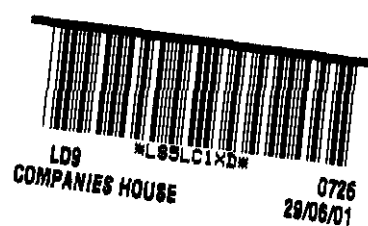


LAMDA LIMITED
YEAR ENDED 31 AUGUST 2000

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LAMDA ENTERPRISES LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 AUGUST 2000

The directors present their report and the financial statements for the year ended 31 August 2000.

REVIEW OF ACTIVITIES

1999/2000 was the first full year of trading and produced a net profit after taxation of £4,052. This was also after Gross Gift Aid payments of £80,000 to LAMDA Limited. Some significant staff changes in the autumn of 2000 and the spring of 2001 will affect the current year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the company is to train business and professional executives in improving their communication skills by using, amongst other, drama teaching techniques. It is one of the three key constituent parts that form LAMDA. The company is a wholly owned subsidiary company of LAMDA Limited created to support the activities of LAMDA.

LAMDA LIMITED
YEAR ENDED 31 AUGUST 2000

ADVISERS (CONTINUED)

AUDITORS

Horwath Clark Whitehill
25 New Street Square
London
EC4A 3LN

SURVEYORS

Farley & Co
46 Brompton Road
London
SW7 3DY

INSURANCE BROKERS

Morgans
41 Gay Street
Bath
BA1 2NT

CONSTITUTION

LAMDA Limited was incorporated as a company limited by guarantee on 20 December 1940, its company number is 364456. It is a registered charity, number 312821.

OBJECTS

LAMDA (the London Academy of Music and Dramatic Art) is the longest established drama school in Britain and one of the most prestigious in the world. Its objects are the teaching of music and dramatic art in all its branches. It was founded in 1861 as a conservatoire for amateurs interested in music and public speaking. Since then it has grown into a highly professional organisation offering three services: -

The Drama School

Providing the finest training for actors and stage managers.

LAMDA Examinations

A drama and communications based examination syllabus which operates throughout the world.

LAMDA Business Performance

Providing expert advice and coaching for men and women in business who wish to improve their communication and presentation skills. These activities are undertaken in the wholly owned subsidiary.

Over the years LAMDA has built upon its strengths while keeping pace with the times so that it is now recognised as the most forward-looking academy of its kind in the world.

Our students join the Academy expecting to receive the very best training available and LAMDA is proud of its reputation for opening its doors to students of promise without regard to their background or financial circumstances. We believe that those training to work in the performing arts prosper in a learning environment, which mixes people from a variety of social and racial backgrounds and experiences. It is therefore essential that we can continue to help students requiring financial assistance with tuition fees and living expenses.

LAMDA LIMITED

YEAR ENDED 31 AUGUST 2000

REGISTERED AND PRINCIPAL ADDRESS

Tower House, 226 Cromwell Road, London, SW5 0SR.

REVIEW OF ACTIVITIES

1999/2000 was one of LAMDA's most successful years - the School had the largest student body ever (240) of whom 144 graduated in the Summer. The number of Examinations undertaken reached a record high of 59,735 and the Training Subsidiary continued to expand its client base.

1999/2000 was the first year of a new Dance and Drama Awards Scheme (DADA). LAMDA was allocated 17 Three-Year Award (Acting), 9 Two Year awards (Stage Management) and 1 One Year award, which was given to a Stage Manager. The students each paid £1,025 and the Further Education Funding Council (FEFC) £5,827. LAMDA was fortunate that the fees shortfall per student of £1,158 was met by a grant from the Foundation for Sport and the Arts. In 2000/2001, LAMDA was awarded an additional Two Year award, making 10 in total - the students now pay £1,050 and the FEFC £5,973. The Foundation for Sport and the Arts have met the shortfall for the new intake, but LAMDA has had to bear the shortfall for those entering their second year and this amounts to £34,242. This fees shortfall will continue to grow as the numbers of DADA students in the school increase. LAMDA is, in conjunction with RADA, investigating the possibility of transferring to the HEFC in order to position the Academy to become part of a new conservatoire consortium in which all students would receive grants to cover the real cost of their training.

LAMDA continues to search for alternative premises where the Academy could be housed under one roof. There are encouraging discussions currently being held with regard to a suitable property. If successful, the move would take place in time for the start of the 2003/2004 academic year at the latest.

THE FINANCIAL RESULTS

The overall result for the year was a surplus on all funds of £265,362 (1999: £77,138). With the cooperation of all the staff, the Expenditure for the year was contained below Budget and Income proved to be better than anticipated. Collection of student fees has been greatly aided by the LAMDA Student Appeals Committee (formed of several members of the Executive Board). LAMDA Examinations yielded their highest ever Income and Surplus. LAMDA Business Performance again produced a healthy profit of £84,052 (1999: £ 51,031). The Development Department continued to raise valuable funds to assist students. If the property acquisition goes ahead, the Department will be mounting a full-scale Capital fund-raising campaign.

REVIEW OF RISKS

In accordance with the provisions of SORP 2000, the trustees are undergoing a process of reviewing all the major risks to which the charity is exposed.

RESERVES POLICY

Unrestricted fund reserves as at 31 August 2000 amounted to £1,505,829. These are all represented by the Academy's two freehold properties. The trustees consider the level of reserves to be adequate to sustain the expected level of current activities. However in order to fulfil the strategy of moving premises by 2003/2004 the trustees are endeavouring to build up reserves ahead of the move. The Academy will begin a major fundraising campaign once suitable premises have been identified.

LAMDA LIMITED
YEAR ENDED 31 AUGUST 2000

STATEMENT OF EXECUTIVE BOARD MEMBERS' RESPONSIBILITIES

The Companies Act 1985 requires the Executive Board to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing the financial statements the Executive Board follow best practice and:

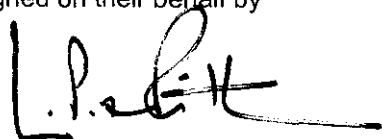
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Executive Board are responsible for keeping accounting records which disclose, with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the charity's assets, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities

AUDITORS

A resolution to re-appoint Horwath Clark Whitehill will be put to the forthcoming AGM.

Approved by the Trustees on
and signed on their behalf by



Chairman

Date: 22 June 2001

**HORWATH
CLARK WHITEHILL**

Chartered Accountants

A member of Horwath International

25 New Street Square

London

EC4A 3LN

Telephone: 020 7353 1577

Facsimile: 020 7583 1720

www.horwathcw.com

DX 0014 London Chancery Lane

**REPORT OF THE AUDITORS
TO THE EXECUTIVE BOARD OF
LAMDA LIMITED**



We have audited the financial statements on pages 7 to 18, which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 11 and 12.

Respective Responsibilities of Directors and Auditors

As described on page 5 the directors (who also act as trustees for the charitable activities of LAMDA Limited) are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial.

Unqualified Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and its subsidiary as at 31 August 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Horwath Clark Whitehill

HORWATH CLARK WHITEHILL
Chartered Accountants
and Registered Auditors

25 New Street Square
London EC4A 3LN

Date: 22 June 2001

LAMDA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2000

INCOME AND EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2000 £	1999 £
INCOMING RESOURCES					
Fees					
Drama School	1,959,222	-	-	1,959,222	1,564,047
Examinations	1,229,436	-	-	1,229,436	1,117,434
Examination Publications (Note 3)	36,809	-	-	36,809	21,399
Trading Subsidiary (Note 2)	84,052	-	-	84,052	51,031
Business performance (Note 4)	-	-	-	-	62,845
Interest	5,550	8,731	-	14,281	1,151
Grants and donations (Note 5)	198	243,360	-	243,558	205,629
Sundry other income (Note 6)	9,353	-	-	9,353	17,551
	<u>3,324,620</u>	<u>252,091</u>	<u>-</u>	<u>3,576,711</u>	<u>3,041,087</u>

RESOURCES EXPENDED

Direct Charitable Expenditure

Drama School	1,483,208	-	-	1,483,208	1,249,884
Examinations	772,165	-	-	772,165	752,623
Premises and equipment	335,249	-	-	335,249	317,805
Examinations Publications (Note 3)	25,426	-	-	25,426	23,511
Support costs	278,136	-	-	278,136	261,581
Grants	-	220,073	-	220,073	35,219
Fees	-	7,572	-	7,572	64,618
	<u>2,894,184</u>	<u>227,645</u>	<u>-</u>	<u>3,121,829</u>	<u>2,705,241</u>

Other Expenditure

Management and administration	118,541	-	-	118,541	92,944
Fundraising	66,672	-	-	66,672	91,710
Business performance (Note 4)	-	-	-	-	72,998
	<u>185,213</u>	<u>-</u>	<u>-</u>	<u>185,213</u>	<u>257,652</u>

**TOTAL RESOURCES EXPENDED
(Note 9)**

	<u>3,079,397</u>	<u>227,645</u>	<u>-</u>	<u>3,307,042</u>	<u>2,962,893</u>
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**NET INCOMING RESOURCES
BEFORE TRANSFERS**

	245,223	24,446	-	269,669	78,194
--	---------	--------	---	---------	--------

Transfer of capital appreciation from)
unrestricted to restricted funds (note 16)

	(20,240)	20,240	-	-	-
--	----------	--------	---	---	---

NET INCOMING RESOURCES

	<u>224,983</u>	<u>44,686</u>	<u>-</u>	<u>269,669</u>	<u>78,194</u>
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The notes on pages 11 to 18 form part of these accounts.

LAMDA LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
YEAR ENDED 31 AUGUST 2000


	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2000	1999 £
NET INCOMING RESOURCES	224,983	44,686	-	269,669	78,194
Gains/(Losses) on investments:					
-Unrealised loss	-	-	(262)	(262)	(1056)
NET MOVEMENT IN FUNDS	224,953	44,686	(262)	269,407	77,138
Balances brought forward at 1 September 1999	<u>1,280,846</u>	<u>380,339</u>	<u>524</u>	<u>1,661,709</u>	<u>1,584,571</u>
Balances carried forward	<u>1,505,829</u>	<u>425,025</u>	<u>262</u>	<u>1,931,116</u>	<u>1,661,709</u>

The notes on pages 11 to 18 form part of these accounts.

LAMDA LIMITED
BALANCE SHEET
AS AT 31 AUGUST 2000

	Notes	Group 2000 £	Charity 2000 £	Group 1999 £	Charity 1999 £
FIXED ASSETS					
Tangible fixed assets	8	1,735,069	1,735,069	1,766,417	1,766,417
Investments	10	262	30,262	500	30,500
		<u>1,735,331</u>	<u>1,765,331</u>	<u>1,766,917</u>	<u>1,796,917</u>
CURRENT ASSETS					
Stocks	11	78,804	78,804	57,980	57,980
Debtors	12	110,565	105,199	252,711	117,898
Cash		601,329	480,933	338,696	335,196
		<u>790,698</u>	<u>664,936</u>	<u>649,387</u>	<u>511,074</u>
CREDITORS: due within one year	13	<u>(594,920)</u>	<u>(554,234)</u>	<u>(754,595)</u>	<u>(697,312)</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>191,733</u>	<u>110,702</u>	<u>(105,208)</u>	<u>(186,238)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,931,116</u>	<u>1,876,033</u>	<u>1,661,709</u>	<u>1,610,679</u>
NET ASSETS	14	<u>1,931,116</u>	<u>1,876,033</u>	<u>1,661,709</u>	<u>1,610,679</u>
ENDOWED FUNDS	15	262	262	524	524
RESTRICTED FUNDS	16	425,025	425,025	380,339	380,339
UNRESTRICTED FUNDS					
General funds		<u>1,505,829</u>	<u>1,450,746</u>	<u>1,280,846</u>	<u>1,229,816</u>
TOTAL FUNDS		<u>1,931,116</u>	<u>1,876,033</u>	<u>1,661,709</u>	<u>1,610,679</u>

Approved by the Trustees on 22 June 2001
and signed on their behalf by



Chairman

The notes on pages 11 to 18 form part of these accounts.

LAMDA LIMITED
GROUP CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2000

	Notes	2000 £000	1999 £000
Net cash inflow from operations	19	425,086	157,212
Returns on investments and servicing of finance			
Interest received		(14,281)	(1,151)
		<u>410,805</u>	<u>156,061</u>
Capital items			
Payment for tangible fixed assets		(6,128)	(63,084)
Write off of endowment fund		<u>(24)</u>	<u>-</u>
		(6,152)	(63,084)
		<u>404,653</u>	<u>92,977</u>
Increase in cash in the year			
Reconciliation of net cash flow to movement in net debt			
Increase in cash in the year	20	404,653	92,977
Net cash at 1 September 1999	20	196,676	103,699
Net cash at 31 August 2000	20	<u>601,329</u>	<u>196,676</u>

The notes on pages 11 to 18 form part of these financial statements.

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2000

1. ACCOUNTING POLICIES

The accounts of LAMDA Limited are prepared in accordance with the Statement of Recommended Practice "Accounting by Charities" and with applicable accounting standards. They are drawn up on the historical cost accounting basis except that investments held as fixed assets are carried at market value.

a) Fees and Similar Income

Fees receivable and charges for services are accounted for in the period in which the service is provided.

b) Donations

Donations received for the general purposes of LAMDA are credited to "Unrestricted Funds". Donations subject to specific wishes of the donors are included as restricted funds.

c) Expenditure

Expenditure is allocated to expense headings on a direct cost basis. Irrecoverable VAT is included with the item of expense to which it relates. Overheads are apportioned to Direct Charitable Expenditure, Management and Administration and Fund-raising and Publicity in accordance with the time spent on those activities.

d) Operating Leases

Rentals payable are charged on a straight-line basis over the lease term.

e) Pension Schemes

The Academy contributes to personal pension schemes for permanent staff at 5% of annual basic pay for Heads of Department and 2½% for all other staff. These figures apply after a period of six months' probation.

f) Tangible Fixed Assets

The transitional rules of Financial Reporting Standard 15 have been adopted for the first time in the year ended 31 August 2000. Accordingly book values for freehold properties have been retained and are being depreciated over their estimated useful lives. Book values are based on a valuation made on an open market basis on 11 February 1999 by independent surveyors. Depreciation is provided at rates to write off the cost as follows:

Freehold buildings	Over 50 years
Stage and office equipment	Over 10 years
Computer equipment	Over 3 years

g) Stock

Stock is carried at the lower of cost or net realisable value with the exception of examination syllabus which is written off over the life of the syllabus (i.e. over four years).

h) Investments

Fixed asset investments (other than the trading subsidiary) are included at year-end market value. The Academy holds the entire share capital of 30,000 £1 ordinary shares in LAMDA Enterprises Limited. This company trades as LAMDA Business Performance and was incorporated in January 1999.

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

1. ACCOUNTING POLICIES (CONTINUED)

i) Consolidated Accounts

Consolidated accounts have been prepared for the charity and its wholly owned subsidiary, LAMDA Enterprises Limited. No separate Statement of Financial Activities has been prepared for the charity, as the difference compared with the consolidated statement is not considered to be significant.

2. TRADING SUBSIDIARY

LAMDA Enterprises Limited is a wholly owned subsidiary of LAMDA Limited. Its activities are to train business and professional executives in improving their communications skills by using, amongst others, drama training techniques. It is one of the three constituent parts that form LAMDA.

Prior to January 1999 the activities of the company were undertaken within the charity.

Profit and Loss Account

	2000 £	1999 £
TURNOVER	512,710	439,308
Cost of sales	<u>(302,869)</u>	<u>(309,543)</u>
GROSS PROFIT	209,841	129,765
ADMINISTRATIVE EXPENSES	<u>(122,733)</u>	<u>(64,864)</u>
OPERATING PROFIT	<u>87,108</u>	<u>64,901</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	87,108	64,901
Taxation on profit on ordinary activities	<u>(3,056)</u>	<u>(13,870)</u>
Trading subsidiary income as reported on the Statement of Financial Activities (page 7)	84,052	51,031
Gross Gift Aid payments to LAMDA Ltd	<u>(80,000)</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR	<u>4,052</u>	<u>51,031</u>
Balance Sheet		
Current assets	175,762	155,803
Credited – due to LAMDA	(50,000)	(17,490)
Other	<u>(40,679)</u>	<u>(57,282)</u>
Net Assets	<u>85,083</u>	<u>81,031</u>
Share capital	30,000	30,000
Profit and Loss account	<u>55,083</u>	<u>51,031</u>
	<u>85,083</u>	<u>81,031</u>

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

3. EXAMINATION PUBLICATIONS	2000	1999
	£	£
Sale of publications		
Turnover	36,809	21,399
Cost of sales	(25,426)	(23,511)
Surplus (Deficit)	11,383	(2,112)
Examination publications relate to material produced to support the examination syllabus. Administration costs are covered by the Examinations Department.		
4. BUSINESS PERFORMANCE		
Turnover	-	62,845
Cost of Sales	-	(30,311)
		32,354
Administration	-	(42,687)
(Deficit)	-	(10,153)
5. GRANTS AND DONATIONS		
Foundation for Sport and the Arts	77,500	-
Sir Denis & Lady Stevenson	30,000	-
John Studzinski	30,000	20,000
Stanley Thomas Johnson Foundation	10,000	-
British Schools and Universities Foundation	9,025	-
Snipe Charitable Trust	8,500	-
Hamlyn Foundation	6,500	-
David Suchet	5,494	5,000
Hedley Foundation	5,000	-
G H Lucking	5,000	-
The Harold Hyam Wingate Foundation	5,000	-
Reeves Foundation	4,000	3,000
Leche Trust	3,000	-
Esme Fairbairn Trust	2,500	-
Mrs Lan Wong	-	2,000
Mrs Georgia Oetker	-	100,000
The Arts Council of England	-	25,126
John Lyons Charity	-	12,000
Po Shing Woo Foundation	-	10,000
Imagination	-	5,000
Others (under £2,500)	42,039	23,503
	243,558	205,629
6. OTHER INCOME		
Boston University – course fee	4,320	7,840
Sundries	5,033	-
Fundraising function	-	7,592
Deposits not claimed	-	2,119
	9,353	17,551

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

7. STAFF COSTS	2000	1999
	£	£
Wages and salaries	1,100,028	949,610
Social security costs	92,401	80,618
Pension contributions	20,654	14,998
	<u>1,213,083</u>	<u>1,045,226</u>

The average number of employees in the year was 68 (1999:65) of which 37 (1999:37) were part-time teaching staff

The number of employees whose emoluments exceeded £40,000 was: -

	No.	No.
£50,000 - £60,000	1	1
£40,000 - £50,000	<u>2</u>	<u>2</u>

8. TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Freehold land and buildings £	Stage and office equipment £	Computers £	Costumes And fight Equipment £	Total £
Cost or valuation					
As at 1 September 1999	1,650,000	144,562	45,092	27,047	1,866,701
Additions	-	3,172	1,509	1,447	6,128
As at 31 August 2000	<u>1,650,000</u>	<u>147,734</u>	<u>46,601</u>	<u>28,494</u>	<u>1,872,829</u>
Depreciation					
As at 1 September 1999	-	78,820	18,760	2,704	100,284
Charge for the year	11,000	12,392	11,252	2,832	37,476
As at 31 August 2000	<u>11,000</u>	<u>91,212</u>	<u>30,012</u>	<u>5,536</u>	<u>137,760</u>
Net book value					
At 31 August 2000	<u>1,639,000</u>	<u>56,522</u>	<u>16,589</u>	<u>22,958</u>	<u>1,735,069</u>
<i>At 31 August 1999</i>	<u>1,650,000</u>	<u>65,742</u>	<u>26,332</u>	<u>24,343</u>	<u>1,766,417</u>

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

9. ANALYSIS OF TOTAL RESOURCES EXPENDED

2000	Staff costs	Other	Depreciation	2000
Direct Charitable Expenditure	£	£	£	Total
				£
Drama School	910,461	572,747	-	1,483,208
Examinations	176,383	595,782	-	772,165
Premises and equipment	-	335,249	-	335,249
Examination Publications	-	25,426	-	25,426
Support costs	-	240,660	37,476	278,136
Grants	-	220,073	-	220,073
Fees	-	7,572	-	7,572
	<u>1,086,844</u>	<u>1,997,509</u>	<u>37,476</u>	<u>3,121,829</u>
Other expenditure				
Management and administration	75,700	42,841	-	118,541
Fund raising and publicity	50,539	16,133	-	66,672
Business Performance (Note 4)	-	-	-	-
	<u>126,239</u>	<u>58,974</u>	<u>-</u>	<u>185,213</u>
	<u>1,213,083</u>	<u>2,056,483</u>	<u>37,476</u>	<u>3,307,042</u>
1999	Staff costs	Other	Depreciation	1999
Direct Charitable Expenditure	£	£	£	Total
				£
Drama School	768,596	481,288	-	1,249,884
Examinations	186,662	565,961	-	752,623
Premises and equipment	-	317,805	-	317,805
Examination Publications	-	23,511	-	23,511
Support costs	-	239,053	22,528	261,581
Grants	-	35,219	-	35,219
Fees	-	64,618	-	64,618
	<u>955,258</u>	<u>1,727,455</u>	<u>22,528</u>	<u>2,705,241</u>
Other expenditure				
Management and administration	74,900	18,044	-	92,944
Fund raising and publicity	26,931	64,779	-	91,710
Business Performance (Note 3)	28,550	44,448	-	72,998
	<u>130,381</u>	<u>127,271</u>	<u>-</u>	<u>257,652</u>
	<u>1,085,639</u>	<u>1,854,726</u>	<u>22,528</u>	<u>2,962,893</u>

Management and administration includes audit fee of £7,500 (1999: £9,047) and legal fees of £35,341 (1999: £8,997). Included in expenditure are operating lease rentals of £ 11,740 (1999: £9,326). During the current and prior year the trustees received no remuneration and were not reimbursed for expenses.

.LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

10. INVESTMENTS - CHARITY AND GROUP

	2000 £	1999 £
Market Value at 31 August	262	500
Cost at 31 August	<u>445</u>	<u>445</u>

All investments are listed in the UK and held directly. Included within investments held by the charity is £30,000 share capital held in LAMDA Enterprises Ltd as described in note 2.

11. STOCKS - CHARITY AND GROUP

Medals and Certificates	19,832	20,678
Publications	55,717	29,046
Other	<u>3,255</u>	<u>8,256</u>
	<u>78,804</u>	<u>57,980</u>

12. DEBTORS

	Group 2000 £	Charity 2000 £	Group 1999 £	Charity 1999 £
Trade debtors	71,512	16,146	201,560	66,747
Sundry debtors	29,536	79,536	35,839	35,839
Prepayments	<u>9,517</u>	<u>9,517</u>	<u>15,312</u>	<u>15,312</u>
	<u>110,565</u>	<u>105,199</u>	<u>252,711</u>	<u>117,898</u>

13. CREDITORS: due within one year

	Group 2000 £	Charity 2000 £	Group 1999 £	Charity 1999 £
Bank overdraft	-	-	142,020	142,020
Fees received in advance	410,790	410,790	429,424	429,424
Trade creditors	110,322	82,268	92,157	92,157
Taxation and social security	37,384	24,752	34,029	20,159
Other creditors and accruals	<u>36,424</u>	<u>36,424</u>	<u>56,965</u>	<u>13,552</u>
	<u>594,920</u>	<u>554,234</u>	<u>754,595</u>	<u>697,312</u>

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

14. ANALYSIS OF NET ASSETS

	Fixed assets £	Investment £	Net Current Assets £	Total £
Endowment funds	-	262	-	262
Restricted funds	-	-	425,025	425,025
Unrestricted funds	1,735,069	-	(229,240)	1,505,829
	<u>1,735,069</u>	<u>262</u>	<u>195,785</u>	<u>1,931,116</u>

15. ENDOWED FUNDS

	2000 £	1999 £
Prizes and other funds	<u>262</u>	<u>262</u>

16. RESTRICTED FUNDS

	Balance 1 September 1999 £	Incoming Resources And transfers £	Outgoing Resources £	Balance 31 August 2000 £
Old building fund	21,632	1,104	-	22,736
Bursary fund	24,146	1,058	3,000	22,204
Student hardship fund	41,561	236,033	210,223	67,371
Other funds	45,628	8,242	6,850	47,020
Panasonic/Globe	132,784	6,639	-	139,423
Capital	104,058	5,056	2,937	106,177
Angels' scheme	10,530	14,199	4,635	20,094
	<u>380,339</u>	<u>272,331</u>	<u>227,645</u>	<u>425,025</u>

The restricted funds are held for the following purposes

Old building fund	This relates to old monies given for LAMDA premises
Bursary fund	Old monies given to help students with fees and/or living expenses.
Student hardship fund	These monies are used to help students with difficulties paying fees and/ or living expenses.
Other funds	Various old funds for Prizes/ Bursaries and for similar purposes
Panasonic/ Globe	To fund Panasonic/ Globe Scholars
Capital	This relates to monies received for new LAMDA premises.
Angels Scheme	Fund to help students with fees and/ or living expenses.

A transfer of 5% of the (unadjusted) closing capital balance for each restricted fund has been made from unrestricted funds to allow for capital appreciation over accounting period.

LAMDA LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2000

17. CONTRACTS

No capital expenditure has been contracted for as at 31 August 2000 (1999 - Nil).

18. OPERATING LEASES COMMITMENTS

At 31 August 2000 the charity was committed to making operating lease payments during the following year in respect of operating leases:

	2000	1999
Which expire between 2 and 5 years	<u>4,445</u>	<u>9,735</u>

19. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW OF OPERATIONS

	2000		1999
	£000	£000	£000 £000
Net incoming resources		269,669	63,655
Depreciation charges	37,476		22,528
(Increase) in stocks	(20,824)		50,333
Decrease in debtors	142,146		(134,838)
(Decrease) in creditors	<u>(17,662)</u>		<u>154,383</u>
		141,156	92,406
Interest received		<u>14,281</u>	<u>1,151</u>
Net cash inflow from operations		<u>425,086</u>	<u>157,212</u>

20. ANALYSIS OF NET DEBT

	1 September		31 August
	1999	Cashflow	2000
	£	£	£
Cash at bank	338,696	262,633	601,329
Overdraft	<u>(142,020)</u>	<u>142,020</u>	<u>-</u>
Total	<u>196,676</u>	<u>404,653</u>	<u>601,329</u>