

**MINUTES OF THE 84th ANNUAL GENERAL MEETING
OF THE
ROYAL ACADEMY OF DANCE
HELD VIRTUALLY ON
TUESDAY 11TH MAY 2021 AT 10.30 A.M.**

1.0 Introduction and Trustees Report – Guy Perricone, Chairman of the Board of Trustees

It is a great pleasure to welcome you to our Annual General Meeting this year for 2021. I am here in London with our management team and I know that through the wonders of modern technology many of you are joining us from all over the UK, and indeed around the world, so a very warm welcome to all of you.

Just before we start, there are two announcements by way of admin. First of all, you will see that there are a number of resolutions that we will be voting on. With respect to Resolution 4.7, the voting for that resolution is now open, so you can vote for that. The results of that particular resolution will be given later on. We will announce the resolution results for the others today, but as there are some votes to be tallied, we will come back to you on the results of Resolution 4.7.

Secondly, as is usual, we will have a question and answer session after the formal proceedings of the AGM. If you want to send those questions in now, please feel free to do so. This year, 2021, and the year that we have been reviewing, has thrown up some truly exceptional challenges for the RAD, as we have tried to maintain business as usual in what really have been the most unusual circumstances any of us have ever experienced.

It has been especially disappointing for us at the Academy, as this was of course to be our centenary year, and we had so many wonderful and exciting plans to mark and celebrate this important anniversary. Instead we have had to focus our energy and resources into maintaining as many of our activities as possible, and ensuring that we were able to offer extra support and guidance to our members and students.

We have been only too aware that our teaching members have seen their businesses hit very hard during this pandemic. It was therefore vitally important for us to be able to offer financial and hardship support to many of them. We have also worked hard to try to ensure we were able to provide additional and enhanced online resources. This has been difficult, but it has also proved a real success.

Not only have we been able to overcome the distancing imposed by the lockdowns, but it has equipped us better to meet future challenges and to pursue new opportunities, with new systems and technical solutions allowing us to reach our worldwide audiences. There are definitely lessons that we have learnt for the future development of our activities.

In such challenging times we were of course delighted to receive support from the UK government through the Culture Recovery Fund. We are extremely grateful for this, not just for its financial impact, but also as recognition of the value of the RAD's work. Indeed, the Secretary of State for Digital, Culture, Media and Sport chose our

headquarters in Battersea as the venue to announce the first tranche of payments to arts organisations.

As I said, it has been the hardest year in living memory, even if you have got a long memory as I do. But we have, we hope, weathered the worst of the storm now, and that we can look to the future with confidence as we continue to fulfil our fundamental purpose of teaching the world to dance. That we are able to do so at all is due to the huge efforts of many people, and I'd like to recognise some of them now.

Firstly, I would like to offer my sincere thanks to the RAD Management team and staff, those working from home, those who have remained on site, for their unstinting commitment and dedication in keeping the organisation running throughout this very stressful and uncertain period. I am fully aware of how difficult this year has been for all of you, and of the sacrifices that you have made for the benefit of the Academy. Thank you all very much.

My sincere thanks also to our members and to our students, friends and supporters, to the RAD family around the world, for your help in what has been such a difficult year for you too. As I said, I know that many of you have seen your livelihoods greatly affected by the impact of the pandemic in the UK and around the world. Let's hope that we are finally beginning to emerge from this very long tunnel.

Finally, and this is a moment I have to say I have not been looking forward to, I need to say a special word of thanks to our Chief Executive, Luke Rittner, who'll be retiring from the RAD once we move into our wonderful new HQ. As such, this will be his last Annual General Meeting at the helm. As I am sure you know, Luke has led the RAD for over 20 years now, and his truly transformational contribution to the organisation cannot be overstated.

Ending his tenure in the aftermath of a global pandemic, and one of the most difficult years in our history, is probably not the way that he intended his last hurrah to be. But those of us who work with him know how much he cares for the Academy and what a professional he is. He has guided us through with his usual aplomb and that wonderful blend of professionalism and passion that endears him to all of us. He will be sorely missed by everyone at the Royal Academy of Dance, and I will certainly miss him, professionally and personally.

Once again, my sincere thanks to all of you for your support and friendship this year. Let us hope that next year will be more peaceful and more settled than this one.

2.0 Operational Review – Luke Rittner, Executive

The devastating effects of Covid-19 on the Academy are all too painfully apparent as we look back on the financial year 2019-20. When we issued our last Annual Report, we were looking forward to a year of global celebrations to mark our centenary. In response to the effects of the pandemic, we had to scale back our ambitions in this regard and indeed in all our ambitions in order to focus on the survival of the Academy, the continuation of the business, and to support and guide our staff, our members and our students through the crisis.

In the period under review, we have revised our membership offering to include new categories to more fully match the needs of potential and existing members. We have also rolled out the online Members' Area to Australia, Canada, New Zealand, South Africa and the USA.

In the last report, I highlighted our investment in new technologies, and this investment has proved its worth in the face of the pandemic and the consequent requirement to move many of our services and activities online. As a result of this, video assessments were successfully implemented, allowing over 17,000 candidates internationally to take RAD examinations. We were also able to move to webinar-based models for training and standardisation of examiners.

We also launched the hugely successful RAD@Home online. This focused initially on providing Silver Swans classes for older learners and was fronted by our ambassador for the programme, Angela Rippon CBE. In a further coup, we hosted a special Zoom call with HRH The Duchess of Cornwall where we were able to announce her as the Academy's new Vice Patron. This garnered a significant amount of press coverage for the RAD, and by extension RAD teachers and Licensees, by highlighting the vital contribution dance makes to maintaining good physical and mental wellbeing in young and old alike.

Despite the logistical challenges brought about by the pandemic, we are still on target to move into our new purpose-built headquarters before the end of 2021. We are greatly looking forward to it becoming a home for dance at the centre of our local and international community. We also continue to expand the breadth and range of our activities as a global leader in dance education while connecting with increasingly diverse communities at all levels.

This is the last Annual Report that I shall be delivering as Chief Executive. I took up my post in August 1999 and in the intervening years the Academy has embraced an enormous amount of change and has developed into a truly global organisation. There have been many challenges along the way, some of them have been financial, others have been logistical, but throughout this period the Academy's influence has grown significantly. It has been nothing short of a huge privilege for me to have been at the helm of this remarkable organisation for 22 years. I have travelled extensively and met and become friends with many of our members around the world. I have worked closely with colleagues in our international offices and I have seen at first hand the incredible dedication to their responsibilities, sometimes in very challenging circumstances. I have at times been humbled by the determination, professionalism and calm equilibrium of our examiners who sometimes face difficult and even dangerous situations with a fearless determination to deliver on their responsibilities to the many thousands of young people taking our exams. In the UK, I have been supported by a wonderful team. Again, their absolute commitment to the Academy and its ideals have been a true source of inspiration to me, both on a personal and a professional level. I have also been lucky enough to work with two distinguished Presidents, Dame Antoinette Sibley and Dame Darcey Bussell, and three Chairs, Roger Harrison, Kerry Rubie and Guy Perricone. Together with the Trustees, they have guided me and the Academy with kindness and with wisdom and as a team we have brought the organisation to its current position as a respected global leader in dance education and training. I am of course especially grateful to my senior team, to Gerard Charles, Michelle Groves, Esther McLaughlin, Melanie Murphy, Ian Pogue and James Stockdale and I also want to pay tribute to my Assistant of 29 years, Helen Pottle. Anything I have achieved, I have only achieved with the generous support of all these colleagues.

But for the pandemic, the Academy's financial situation would be stronger than it probably has ever been in its 100-year history, but I have no doubt that financial security will return in the future. It is now time for me to pass the torch. To be able to do so, as we move into our brand new purpose built Headquarters, and as the Academy embarks on its second century, the timing feels right.

The future of the Academy, in spite of the ravages of the pandemic, looks to me to be a bright one. The principles of our founders remain as pertinent today as they were 100 years ago. The arts, and dance in particular, are if anything even more important than they have ever been. The Academy's mission does nothing less than empower generations of young people and so its very purpose is about the future and there can be no more compelling purpose than that. I have been blessed to be able to serve the Academy and I thank everyone for the part they have played in making it such a rewarding, enjoyable and at times inspiring experience. It has for me been the journey of a lifetime.

3.0 Financial Review – Ian Pogue, Director of Finance & Operations

I am reporting today on the Academy's financial position for the year ended 31st of July 2020, in what has been a very difficult year. I hope that those of you attending will have been able to view the online copies of the Annual Report and Financial Statements for the year ended 31st of July 2020.

There have been no changes to the legal structure of the Academy and the Group during the year. The activities of the Group were severely impacted in the year under review by the global COVID-19 pandemic, leading to the cessation of primarily examinations, but also other activities around the world, from January onwards.

The Trustees report on net expenditure before transfers and other recognised gains and losses of £2, 986, 000, compared to a gain of £206,000 in the prior year. Exams income decreased by 45% from £13.4 to £7.4 million. Total exam entries decreased 53% to 199,815, compared to a record level of 252,661 in the prior year. Direct exams expenditure decreased broadly in line with income to £4.8 million, resulting in a decline in net income from £5.5 million to £2.6 million.

In response to the pandemic, we introduced robust processes for assessment via video submissions, which allowed examinations to resume to some degree within the year, and has provided the model for the new financial year. Membership income decreased by 11% to £1.2 million, with the number of Registered Teachers increasing slightly from 7,833 to 8,037. Initial education income was down just £81,000 on the prior year at £3.8 million, with overall net income increasing from £0.8 million to £1 million.

During the pandemic we were able to successfully move teaching online to continue to support our students. The number of students on programmes decreased slightly from 1,244 to 1,238, mainly due to starting at a later date as a result of the pandemic. Income in, income from Continuing Education fell from £3.6 million to £1.8 million, as we were unable to deliver face to face courses, with overall net expenditure of £445,000.

Trading income, together with licensing and royalty income, was broadly in line with the prior year at £1.1 million, with no significant product launches. Overall net income increased slightly to £641,000. The impact of the pandemic on the Group's cash position was not as severe as on the accounting loss.

The Group had a net cash outflow from operations of £1.6 million, compared to an inflow of £0.8 million in the prior year, and an overall cash outflow of £1.9 million, compared to inflow of £0.2 million in the prior year. This resulted in cash and cash equivalents of £5.4 million at year end, compared to £7.3 million at the end of the prior year.

The pandemic has had a significant impact on the Group's readily realisable reserves. As at 31st of July 2020, Group readily realisable reserves were £321,000, compared to £3.2 million in the prior year. The Group has a long-term reserves policy based on three months costs. The planned move of headquarters in 2021 will require significant additional funding to cover tax liabilities, loose fit-out costs and professional fees.

A major capital campaign is ongoing, but it is still anticipated that these major costs noted will be funded by a combination of long-term financing, fundraising, and some repatriation of funds from overseas offices. We are in advanced discussions with HSBC to provide a £2.5 million term loan. This new facility, which has HSBC Credit Committee approval, and is subject only to a valuation of the property prior to the loan being drawn down, is expected, when combined with the anticipated proceeds from the capital campaign fundraising currently underway, to more than cover the financing required over the next 12 months for the transfer of RADs headquarters to its new location.

However, it is anticipated that the move will impact achievement, achievement of long-term reserves policies ahead of, and in the short-term after the move, depending on how the mix of funding is distributed. Achievement of the RADs target in the current financial year is dependent on the ongoing impact of the pandemic, but results year to date have been broadly in line with targets.

Given the additional financing agreed since the year-end, and in final stages as just outlined, the Trustees have concluded that even with further disruption to activities, including reasonable downside scenarios, the RAD will have sufficient resources available to meet its liabilities as they fall for the 12-month period from the date of signing the accounts. And for this reason we have prepared the accounts on a going concern basis and the auditors were able to give the Academy an unqualified report.

I would like to particularly thank Julia Bond, who retires as Chair of the Finance and Audit Sub Committee at this AGM, for her great support and sound advice, not only to members of the Finance Sub Committee, but also to myself and my Finance team. I would also like to thank the other members of the Finance and Audit Sub Committee and the worldwide Finance staff for their continued hard work.

Ladies and gentlemen, I commend this Annual Report and Financial Statements to you.

4.0 Ordinary Business – Resolutions

4.1 To consider and approve the Minutes of the 2019 Annual General Meeting

Motion carried

4.2 To receive and adopt the audited Financial Report & Statements for the year ended 31st July 2020

Motion carried

4.3 To appoint Crowe U.K. LLP as auditors for the ensuing year

Motion carried

- 4.4 To elect Dame Monica Mason as a Vice President of the Royal Academy of Dance
- Motion carried
- 4.5 To re-elect two Trustees who are retiring by rotation in accordance with Bye-Law 36.1 and are offering themselves for re-election under Bye-Laws 33.1(a) (List A) and 35.1(a):
- Imogen Knight BA (Hons), DDE, RAD TD, ARAD, RAD RTS: Motion carried
- Penny Parks, RAD RTS: Motion carried
- 4.6 To elect two Trustees recommended by the Board in accordance with Bye-Laws 33.1(a) (List A) and 35.1(b)
- Chi Cao: Motion carried
- Joshua Tuifua PDTD: Motion carried
- 4.7 To elect four Trustees in accordance with Bye-Laws 33.1(a) (List A) and 35.1(c):
- Vikki Allport, Teaching Diploma (Distinction) RAD RTS: Motion carried
- Amy Giancarlo, BA (Hons) RBS DDT, LRAD, ARAD, RAD RTS: Motion carried
- Tanya Harvey, RAD RTS: Motion failed
- Rachel Jackson-Weingärtner, RAD RTS, SAC Dip (Child Psychology), LISTD Dipl: Motion carried
- Priscilla Law, ARAD, RAD RTS: Motion failed
- Matthew Paluch, MA, PDTD (Dist), RBS Dip: Motion carried
- Sara Anne Ballingall, RAD RTS: Motion failed
- 4.8 To elect two Trustees recommended by the Board in accordance with Bye-Laws 33.1(b) (List B) and 35.1(b):
- James Cane, FCA: Motion carried
- Esther Chesterman, LLM, LLB, Dip Ed: Motion carried
- 4.9 To express the Academy's gratitude to Justine Berry, Catherine Weate FRSA, Julia Bond, Joanna Binder, Thérèse Cantine, Deborah Coultish and Sarah Dickinson who have stepped down as Trustees.
- Members expressed their gratitude to the retiring Trustee for their years of service to the Academy.

5.0 Any Other Business in accordance with Clause 14.6 of the Charter and Bye-Laws

There being no other business, the meeting closed at 11.00 a.m.