>		(589)	(355)
Cash flows from financing activities:			
Amounts borrowed from/ (repaid) to banks		3,288	(8)
<i>Net cash provided by financing activities</i>		3,288	(8)
<i>Change in cash and cash equivalents in the reporting period</i>		5,486	(1,930)
Cash and cash equivalents at the beginning of the reporting period		5,406	7,291
Change in cash and cash equivalents due to exchange rate moments		22	45
<i>Cash and cash equivalents at the end of the reporting period</i>	c.	10,914	5,406
b. Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		1,837	(2,603)
Adjustments for:			
Revaluation/ (Impairment) on investment		9	(4)
Interest receivable		(11)	(28)
Interest payable		127	134
Amortisation of intangible fixed assets		4	1
Overseas tax received / (paid)		19	(15)
Depreciation – tangible fixed assets		465	480
(Increase)/decrease in stocks		-	(8)
(Increase)/Decrease in debtors		1,454	924
(Decrease)/ increase in creditors		(1,114)	55
Effect of foreign exchange on net assets		(3)	(124)
<i>Net cash provided by operating activities</i>		2,787	(1,188)
Analysis of cash and cash equivalents			
Cash in hand		10,914	7,021
Overdraft facility repayable on demand		-	(1,615)
Total cash and cash equivalents		10,914	5,406

	2020	Cash flow movement	2021
	£000	£000	£000
Analysis of changes in net debt			
Cash at bank and in hand	7,021	3,893	10,914
Overdraft facility repayable on demand	(1,615)	1,615	-
Total cash and cash equivalents	5,406	5,508	10,914
Debt due within one year	(34)	(129)	(163)
Debt due after one year	(73)	(3,159)	(3,232)
Total	5,299	2,220	7,519

Accounting policies

Year ended 31 July 2021

The RAD is a non-statutory body incorporated by Royal Charter and a charity registered in England and Wales (number RC000436). The address of the registered office is 36 Battersea Square, London, SW11 3RA, UK.

Notes

1(a) Basis of accounting

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

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the previous Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn. The RAD meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value except for investments and certain fixed assets which have been included at revalued amounts. The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

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

1(b) Going concern

The trustees recognise that the RAD must be a well-managed, well-funded and well-governed organisation to achieve its strategic objectives. They believe that a robust business model and corporate structure backed by a sound technological, marketing, communications infrastructure with good physical and human resources will deliver that aim.

There was a net cash inflow for the group of £5,486,000 in 2020-21, compared to an outflow of £1,930,000 in prior year, with an inflow from operating activities of £2,787,000 (2020: £1,188,000 outflow). After revaluation due to exchange rates, this resulted in cash and cash equivalents of £10,914,000 at year end (2020: £5,406,000).

The RAD has mitigated the impact of the pandemic and generated an overall net income of £1,837,000.

Whilst the impact of the pandemic was severe, the Academy was able to mitigate this by cost reduction measures, use of the furlough and similar schemes around the world.

In the UK we also benefitted from the government Cultural Recovery Grants of £900,000 of which with £750,000 was received in the year.

Since the cyclical low point of end of July 2020, operations have resumed, with delivery of examinations via video assessments (and face to face in some countries) enabling postponed exams to take place, and a more usual cycle of exams in 2020-21. There has been a significant improvement in the cash position of the group as operations have resumed, and a return to a significant level of profitability. The move to the new global headquarters is nearly complete, and therefore the risks of overspend or further cash commitments on this project are vastly reduced.

We are delivering our teaching online and have video assessments for examinations, which enable our activities to continue around the world.

HSBC Bank Plc renewed the RAD's grouping facility of £700,000 for a further year in August 2021. Royal Academy of Dance Enterprises Limited's overdraft facility of £300,000 was renewed for a further year in August 2021.

We have a CBILS loan of £800,000 in place with HSBC, which was drawn down in March 2021. This is to be repaid over 5 years (starting in April 2022). The term loan of £2,500,000 was taken out over 25 years (with an initial term of 5 years). Both of these loans are secured on the RAD's headquarters at 36 Battersea Square. On the completion of the sale of Battersea Square and purchase of York Road, the security will be moved to York Road.

Accounting policies

Year ended 31 July 2021

Notes

Achievement of the RAD's targets for 2021-22 is dependent on the ongoing impact of the pandemic but results to date have been broadly in line with targets. Forecasts have been reviewed for the twelve-month period from date of signing the accounts, including downside scenario planning (particularly further disruption to examinations and shortfall in capital fundraising) and mitigating actions against these. Possible mitigating actions include further cost reductions that can be implemented, funds that can be repatriated from overseas and, given the relatively low level of borrowings compared to the valuation of the headquarters and overseas properties, opportunity to raise additional financing if required. The RAD will have sufficient resources available to meet its liabilities as they fall for the twelve-month period from the date of signing the accounts and for this reason has prepared the accounts on a going-concern basis.

1(c) Basis of consolidation

The charity accounts include the audited accounts of the Royal Academy of Dance in the United Kingdom and its branches for the year to 31 July 2021, and the consolidated Group accounts include the audited accounts of the charity and its subsidiaries. All activities derive from continuing operations.

1(d) Stocks and work-in-progress

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

1(e) Tangible fixed assets

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

Freehold buildings	2%	Furniture and office equipment	10%
Computer equipment	33%	Motor vehicles	25%

1(f) Intangible fixed assets

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

1(g) Investments

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

1(h) Revaluation of assets

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

1(i) Overseas currencies

Income, expenditure, assets and liabilities of overseas branches and subsidiaries are translated into sterling at the exchange rates ruling at the balance sheet date. The exchange gains or losses arising from the retranslating of opening net assets of the overseas branches and subsidiaries are shown under 'Other recognised gains or losses' in the statement of financial activities. All other exchange gains or losses are dealt with through expenditure within the statement of financial activities.

Accounting policies

Year ended 31 July 2021

Notes

1(j) Recognition of income

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

Assets such as gifts or donations given for use by the RAD are recognised as income at their estimated market value when receivable. If they form part of the fixed assets at the year-end, the amounts are included in the balance sheet at the value at which the gift was included in income.

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

Government grant income has been included within "Other income". This grant income relates to the UK government job-retention scheme (furlough) introduced in March 2020 to mitigate some of the financial impact of the Covid-19 pandemic. The grant is classified as a revenue-based grant as per the FRS102 accrual model and stipulates that the revenue must be recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. The furlough scheme ceased to operate with effect from 1 October 2021.

1(k) Recognition of expenditure

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

- **Costs of raising funds:** costs of raising funds include expenditure related to support departments and staff members engaged in or contributing to those activities.
- **Costs of charitable activities:** charitable expenditure includes all expenditure related to the objects of the charity and includes expenditure related to support departments and staff members engaged in or contributing to charitable activities.
- **Governance costs:** these are costs associated with the constitutional and statutory requirements of the Group, and include expenditure related to the trustees and senior staff members engaged in or contributing to the governance of the group. These are allocated within support costs as per the requirements of the Charities SORP 2019.
- **Indirect support costs** have been allocated on the following bases:

Salaries and pensions	staff numbers per department
General administration	staff numbers per department
Information technology	staff numbers per department
Rent and property	departmental use for office space and income generated for studio space
Depreciation	estimated use
Governance	staff numbers per department
Finance charges	income to cost ratio

1(l) Pension costs

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

Accounting policies

Year ended 31 July 2021

Notes

1(m) Fund accounting

Funds can be classified as designated, general or restricted. General funds are all unrestricted funds which are not designated and can be applied at the discretion of the trustees in accordance with the RAD's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the Charity for particular purposes. The purpose for which restricted funds are held is analysed in note 26.

1(n) Regional advisory committees

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

1(o) Treatment of VAT

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

1 (p) Financial instruments

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

1 (q) Operating Leases

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

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

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

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

Key sources of estimation uncertainty

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

Notes to the accounts

Year ended 31 July 2021

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	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
2 Income and endowments from:						
Donations, gifts and legacies	73	161	234	382	-	382
Funding grants	818	585	1,403	-	-	-
	891	746	1,637	382	-	382

3 Trading

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

	2021 £000	2020 £000
Turnover net of taxes and discounts	655	850
Cost of sales and other costs	(571)	(500)
Net income from trading	84	350

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
4 Other trading activities						
Fundraising activities	1	4	5	-	-	-
Licensing and royalty income	258	-	258	327	-	327
Property and studio hire	13	-	13	32	-	32
	272	4	276	359	-	359
5 Investment income						
Interest received	11	-	11	28	-	28
	11	-	11	28	-	28
6 Education and training fees						
Initial Education	3,326	18	3,344	3,846	-	3,846
Continuing Education	1,216	317	1,533	1,263	534	1,797
	4,542	335	4,877	5,109	534	5,643
7 Other income						
Advertising income	96	-	96	218	-	218
Furlough income*	1,123	-	1,123	530	-	530
All other income	95	3	98	399	-	399
	1,314	3	1,317	1,147	-	1,147

* Furlough income relates to income received as a result of worldwide coronavirus government support grants. The total amount received in the UK for the year was £628,837 (2020: £530,000) and 135 staff have been furloughed or part furloughed in the year (2020: 155). The comparatives for 2020 have been restated to show furlough income as unrestricted whereas for 2020 it was shown as restricted. The grants are accounted for on a revenue basis and therefore there are no unfulfilled conditions or other contingencies attached.

Notes to the accounts

Year ended 31 July 2021

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	2021	2020
	£000	£000
Australia	147	241
Canada	252	95
New Zealand	2	24
South Africa & Mauritius	-	5
USA	42	-
Germany	17	9
Israel	2	1
Italy	26	29
Japan	-	7
Singapore	6	13
Scandinavia	-	2
UK	629	530
	<u>1,123</u>	<u>956</u>

	2021				2020			
	Unrestricted funds	Restricted funds			Unrestricted funds	Restricted funds		
	Direct costs	Direct costs	Support costs	Total funds	Direct costs	Direct costs	Support costs	Total funds
	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure								
8 Costs of raising funds								
Fundraising activities	254	45	43	342	454	-	54	508
Trading	571	-	332	903	500	-	450	950
	<u>825</u>	<u>45</u>	<u>375</u>	<u>1,245</u>	<u>954</u>	<u>-</u>	<u>504</u>	<u>1,458</u>
9 Costs of charitable activities								
Examinations	4,077	-	3,290	7,367	4,812	-	3,609	8,421
Initial Education	2,647	18	2,142	4,807	2,819	-	2,370	5,189
Continuing Education	1,131	301	743	2,175	1,699	543	1,048	3,290
Subscription	355	-	518	873	474	-	578	1,052
	<u>8,210</u>	<u>319</u>	<u>6,693</u>	<u>15,222</u>	<u>9,804</u>	<u>543</u>	<u>7,605</u>	<u>17,952</u>

Notes to the accounts

Year ended 31 July 2021

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	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
10 Auditor fees payable						
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts						
Audit fees						
2020-21	89	-	89	125	-	125
2019-20 additional fees	75	-	75	37	-	37
Other services	-	-	-	13	-	13
Fees payable to the Group's auditor and its associates for the audit of the Group's subsidiaries						
Audit fees	43	-	43	48	-	48
Other services	-	-	-	2	-	2
Fees payable to other auditors for the audit of the Group's branches and subsidiaries						
Fees	70	-	70	75	-	75
11 Other expenditure						
All other expenditure	266	-	266	58	-	58
Taxation	125	-	125	126	-	126
	<u>391</u>	<u>-</u>	<u>391</u>	<u>184</u>	<u>-</u>	<u>184</u>

Notes to the accounts

Year ended 31 July 2021

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12 Analysis of indirect support costs¹

Unrestricted funds 2021

	Examinations	Initial Education	Continuing Education	Subscription	Trading	Fundraising activities	Total
	£000	£000	£000	£000	£000	£000	£000
Salaries and pensions	1,599	952	357	273	174	27	3,382
General administration	688	481	154	112	55	8	1,498
Information technology	126	128	37	31	25	2	349
Financing charges	62	40	13	8	5	-	128
Depreciation	206	158	57	26	19	4	470
Rent and property	371	248	82	37	28	1	767
Governance	238	135	43	31	26	1	474
	3,290	2,142	743	518	332	43	7,068

Unrestricted funds 2020

	Examinations	Initial Education	Continuing Education	Subscription	Trading	Fundraising activities	Total
	£000	£000	£000	£000	£000	£000	£000
Salaries and pensions	1,844	985	425	278	222	29	3,783
General administration	677	536	254	149	71	16	1,703
Information technology	164	139	57	38	35	3	436
Financing charges	60	42	17	8	5	1	133
Depreciation	317	318	142	44	41	3	865
Rent and property	300	219	97	32	29	1	678
Governance	247	131	56	29	47	1	511
	3,609	2,370	1,048	578	450	54	8,109

¹ The basis of allocation of support costs are disclosed in note 1(k)

Notes to the accounts

Year ended 31 July 2021

Notes

13 Related Party Transactions

Seven trustees (2020: nine) who are also examiners, tutors or mentors received a total of £22,171 (2020: £32,442) in relation to fees and expenses. Payments to trustees who are also examiners, tutors and mentors are in accordance with Articles 6.5 and 10 of the Charter.

Trustees received no remuneration for volunteering their time. Six donations were received from five trustees (£24,050) during the year (2020: £35,000).

The following related party transactions took place during the year:

Related Party: Andrew Cois (related to Sara Cois employee – Australia)

Transaction: AC photography for event photography

Cost of transaction: £945 (AUD\$1,860) (2020: £754 (AUD\$1,421))

Amount due at 31 July 2021: £Nil (AUD\$Nil) (2020: £Nil (AUD\$Nil))

Related Party: Tane Williams Accra (son of National Director – New Zealand)

Transaction: Piano recordings

Cost of transaction: £216 (NZ\$456) (2020: £Nil (NZ\$Nil))

Amount due at 31 July 2021: £Nil (NZ\$Nil) (2020: £Nil (NZ\$Nil))

Related Party: Jonathan Gray (Nina Sowerbutts' (employee) daughter's partner)

Transaction: Videography

Cost of transaction: £237 (NZ\$500) (2020: £Nil (NZ\$Nil))

Amount due at 31 July 2021: £Nil (NZ\$Nil) (2020: £Nil (NZ\$Nil))

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

Transaction: Installation of security equipment, editing for filmed exams

Cost of transaction: £625 (R14,005) (2020: £6,918 (R138,870))

Amount due at 31 July 2021: £Nil (R Nil) (2020: £Nil (R Nil))

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

Transaction: Temporary clerical work

Cost of transaction: £1,084 (R 24,279) (2020: £1,270 (R25,495))

Amount due at 31 July 2021: £Nil (R Nil) (2020: £Nil (R Nil))

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

Transaction: Website Management services

Cost of transaction: £3,661 (US\$5,400) (2020: £4,789 (US\$6,035))

Amount due at 31 July 2021: £Nil (US\$Nil) (2020: £Nil, (US\$Nil))

Related Party: Ferrell Alexander (daughter of National Director) – as part time employee

Transaction: payroll costs

Cost of transaction: £7,822 (US\$11,536.20) (2020: £7,471 (US\$9,414))

Amount due at 31 July 2021: £Nil (US\$Nil) (2020: £Nil, (US\$Nil))

Related Party: Yole Talula Salendu (National Director – Indonesia)

Transaction: Organiser commission and office rental

Cost of transaction: (£13,654 Rupiah 289,980,400) (2020: £14,822 (Rupiah 273,305,539))

Amount due at 31 July 2021: £Nil (2020: £5094 (Rupiah 97,963,651))

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

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

Cost of transaction: £59,200 (¥9,346,402) (2020: £95,001 (¥12,926,956))

Amount due at 31 July 2021: £18,687 (¥2,849,524) (2020: £20,670 (¥2,849,524))

Related Party: Dance Etc (National Director – Portugal)

Transaction: Office and studio hire

Cost of transaction: £4,626 (€5,700) (2020: £3185 (€3,600))

Amount due at 31 July 2021: £Nil (€Nil) (2020: £Nil (€Nil))

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

Transaction: payroll costs

Cost of transaction: £18,119 (€22,327.38) (2020: £16,698 (€18,872))

Amount due at 31 July 2021: £Nil (€Nil) (2020: £Nil (€Nil))

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

Transaction: Annual office rent

Cost of transaction: £5,161 (€6360) (2020: £5,627 (€6,360))

Amount due at 31 July 2021: £Nil (€Nil) (2020: £Nil (€Nil))

All transactions were at arm's length.

Notes to the accounts

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

		2021					2020				
		Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)	Gift Aid from RADE	Intercompany balances with RAD	Intercompany balances with RADE	Intercompany loan balances with RAD	Intercompany loan balances with RAD (South Africa)
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Royal Academy of Dance	UK	300	-	(508)	-	-	433	-	(580)	-	-
Royal Academy of Dance Enterprises Limited	UK	-	508	-	-	-	-	580	-	-	-
Royal Academy of Dance (Australia Branch)	Australia	-	89	89	-	-	-	(61)	159	-	-
Royal Academy of Dance S/C Ltda	Brazil	-	36	-	-	-	-	16	-	-	-
Royal Academy of Dance – Canadian Branch	Canada	-	107	78	-	-	-	140	64	-	-
Royal Academy of Dance gGmbH	Germany	-	63	-	-	-	-	67	-	-	-
Yayasan Royal Academy of Dance Indonesia	Indonesia	-	83	-	-	-	-	60	-	-	-
Royal Academy of Dance (Israeli Branch)	Israel	-	27	-	-	-	-	25	-	-	-
Royal Academy of Dance Srl	Italy	-	50	-	-	-	-	75	-	-	-
Royal Academy of Dance	Japan	-	30	1	-	-	-	42	-	-	-
Royal Academy of Dance Asbl	Luxembourg	-	57	-	-	-	-	31	-	-	-
Royal Academy of Dance de Mexico AC	Mexico	-	(46)	-	-	-	-	27	-	-	-
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	-	59	-	-	-	-	69	-	-	-
Royal Academy of Dance – New Zealand Branch	New Zealand	-	(375)	16	(88)	-	-	(381)	11	(99)	-
Royal Academy of Dance	Portugal	-	16	-	-	-	-	30	-	-	-
Royal Academy of Dance Singapore Pte Ltd	Singapore	-	108	-	-	-	-	74	-	-	-
Royal Academy of Dance	South Africa	-	11	8	22	-	-	(28)	23	22	-
Royal Academy of Dance s21 Company	South Africa	-	-	-	-	27	-	-	-	-	24
Royal Academy of Dance SL	Spain	-	65	-	-	-	-	58	-	-	-
RAD Dancing (Thailand) Sdn Bhd	Thailand	-	14	-	-	-	-	20	-	-	-
Royal Academy of Dance	USA	-	24	30	-	-	-	4	27	-	-

Notes to the accounts

Year ended 31 July 2021

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14 Funds held as custodian Trustees

At the year end, the Group held monies totalling £196,353 (2020: £19) on behalf of its clients, and the Charity held monies totalling £196,353 (2020: £19). These monies are not included within the balance sheet and are held separately in a clearly identifiable bank account.

15 Indemnity insurance

Indemnity insurance was included as part of the RAD's global policy to indemnify the RAD from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees and other officers against the consequence of any neglect or default on their part, in accordance with Article 6(h) of the Charter. The cost was £16,800 (2020: £10,051).

16 Costs of employees

The Academy employed 236.5 (2020: 245.9) administrative staff and 10.0 (2020: 30.0) commission-based staff worldwide, as well as contracting the services of examiners, teachers, tutors and musicians. Employment costs account for 64% (2020: 57%) of total expenditure (excluding other expenditure):

	2021			2020		
	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Employee gross salaries	8,968	-	8,968	9,982	-	9,982
Employee payroll taxes	681	-	681	665	-	665
Employer pension contribution	492	-	492	477	-	477
Employees on commission	672	-	672	375	-	375
Total employment costs	10,813	-	10,813	11,499	-	11,499

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

The total employee benefits for the key management personnel of the charity (as listed on page 04), including employer's pension contributions and national insurance, were £760,000 (2020: £647,000).

Basic salary	2021	2020
Number of group employees earning:		
Between £125,000 – £129,999	1	1
Between £100,001 – £104,999	1	1
Between £70,001 – £80,000	5	6
Between £60,001 – £70,000	7	6

Chief Executive

Basic salary / Average staff basic salary ratio	4:4	4:1
Total remuneration / Average staff total remuneration	4:5	4:3

The Chief Executive's salary is based on current market rates for similar roles in the not-for-profit sector.

	2021	2020
Chief Executive	£	£
Basic salary	127,345	127,345
Pension contributions	14,415	14,409
Occupational health insurance	5,333	5,985
Total remuneration	147,093	147,740

Redundancy payments of £12,105 were made during the year with £23,705 owing as at 31 July 2021 (2020: £nil)

Notes to the accounts

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17 Pension costs

The pension charge for the year to 31 July 2021 was £492,000 (2020: £477,000).

In the UK, the RAD currently operates two schemes, representing in total 149 (2020: 151) employees.

Provider	Type of scheme
Aegon Scottish Equitable	Defined-contribution scheme
Teachers' Pension Scheme (TPS)	A contracted-out, unfunded, defined-benefit occupational pension scheme

Elsewhere the RAD operates or contributes to a variety of defined contribution schemes, money purchase schemes or statutory schemes, representing 63 (2020: 67) employees in 12 (2020: 12) countries.

18 Taxation

The RAD is a charitable organisation and is entitled to UK tax exemptions available to charities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards).

The Royal Academy of Dance Enterprises Limited gift aids its “annual profits”, as defined by a Deed of Covenant entered into with the RAD. Provision for UK taxation has only been made in respect of any residual profit of the Royal Academy of Dance Enterprises Limited.

Subject to the availability of similar charitable exemptions overseas, provision has been made for overseas taxation on the profits of overseas subsidiaries and branches.

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Year ended 31 July 2021

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19 Tangible and intangible fixed assets

	Intangibles	Freehold land and buildings	Furniture and office equipment	Computer equipment	Motor vehicles	Total
Group	£000	£000	£000	£000	£000	£000
Cost or Valuation						
At 1 August 2020	96	18,540	644	3,214	47	22,541
Exchange-rate movements	-	(182)	(10)	(14)	1	(205)
Revaluation	-	275	-	-	-	275
Additions	-	374	31	64	-	469
Disposals	(19)	-	(12)	(25)	-	(56)
At 31 July 2021	77	19,007	653	3,239	48	23,024
Accumulated depreciation						
At 1 August 2020	80	-	584	2,250	47	2,961
Exchange-rate movements	-	-	(12)	(8)	1	(19)
Revaluation	-	(24)	-	2	-	(22)
Charge for the year	1	24	30	411	-	466
Eliminated on disposals	(22)	-	(12)	(24)	-	(58)
At 31 July 2021	59	-	590	2,631	48	3,328
Net book value						
At 31 July 2021	18	19,007	63	608	-	19,696
At 31 July 2020	16	18,540	61	963	-	19,580
Charity						
	£000	£000	£000	£000	£000	£000
Cost or Valuation						
At 1 August 2020	51	18,408	546	3,072	47	22,124
Exchange-rate movements	-	(192)	(3)	(5)	1	(199)
Revaluation	-	275	-	-	-	275
Additions	-	374	2	53	-	429
Disposals	-	-	(5)	-	-	(5)
At 31 July 2021	51	18,865	540	3,120	48	22,624
Accumulated depreciation						
At 1 August 2020	49	-	503	2,128	47	2,727
Exchange-rate movements	-	-	(3)	(3)	1	(5)
Revaluation	-	(24)	-	-	-	(24)
Charge for the year	1	24	19	404	-	448
Eliminated on disposals	-	-	(5)	-	-	(5)
At 31 July 2021	50	-	514	2,529	48	3,141
Net book value						
At 31 July 2021	1	18,865	26	591	-	19,483
At 31 July 2020	2	18,407	43	943	1	19,396

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19 Tangible and intangible fixed assets (continued)

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

	Value at 1 August 2020	Exchange movement	Charge for the year	Additions to freehold	Increase / (decrease) in valuation	Value at 31 July 2021
	£000	£000	£000	£000	£000	£000
United Kingdom	15,733	-	-	374	-	16,107
Australia	2,663	(179)	(24)	-	298	2,758
South Africa	142	-	-	-	-	142
Total	18,538	(179)	(24)	374	298	19,007

The freehold property in the UK has been valued at the contractual sale price.

The freehold property in Sydney, Australia was valued on 31 July 2021 at fair value. This valuation was carried out by Cviker Property Valuations & Consultancy.

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

The charity does not hold any heritage assets, which are defined as tangible fixed assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

20 Investments

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Quoted investments				
Market value at 1 August	154	150	154	150
Investment during the year	5	-	5	-
Net realised / unrealised gains /(losses)	(9)	4	(9)	4
Market value at 31 July	150	154	150	154
Historical cost at 31 July	23	23	13	13
Investment in joint venture				
Dance Proms ²	-	-	-	24
Investment during the year	-	-	-	-
less impairment during year	-	-	-	(24)
At 31 July	-	-	-	-
Investments in subsidiaries				
Balance at 1 August	-	-	114	114
Exchange differences	-	-	-	-
At 31 July	-	-	114	114
Total investments at 31 July	150	154	264	268
<i>Quoted investments</i>				
Held in the United Kingdom	54	49	54	49
Held outside the United Kingdom	96	105	96	105

² Celebration of Dance Festival Ltd; a joint venture between the ISTD, IDTA and RAD

Notes to the accounts

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All quoted investments are held within restricted funds, are listed on a recognised stock exchange and are valued at market value at year-end. Prior year balances have been restated to correct disclosure in last year's accounts where quoted investments in Portugal and South Africa were incorrectly classified as investment in subsidiaries.

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

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

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Investments in subsidiaries

Subsidiaries	Country of incorporation	Co Registration number	% of issued share capital	Assets £'000	Liabilities £'000	Net Assets £'000	Capital £'000	Income £'000	Expenditure £'000	Surplus / (deficit) £'000
Royal Academy of Dance S/C Ltda	Brazil	CNP-J27907864/0001-48	Held in trust	92	42	50	-	164	178	(14)
Royal Academy of Dance gGmbH	Germany	HRB 103317	100%	238	167	71	64	339	290	49
Yayasan Royal Academy of Dance Indonesia	Indonesia	Yayasan No 138	100% control	19	115	(96)	-	39	68	(29)
Royal Academy of Dance Srl	Italy	TN-0174567	99%	365	193	172	8	437	427	10
Royal Academy of Dance Asbl	Luxembourg	RCS F1236	100%	18	70	(52)	3	11	27	(16)
Royal Academy of Dance de Mexico AC	Mexico	RFC RAD 011026DT5	Held in trust	141	1	140	-	131	185	(54)
RAD Dancing (Malaysia) Sdn Bhd	Malaysia	No 282399-X	100%	443	169	274	-	302	447	(145)
Royal Academy of Dance Singapore Pte Ltd	Singapore	No 02211/1988-M	100%	1,059	290	769	-	941	903	38
Royal Academy of Dance	South Africa	1990/004233/08	100% control	210	90	120	-	254	210	44
Royal Academy of Dance SL	Spain	CIF No B-59915330	100%	390	162	228	2	586	390	196
RAD Dancing (Thailand) Sdn Bhd	Thailand	0505554003970	49%	118	34	84	37	198	166	32
Royal Academy of Dance Enterprises Ltd	United Kingdom	No 2773495	100%	659	625	34	-	834	535	299
Balance as at 31 July 2021				3,752	1,958	1,794	114	4,236	3,826	410

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21 Stocks	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Finished goods and goods for resale	560	560	366	298
Balance at 31 July	560	560	366	298

22 Debtors: amounts falling due within one year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade debtors	433	1,709	351	780
Amounts due from subsidiaries	-	-	803	1,350
Other debtors	228	253	172	457
Prepayments and accrued income	601	754	448	570
Balance at 31 July	1,262	2,716	1,774	3,157

In the prior year intercompany transactions relating to gift aid and receipts have been reclassified from accrued income and trade debtors respectively to amounts due from subsidiaries and balances grossed up as required.

23 Creditors: amounts falling due within one year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Bank overdrafts	-	1,615	-	1,615
Bank loans	163	34	163	35
Trade creditors	1,017	2,748	807	2,189
Amounts owed to subsidiaries	-	-	388	433
Taxation and social security	419	154	203	60
Accruals and deferred income	4,301	3,956	3,956	3,112
Balance at 31 July	5,900	8,507	5,517	7,444

Bank overdrafts

At 31 July 2021, the Royal Academy of Dance in the United Kingdom had not utilised any of the £700,000 available in the grouped overdraft facility (2020: £700,000). The facility is secured on the freehold property at 36 Battersea Square, London SW11 3RA. The overdraft facility was renewed for a further twelve months in August 2021. Following discussions with HSBC, the directors believe that this facility will be renewed for another year in accordance with the standard annual renewal process.

At the year-end, the Royal Academy of Dance Enterprises Ltd had not utilised any of the £300,000 overdraft facility available to it, which is separate from the grouped overdraft facility referred to above. This overdraft facility was renewed for a further year in August 2021. Following discussions with HSBC, the directors believe that this facility will be renewed for another year in accordance with the standard annual renewal process.

An overdraft facility of A\$400,000 with Westpac, secured on the property at 20 Farrell Avenue, Sydney, was made available in March 2012 to facilitate the completion of building works on the property and to supplement the cyclical nature of the Australian operations cash flow. The facility was made available for ten years expiring in February 2022.

Notes to the accounts

Year ended 31 July 2021

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Movement on deferred income during the year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Balance brought forward	3,574	3,276	2,830	3,021
Received in year	4,891	3,672	4,697	3,072
Released to income	(5,237)	(3,374)	(4,537)	(3,263)
Balance carried forward	<u>3,228</u>	<u>3,574</u>	<u>2,990</u>	<u>2,830</u>

24 Creditors: amounts falling due after more than one year	Group		Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Provision for long-service award	30	24	30	24
Bank loans	3,232	73	3,232	73
Balance at 31 July	<u>3,262</u>	<u>97</u>	<u>3,262</u>	<u>97</u>

Bank loans

Bank loans of £3,232,126 (2020: £73,348) relate to:

- the Australian branch has a bank bill business loan of A\$400,000 drawn down in March 2012 to complete building works on 20 Farrell Avenue, Sydney. The loan was free of interest and fees for the first three years, then principal, interest and fees for the remaining period of 10 years, expiring 2027. The current interest rate is 4.10%. The change in total liability is due to exchange movements as well as payments against the loan. The loan is secured on that property.
- the Canadian branch has a Canada Emergency Business Account (CEBA) loan which is a government-backed Covid-support unsecured loan of C\$60,000. The loan is interest-free until 31 December 2022 and if settled in full before then, C\$20,000 will be forgiven. If the loan is not repaid in full before 31 December 2022, interest will be charged at 5.00% per annum on the outstanding balance. The loan must be repaid in full no later than 31 December 2025.
- the Royal Academy of Dance in the United Kingdom has two loans:
 - Coronavirus Business Interruption Loan (CBILS) is an unsecured loan of £800,000 drawn down in March 2021 for general working-capital requirements. The loan repayments will commence 12 months after the drawdown date and comprise capital repayments together with interest at a rate of 3.99% per annum above the Bank of England base rate on the outstanding loan balance. An election has been made to utilise the business-interruption payment scheme (BIP) where interest payments in the first 12 months will be covered by the BIP. The loan must be repaid in full no later than March 2027.
 - a term loan of £2,500,000 utilised in July 2021 to facilitate the purchase of the new Group Headquarters property located at York Road, London, UK. The loan repayments commenced one month after the drawdown date and will be made in 58 instalments of £12,319 each with a final repayment of the outstanding balance. Interest of 3.25% per annum over the Bank of England base rate will be calculated on the outstanding amount of the loan on a monthly basis. The loan must be repaid in full no later than July 2026.

25 Commitments

Capital commitments

There are £426,000 (2020: £nil) of capital commitments as at 31 July 2021.

Operating leases

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

	2021	2020
	£'000	£'000
Less than 1 year	34,119	15,923
2-5 years	140,430	71,824
Over 5 years	3,233	11,971

Lease payments of £18,916 (2020: £19,900) were charged to the Consolidated Statement of Financial Activities during the year.

Notes to the accounts

Year ended 31 July 2021

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26 Movement in restricted funds

Type of Fund			Balance at 1 Aug 2020	Exchange Movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2021
			£000	£000	£000	£000	£000	£000	£000
Restricted									
Step into Dance programme	UK	Project	(6)	-	310	(286)	-	-	18
CLIF programme	UK	Project	(2)	-	-	-	-	2	-
Benesh Projects	UK	Project	98	-	5	-	-	-	103
Scholarship / bursary funds	UK	Restricted	569	-	-	(33)	-	-	536
<i>Boys Only!</i> funds	UK	Restricted	53	-	-	-	-	-	53
Iris Truscott fund	UK	Restricted	31	-	16	(39)	-	-	8
Regional Scholarship funds	UK	Restricted	68	-	12	(6)	-	-	74
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	-	18
RADiate	UK	Restricted	14	-	-	-	-	-	14
Christel Addison Funds	South Africa	Restricted	69	(2)	-	-	-	-	67
Scholarship funds	Israel	Restricted	1	-	-	-	-	-	1
New London Headquarters	UK	Restricted	-	-	745	-	-	-	745
Total Charity			913	(2)	1,088	(364)	-	2	1,637
Building fund	South Africa	Restricted	6	-	-	-	-	-	6
Total Group			919	(2)	1,088	(364)	-	2	1,643

26 Movement in restricted funds (prior year)

Type of Fund			Balance at 1 Aug 2019	Exchange Movement	Income	Expenditure	Other recognised gains and losses	Transfers from unrestricted funds	Balance at 31 July 2020
			£000	£000	£000	£000	£000	£000	£000
Restricted									
Step into Dance programme	UK	Project	12	-	406	(424)	-	-	(6)
CLIF programme	UK	Project	(2)	-	-	-	-	-	(2)
Benesh Projects	UK	Project	86	-	12	-	-	-	98
Scholarship / bursary funds	UK	Restricted	574	-	15	(20)	-	-	569
<i>Boys Only!</i> funds	UK	Restricted	41	-	18	(6)	-	-	53
Iris Truscott fund	UK	Restricted	59	-	7	(35)	-	-	31
Regional Scholarship funds	UK	Restricted	48	-	42	(22)	-	-	68
Jubilee Awards 2012	UK	Restricted	18	-	-	-	-	-	18
RADiate	UK	Restricted	16	-	34	(36)	-	-	14
Christel Addison Funds	South Africa	Restricted	72	(3)	-	-	-	-	69
Scholarship funds	Israel	Restricted	1	-	-	-	-	-	1
Total Charity			925	(3)	534	(543)	-	-	913
Building fund	South Africa	Restricted	6	-	-	-	-	-	6
Total Group			931	(3)	534	(543)	-	-	919

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Year ended 31 July 2021

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Restricted funds

Restricted funds are funds arising out of donations, grants, legacies and awards given or raised for specific purposes. Furlough income was incorrectly disclosed as restricted income in 2020. This has now been corrected in 2021 and 2020 to be reflected within unrestricted income.

These funds are used for specific projects:

Step into Dance: A fully inclusive, community dance programme, a partnership between the RAD who lead the programme and The Jack Petchey Foundation who fund it.

The Community Learning and Innovation Fund (CLIF): Funded research into Dance for Lifelong Wellbeing.

Benesh Projects: Funds are raised from the Benesh Institute Endowment Fund to finance changes made in the Benesh Movement website and Benesh course material.

Scholarship/bursary funds: To provide grants to students attending teacher education and notation programmes at the Academy. Awards totalling £33,493 were made (2020: £20,177).

Boys Only! funds: Funds raised at a joint RAD/RBS Billy Elliot preview gala to provide opportunities for male students whose access to dance is limited for economic, geographic or physical reasons. There was spend of £nil in the year (2020: £6,241) to support Project B, created to inspire boys and men of all ages to dance.

Iris Truscott fund: A trust deed registered with the Charity Commissioners to give awards to students wishing to progress from either the CBTS to a Level 2 or 3 teaching qualification validated by the University of Bath and delivered by the RAD; or from BA Ballet Education to LRAD programme.

Regional Scholarship funds: Funds are raised and administered by Regional Advisory Committees in England and Wales to provide scholarships for students to further their training.

Jubilee Awards 2012: One of four awards made to the Royal Academy of Arts, the Royal Academy, the Royal Academy of Dramatic Art and the Royal Academy of Dance to honour HM The Queen's patronage of the four Academies in her Golden Jubilee Year.

RADiate funds: Funds are raised from a grant received by City Bridge Trust and school tuition fees for special needs education in primary schools.

Christel Addison funds (South Africa): A legacy left by a South African teacher to fund teacher training opportunities overseas for South African residents. No awards were made.

Scholarship funds (Israel): To provide scholarships for students to further their training. No awards were made.

New Headquarters Fund (United Kingdom): Funds are currently being raised for the fit out costs for the new Group headquarters building / studios.

Building Fund (South Africa): The building is owned by Royal Academy of Dance, a company registered in South Africa under its s21 Companies Act. Funds are raised by renting the building.

27 Movement in unrestricted funds

	Balance at 1 Aug 2020	Exchange movements	Income	Expenditure	Other recognised (losses)/ gains	Transfer between funds	Balance at 31 Jul 2021
	£000	£000	£000	£000	£000	£000	£000
Charity							
Designated funds	288	(3)	-	(2)	-	(47)	236
Unrestricted funds	1,715	(58)	14,288	(13,215)	-	(2,730)	-
Fixed asset reserve	16,421	-	-	-	287	2,775	19,483
Balance as 31 July	18,424	(61)	14,288	(13,217)	287	(2)	19,719
Group							
Designated funds	288	(3)	-	(2)	-	(47)	236
Unrestricted funds	3,673	(126)	17,607	(16,492)	-	(2,817)	1,845
Fixed asset reserve	16,547	-	-	-	287	2,862	19,696
Balance as 31 July	20,508	(129)	17,607	(16,494)	287	(2)	21,777

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Year ended 31 July 2021

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Movement in unrestricted funds (prior year)

	Balance at 1 Aug 2019	Exchange movements	Income	Expenditure	Other recognised (losses)/ gains	Transfer between funds	Balance at 31 Jul 2020
	£000	£000	£000	£000	£000	£000	£000
Charity							
Designated funds	263	2	82	(59)	-	-	288
Unrestricted funds	4,567	(290)	14,738	(17,300)	-	-	1,715
Fixed asset reserve	16,353	-	-	-	68	-	16,421
Balance as 31 July	21,183	(288)	14,820	(17,359)	68	-	18,424

Group

Designated funds	263	2	82	(59)	-	-	288
Unrestricted funds	6,440	(146)	16,371	(18,992)	-	-	3,673
Fixed asset reserve	16,479	-	-	-	68	-	16,547
Balance as 31 July	23,182	(144)	16,453	(19,051)	68	-	20,508

During the year the designated reserve associated with fixed assets was reviewed and updated to reflect the net book value of fixed assets in total.

Movement in designated funds (Charity and Group)

	Balance at 1 Aug 2020	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2021
	£000	£000	£000	£000	£000	£000
Genée Legacy Funds	6	-	-	-	-	6
Challengenée Funds	56	-	-	-	-	56
Social Responsibility Fund	130	-	-	-	(47)	83
Evans Legacy	54	(3)	-	-	-	51
Fiona Campbell Legacy	42	-	-	(2)	(2)	40
Designated funds*	288	(3)	-	(2)	(49)	236

Prior year

	Balance at 1 Aug 2019	Exchange movements	Income	Expenditure	Transfer between funds	Balance at 31 Jul 2020
	£000	£000	£000	£000	£000	£000
Genée Legacy Funds	6	-	-	-	-	6
Genée Legacy Funds	1	-	-	(1)	-	-
Challengenée Funds	29	-	29	(2)	-	56
Social Responsibility Fund	147	3	35	(55)	-	130
Evans Legacy	55	(1)	-	-	-	54
Fiona Campbell Legacy	25	-	18	(1)	-	42
Designated funds*	263	2	82	(59)	-	288

* Designated funds have been ear-marked for specific purposes of the RAD and include support for ballet competitions, student bursaries and innovation and need in dance education, training and performance, especially in communities where opportunity is limited. There have been challenges in spending these funds during the year due to the pandemic but the amounts will be spent as activity gradually returns to more normal levels

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Year ended 31 July 2021

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		2021	
	Unrestricted funds £000	Restricted Funds £000	Total funds £000
28 Analysis of group net assets between funds			
Tangible and intangible fixed assets	19,696	-	19,696
Investments	136	14	150
Current assets	11,099	1,629	12,736
Current liabilities	(5,900)	-	(5,900)
Amounts falling due after more than one year	(3,262)	-	(3,262)
Total net assets	21,777	1,643	23,420
	Unrestricted funds £000	2020 Restricted Funds £000	Total funds £000
Analysis of group net assets between funds (prior year)			
Tangible and intangible fixed assets	19,580	-	19,580
Investments	117	37	154
Current assets	9,438	882	10,297
Current liabilities	(8,507)	-	(8,507)
Amounts falling due after more than one year	(97)	-	(97)
Total net assets	20,508	919	21,427

Notes to the accounts

Year ended 31 July 2021

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29 Prior year adjustments

	at 1 August 2019 £'000	at 31 July 2020 £'000
Reconciliation of Funds		
Funds as previously stated	23,940	20,875
RADE Income*	-	36
RADE Intercompany**	173	173
RAD debtors/Intercompany***	-	343
Funds as restated	24,113	21,427

	at 31 July 2020 £'000
Reconciliation of 2020 Statement of Financial Activities	
2020 total as previously stated	(3,065)
RADE Income*	36
RAD debtors/Intercompany***	343
Total as restated	(2,686)

	at 1 August 2019 £'000	at 31 July 2020 £'000
Charity		
Reconciliation of Funds		
Funds as previously stated	21,935	18,821
RADE Intercompany**	173	173
RAD debtors/Intercompany***	-	343
Funds as restated	22,108	19,337

	at 31 July 2020 £'000
Reconciliation of 2020 Statement of Financial Activities	
2020 total as previously stated	(3,114)
RAD debtors/Intercompany***	343
Total as restated	(2,771)

* This adjustment relates to missing trade sales in Royal Academy of Dance Enterprises Limited due to the sales not being recorded in the retail system (RMS). It takes into account the VAT due on these sales as well as the corporation tax due on the resulting income which was not transferred to the Charity as gift aid. The support for RMS was discontinued and new retail system (TRIMS) has now been implemented.

** Adjustment relates to historic intercompany payroll transactions not being recorded correctly in the parent entity. Following a detailed line by line review of the ledger the adjustments have been made in the accounts.

*** Adjustment relates to the write back to expenditure of a write off posted in the prior year. Following a detailed line by line review of the ledger adjustments have been made in the accounts.

Overall these prior year adjustments have increased funds brought forward at 1 August 2020 by £552,000.

Group

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

Subsidiary companies

Benelux & France	Royal Academy of Dance Asbl., 8, rue de Beggen, L-1220 Luxembourg.
Germany	Royal Academy of Dance gGmbH, Waldenserstrasse 2-4, 10551 Berlin
Indonesia	Yayasan RAD Indonesia, Jl. Angur III / no:1 Cipete, Jakarta Selatan 12410
Italy	Royal Academy of Dance Srl., Via Vannetti 12, 38122 Trento
Malaysia	RAD Dancing (Malaysia) Sdn Bhd., No 16F 1 Sentral, Jalan Stesen, Sentral, Kuala Lumpur 50470
Mexico & Central America	Royal Academy of Dance de Mexico AC, Amates 18 Fracc Alconfores, San Mateo, Naucalpan CP 53240, Mexico
Singapore	Royal Academy of Dance Singapore Pte Ltd., Farrer Road Post Office, PO Box 106, Singapore 912804
South Africa	Royal Academy of Dance s21 Company, PO Box 200, Bramley 2018, Johannesburg
South America	Royal Academy of Dance Brasil Ltda, Av. Angelica, 566/86, Santa Cecília, 01228 000 São Paulo-SP, Brasil
Spain, Andorra & Gibraltar	Royal Academy of Dance SL., Ventura i Gassol, 3, 5è-3a, 43203 Reus, Tarragona, Spain
Thailand	RAD Dancing (Thailand) Co Ltd, 121/12, Moo 10, Chiangmai-Hangdong Road, Tambon: Pae Dad, Ampur: Muang, Chiangmai 50100
United Kingdom	Royal Academy of Dance Enterprises Ltd, 36 Battersea Square, London SW11 3RA

Charity

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

Branch offices

Australia	20 Farrell Avenue, Darlinghurst, NSW 2010
Canada	Suite 601, 1210 Sheppard Avenue East, Suite 601, Toronto, Ontario M2K 1E3
Israel	Hadar Street 491, Neve Yamin
Japan	Trad Mejiro B2F, 2-39-1 Mejiro, Toshima-Ku, Tokyo 171-0031
New Zealand	Level 11 49 Boulcott Street, Wellington 6011
Portugal	Rua 4 Infantaria 86, 138 C/V Esq, 1350-241 Lisboa
Southern Africa & Mauritius	PO Box 200, Bramley 2018, Johannesburg, South Africa
United States	1927 N 4th Street, Milwaukee 53212, Wisconsin

UK Group

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

Representative Offices

Caribbean	PO Box 1433, 8 Rockhampton Drive, Kingston 8, Jamaica
China	2nd Floor Tower 2, Dong Hai Commercial Building, 588 Yan An Dong Lui, Shanghai
Cyprus	71 Irinis Street, 3041 Limassol
Greece	British Council, 17 Kolonaki Square, Athens 10673
Hong Kong	Hong Kong Examination and Assessment Authority, 17 Tseuk Luk Street, San Po Kong, Kowloon
Ireland	3 Ravenswood Drive, Solihull, B91 3NL, UK
Malta	c/o 29/10 Sir Luigi Camilleri Street, Sliema SLM1281
Philippines	British Council, 10F Taipan Building, Ortigas Jn Road, Ortigas Center, Pasig City 1605
Scandinavia	Smedstuveien 25, 7040 Trondheim, Norway
South Asia	40a Lake Gardens, off Lake Drive, Rajagiriya 10100, Sri Lanka
South Korea	1703 Artnouveau Palace, 258 Sukchonhosu-ro, Songpa Gu, Seoul 05624
Taiwan	5f, No 122, Sect 7 Chung Shan N. Road, Taipei 11151
Turkey	British Council, Buyukdere Caddesi Maya Akar Centre, No: 100 – 102 Kat: 5, Esentepe 34394, Istanbul
UAE & Qatar	British Council, PO Box 1636, Dubai, UAE

Advisors

UK bank	HSBC Bank Plc	31 Holborn Circus, London EC1N 2HR
UK law firm	Fieldfisher LLP	Riverbank House, 2 Swan Lane, London EC4R 3TT
UK and Group auditor	Crowe U.K. LLP	55 Ludgate Hill, London EC4M 7JW

Crowe U.K. LLP is the auditor of the consolidated group. Where not audited by Crowe U.K. LLP, branches and subsidiaries are audited or reviewed by the firms shown below:

Australia	Crowe Australia	Level 15, 1 O'Connell Street, Sydney, NSW 2000
Brazil	Liberty Assessoria Contabil S/S Ltda.	Rua Mituto Mizumoto, 56, Liberdade, 01513 040 São Paulo-SP
Canada	Grant Thornton LLP	15 Allstate Parkway, Suite 200, Markham, Ontario L3R 5B4
Indonesia	KAP Ekna Masni, Bustaman & Rekan	Sentra Kramat B-18, JL Kramat Raya 7-9, Jakarta 10450
Israel	Hannan Gabriel CPA	8 Hayod-Chef Street, Hod Hasharon 45200
Portugal	CERB	Beloura Office Park, Rua do Centro Empresarial, Edifício EE06 – Escritório 12, Quinta da Beloura, 2710-444 Sintra
Malaysia	Crowe Malaysia PLT	Level 16, Tower C, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur, Malaysia
Singapore	Crowe Singapore	9 Raffles Place, #19-20 Republic Plaza Tower 2, Singapore 048619
Spain	Asesoria Berzosa	Donoso Cotres 85, 28015 Madrid
Thailand	KT&R Business Consultant Co Ltd	59/1 Sukhumvit 64 Bangchak, Prakanong, Bangkok 10260
United States	Millner Woodruff CPA	4325 Windsor Centre Trail Suite 400, Flower Mount, TX 75028
Southern Africa & Mauritius	Collins Walt Inc.	2nd Floor, The Terrace Building, 3 Easton Terrace, New Redruth, 1449 Alberton, South Africa

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