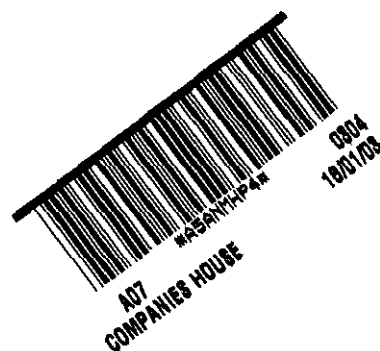


**BRIT-AM DRAMA ACADEMY**  
**(Limited by Guarantee)**  
**Registered Charity No. 291796**

**Statement of accounts**

**for the year ended**

**30th April 2002**



**Slater Maidment**

Chartered Accountants  
7 St James's Square  
London SW1Y 4JU

Telephone: 020 7930 7621

Fax: 020 7930 9352

E-mail: [mail@slatermaidment.co.uk](mailto:mail@slatermaidment.co.uk)

**BRIT-AM DRAMA ACADEMY**

**GOVERNORS AND OFFICERS**

**Governors**

A. Arends  
Sir Anthony Colman  
D. H. Conville OBE  
R. N. Cottrell  
G. M. Hall  
M. Harley  
J. D. Harris (Chairman)  
M. A. B. Harrison  
R. A. McManigal  
M. G. Rawstorne  
F. M. Shaw  
D. Warner  
P. Wesson

**Secretary**

A. G. Branch

**Address of the principal office of the company**

14 Gloucester Gate  
Regents Park  
London NW1 4HG

**Auditors (and address of registered office)**

Slater Maidment  
7 St James's Square  
London SW1Y 4JU

**Bankers**

Clydesdale Bank plc  
10 Fleet Place  
London EC4M 7RB

**Solicitors**

Eversheds  
Senator House  
85 Queen Victoria Street  
London EC4 4JL

**BRIT-AM DRAMA ACADEMY****REPORT OF THE BOARD OF GOVERNORS**

The Board of Governors present their report with the accounts of the company for the year ended 30th April 2002.

**Inception**

The Brit-Am Drama Academy was formed as a company limited by guarantee and with charitable status in 1984.

**Objects**

The principal objects of the company are to advance the education of, and to give instruction in, all aspects of the performing and theatrical arts. The company's objects are specified in full in its memorandum and articles of association which are the company's governing documents.

**Achievements**

During the year the charity has continued to provide academic and practical education in the areas of theatrical and dramatic art. The Dean of the Academy, Ian Wooldridge, in conjunction with Anthony Branch, is responsible for the style and content of the educational programmes and Carolyn Sands is responsible for administrative matters and the welfare of the students. Actors, theatre directors and other specialists with high reputations within the theatre instruct the participants of the programmes in small groups and on a one-to-one basis.

**Organisation**

A board of governors, who meet quarterly, administers the Academy. There are subcommittees covering financial and artistic matters.

**Investment powers**

Under the memorandum and articles of association, the charity has the power to make any investment that the governors see fit.

**Financial results**

The Academy had a less successful financial year with a deficit of income over expenditure of £(103,542) (2001-surplus-£287,695). Student numbers fell from last year's levels. Scholarships totalling £174,354 (2001-£154,350) were awarded during the year enabling a greater variety of students to attend the programmes.

On 19th January 2001 the company entered into a 15 year lease on a property in Regents Park, into which the Academy relocated in July 2001. The terms of the lease include a requirement for refurbishment and repairs to the property, which have now been completed. In addition to these the Academy undertook specific works to enable it to run its courses. All building work is now complete and the new premises are proving to be a valuable asset enabling the Academy to offer better equipped, more flexible and attractive course accommodation. During the year a total of £232,344 was spent on leasehold improvements (see note 6).

**Reserves policy**

The company has reserves totalling £1,209,784. The effect of the terrorist attacks in the United States on the student numbers for the next year and in the future is unknown, and it is the belief of the governors that sufficient reserves should be retained in order to cover any future downturn, and to ensure that all costs on the new premises are covered. The investment in improved premises to provide a better environment for students will mean that surpluses in future years will be reduced.

## BRIT-AM DRAMA ACADEMY

## REPORT OF THE BOARD OF GOVERNORS (CONTINUED)

**Reserves policy (continued)**

The governors have decided not to transfer any funds (2001-£400,000) to the scholarship fund during the year. They confirm that the accounts comply with current statutory requirements, the charity's governing documents and Statement of Recommended Practice 2000.

**Board of Governors**

The Board of Governors during the year were:

A. Arends	(U.S.A.)
Sir Anthony Colman	
D. H. Conville OBE	
R. N. Cottrell	
G. M. Hall	
M. Harley	(U.S.A.)
J. D Harris	
M. A. B. Harrison	
A. I. Holden	(resigned 1st November 2001)
Rt. Hon. The Lord Lang of Monkton	(resigned 22 January 2002)
R. A. McManigal	(U.S.A.)
M. G. Rawstorne	
F. M. Shaw	(Ireland)
D. Warner	
P. Wesson	

The company is limited by guarantee and governed by its memorandum and articles of association. Each of the Governors is a member and each of the members is liable to contribute an amount not exceeding £1 in the event of the winding up of the company. The members of the Board of Governors constitute directors of the company for Companies Act purposes.

**Related parties**

Particulars of related party transactions are disclosed in note 16 to the accounts.

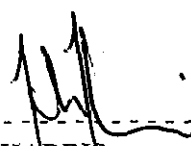
**Auditors**

The auditors, Slater Maidment, have indicated their willingness to continue in office, and a resolution proposing their re-appointment will be considered at the next Annual General Meeting.

**Small companies exemptions**

This report has been prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD

  
 -----  
 J. D. HARRIS  
 CHAIRMAN

Dated: 15 January 2003

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BRIT-AM DRAMA ACADEMY**

We have audited the financial statements of Brit-Am Drama Academy for the year ended 30th April 2002 set out on pages 5 to 13. These financial statements have been prepared under the historical cost convention and accounting policies set out on pages 7 and 8 and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Respective responsibilities of directors and auditors**

The directors' (being the Board of Governors) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Board of Governors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Board of Governors and consider the implications for our report if we become aware of any apparent misstatements within it or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that 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 statements.

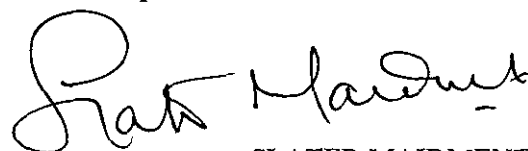
**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th April 2002 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

LONDON

Dated:

17 January 2003



SLATER MAIDMENT  
Chartered Accountants and  
Registered Auditors

**BRIT-AM DRAMA ACADEMY**  
(Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30TH APRIL 2002

	Notes	General Fund £	Scholarship Fund £	2002 Total £	2001 Total £
<b>INCOME AND EXPENDITURE</b>					
<b>Incoming resources</b>					
Fees received		1,426,937	-	1,426,937	1,479,273
Fees received in advance		(111,940)	-	(111,940)	(41,135)
Fees receivable		1,314,997	-	1,314,997	1,438,138
Accommodation		340,480	-	340,480	389,721
Other operating income		18,524	-	18,524	5,868
Bank interest receivable		36,405	-	36,405	57,419
Rental income		<u>30,579</u>	-	<u>30,579</u>	-
Total incoming resources		<u>1,740,985</u>	-	<u>1,740,985</u>	<u>1,891,146</u>
<b>Resources expended</b>					
Cost of activities in furtherance of the charity's objectives	4	1,548,207	-	1,548,207	1,370,235
Scholarships awarded		-	174,354	174,354	154,350
Managing and administering the charity	5	82,762	-	82,762	65,122
Depreciation		<u>39,204</u>	-	<u>39,204</u>	<u>13,744</u>
Total resources expended		<u>1,670,173</u>	<u>174,354</u>	<u>1,844,527</u>	<u>1,603,451</u>
<b>Movement in total funds for the year</b>					
Net income/(expenditure) for the year		70,812	(174,354)	(103,542)	287,695
Reserves brought forward at 1st May 2001		<u>878,295</u>	<u>435,031</u>	<u>1,313,326</u>	<u>1,025,631</u>
Reserves carried forward at 30th April 2002		<u>£949,107</u>	<u>£260,677</u>	<u>£1,209,784</u>	<u>£1,313,326</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

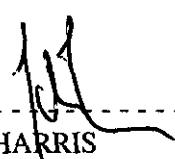
**BRIT-AM DRAMA ACADEMY**  
(Limited By Guarantee)

**BALANCE SHEET AT 30TH APRIL 2002**

	Notes	£	2002 £	£	2001 £
<b>FIXED ASSETS</b>					
Tangible assets	6	384,873		123,891	
Investments	7	<u>500,000</u>	884,873	<u>-</u>	123,891
<b>CURRENT ASSETS</b>					
Debtors: - amounts receivable within one year	8	86,597		140,888	
- amounts receivable in more than one year	9	142,500		142,500	
Short term investments: Term deposit		300,000		750,000	
Cash at bank and in hand		<u>123,679</u>		<u>337,690</u>	
		652,776		1,371,078	
CREDITORS: amounts falling due within one year	10	<u>327,865</u>		<u>181,643</u>	
NET CURRENT ASSETS			<u>324,911</u>		<u>1,189,435</u>
TOTAL ASSETS LESS CURRENT LIABILITIES BEING NET ASSETS			<u>£1,209,784</u>		<u>£1,313,326</u>
<b>RESERVES</b>					
General fund	12		949,107		878,295
Scholarship fund	12		<u>260,677</u>		<u>435,031</u>
			<u>£1,209,784</u>		<u>£1,313,326</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

Approved on behalf of the Board of Governors on 15 January 2003

  
-----  
J. D. HARRIS  
CHAIRMAN

**BRIT-AM DRAMA ACADEMY**  
**NOTES FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 30TH APRIL 2002**

**1. Statement of directors' responsibilities**

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

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgments and estimates that are reasonable and prudent;
- (iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (iv) 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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 steps for the prevention and detection of fraud and other irregularities.

**2. Constitution**

Brit-Am Drama Academy, a registered charity, is a company limited by guarantee not having a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of its winding up.

**3. Accounting policies**

- (i) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

- (ii) Income and expenditure

Income is recognised in the period in which it is earned and expenditure in the period in which it is incurred. Fees received for courses held in the following period are shown as fees received in advance.

- (iii) Format of accounts

Advantage has been taken under paragraph 3(3) of Schedule 4 of the Companies Act 1985 which allows the format of the accounts to be adapted to reflect the special nature of the Charity's operations.

## BRIT-AM DRAMA ACADEMY

## NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL 2002

## 3. Accounting policies (continued)

## (iv) Restricted funds

Where specific grants and donations are received for a particular drama project these are allocated to a restricted fund and expenditure incurred on the project is applied against this fund.

## (v) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Motor vehicles	- 25% reducing balance
Equipment, furniture and fittings	- 25% reducing balance
Leasehold improvements	- over the term of the lease
Computer equipment	- 25% straight line

## (vi) Leased assets

Assets held under hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

## (vii) Foreign currency transactions

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction, all differences being taken to the profit and loss account. All balances at the year end are translated at the rate ruling at the balance sheet date.

## (viii) Pension scheme

The company operates a defined contribution scheme. Contributions to the scheme are charged to the profit and loss account in the accounting period to which they relate.

## (ix) Scholarship fund

This is a designated fund comprising funds the Governors have set aside from the general fund to meet the cost of scholarships awarded. Scholarships are awarded to individuals at the discretion of the academy.

## (x) Cost allocation

All costs are charged to cost of activities in furtherance of the charity's objectives unless they specifically relate to administrative expenses. Where members of staff and other expenses are utilised in both charitable and administrative work the costs have been apportioned accordingly. Comparatives have been amended to reflect this change in cost allocation.

## (xi) Investments

Investments are included in the balance sheet at market value.

## BRIT-AM DRAMA ACADEMY

## NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30TH APRIL 2002

4. Cost of activities in furtherance of the charity's objectives	2002 £	2001 £
Accommodation	362,185	403,209
Teachers	210,321	221,508
Productions	59,169	66,295
Teaching rooms	10,724	20,024
Entertainment	15,258	15,304
Excursions	33,521	32,283
Books	9,772	9,523
Other expenses	2,331	5,002
College fees	135,352	218,974
Wages and salaries	276,355	143,159
Social security costs	31,552	15,010
Pension costs	12,537	11,419
Property expenses	239,705	105,133
Travel	37,235	31,943
Advertising	37,001	29,718
Car expenses	6,100	5,693
Entertaining	8,102	4,764
Brochures	14,119	4,497
Auditions	3,115	2,250
Office equipment	5,527	4,704
Telephone and fax	7,136	4,158
Postage and courier	7,484	3,603
Printing and stationery	6,953	3,952
General expenses	7,635	3,667
Bank charges	1,839	1,412
Website	2,150	730
Other expenses	3,389	896
Loss on foreign exchange	<u>1,640</u>	<u>1,405</u>
	<u>£1,548,207</u>	<u>£1,370,235</u>
5. Managing and administering the charity	2002 £	2001 £
Wages and salaries	11,692	5,993
Social security costs	1,169	593
Pension costs	<u>1,169</u>	<u>593</u>
	14,031	7,120
Financial management	46,706	39,915
Property expenses	12,617	5,533
Entertaining	2,025	1,191
Professional fees	2,883	7,063
Auditors' remuneration	<u>4,500</u>	<u>4,300</u>
	<u>£82,762</u>	<u>£65,122</u>

## BRIT-AM DRAMA ACADEMY

## NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30TH APRIL 2002

## 5. Managing and administering the charity (continued)

The average monthly number of employees during the year was 8 (2001 - 4).

In 2002 four (2001-three) Governors received remuneration from the company which was wholly earned in their capacity as tutors. The tutorial fees paid were:

	2002 £	2001 £
R. N. Cottrell	2,800	2,680
G. M. Hall	3,200	2,810
F. M. Shaw	2,702	1,234
D. Warner	1,704	-

In addition the following travel costs were reimbursed to Governors:

	2002 £	2001 £
M. Harley	500	-
M. G. Rawstorne	132	44
D. Warner	50	-
P. Wesson	62	-

Two employees earned more than £50,000 per annum, one whose earnings in 2002 fell within the band £100,001 to £110,000 (2001 - £50,001 to £60,000) and the other whose earnings in 2002 fell within the band £120,001 to £130,000 (2001-£60,001 - £70,000). There were 6 members of staff (2001 - 4) to whom retirement benefits were accruing under a money purchase pension scheme.

The total emoluments including benefits in kind paid to employees amounted to £330,423 (2001-£172,696).

The total pension charge for the period was £15,470 (2001-£13,560).

	2002 £	2001 £
Auditors' remuneration comprises:		
Audit	4,500	4,300
Accountancy	2,883	2,368
Property advice	-	551
	<u>£7,383</u>	<u>£7,219</u>

## BRIT-AM DRAMA ACADEMY

## NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30TH APRIL 2002

6. Tangible fixed assets	Leasehold improvements £	Equipment, furniture & fittings £	Computer equipment £	Motor vehicles £	Total £
Cost:					
At 1st May 2001	115,447	11,284	4,685	25,715	157,131
Additions	232,344	34,922	23,253	14,500	305,019
Disposals	-	-	(4,685)	(10,720)	(15,405)
At 30th April 2002	<u>347,791</u>	<u>46,206</u>	<u>23,253</u>	<u>29,495</u>	<u>446,745</u>
Depreciation:					
At 1st May 2001	7,697	10,051	3,173	12,319	33,240
Charge for the year	22,483	6,614	3,963	6,144	39,204
On disposals	-	-	(3,173)	(7,399)	(10,572)
At 30th April 2002	<u>30,180</u>	<u>16,665</u>	<u>3,963</u>	<u>11,064</u>	<u>61,872</u>
Net book values:					
At 30th April 2002	<u>£317,611</u>	<u>£29,541</u>	<u>£19,290</u>	<u>£18,431</u>	<u>£384,873</u>
At 30th April 2001	<u>£107,750</u>	<u>£1,233</u>	<u>£1,512</u>	<u>£13,396</u>	<u>£123,891</u>

7. Fixed asset investment	2002 £
Cost:	
Invested during the year	<u>500,000</u>
At 30th April 2002	<u>£500,000</u>

Cash was deposited with Dunbar Bank plc during the year for a term of 5 years. Interest is receivable at a maximum rate of 12% less the total of any percentage quarterly falls in the FTSE top 100 company share index in the year. No account is taken of any percentage increases in the FTSE 100 during the same year. If the total of percentage quarterly falls over a year is more than 12% no interest is received but the capital remains unaffected.

8. Debtors: amounts receivable within one year	2002 £	2001 £
Fees receivable	4,377	-
Sarah Lawrence College	26,245	118,850
Prepayments and accrued income	55,148	21,171
Other debtors	<u>827</u>	<u>867</u>
	<u>£86,597</u>	<u>£140,888</u>

Sarah Lawrence College accredits the London Theatre Programme and administers the applications process.

## BRIT-AM DRAMA ACADEMY

## NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30TH APRIL 2002

## 9. Debtors: amounts receivable in more than one year

This comprises a rental deposit which is repayable at the end of the lease.

10. Creditors: amounts falling due within one year	2002 £	2001 £
Fees received in advance	111,941	41,135
Taxation and social security	-	6,474
Accruals	<u>215,924</u>	<u>134,034</u>
	<u>£327,865</u>	<u>£181,643</u>

Accruals include an adjustment for the rent free period of £136,678 (2001-£50,000) and a provision for painting Gloucester Gate of £42,167 as required by the terms of the lease on a quadrennial basis.

11. Deferred income	2002 £	2001 £
Balance at 1st May 2001	41,135	45,047
Fees received	111,941	41,135
Released to statement of financial activities	<u>(41,135)</u>	<u>(45,047)</u>
Balance at 30th April 2002	<u>£111,941</u>	<u>£41,135</u>

## 12. Reconciliation of movements on funds

	Balance at 1st May 2001 £	Movement in resources			Balance at 30th April 2002 £
		Incoming £	Outgoing £	Transfers £	
General fund	878,295	1,740,985	1,670,173	-	949,107
Scholarship fund	<u>435,031</u>	<u>-</u>	<u>174,354</u>	<u>-</u>	<u>260,677</u>
	<u>£1,313,326</u>	<u>£1,740,985</u>	<u>£1,844,527</u>	<u>-</u>	<u>£1,209,784</u>

The total funds of the charity include a designated fund for scholarships which has been set aside out of general funds by the Governors. There are no restricted funds.

## BRIT-AM DRAMA ACADEMY

## NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30TH APRIL 2002

13. Analysis of net assets between funds	General Fund £	Scholarship Fund £	Total Funds £
Tangible fixed assets	384,873	-	384,873
Investments	500,000	-	500,000
Current assets	392,099	260,677	652,776
Current liabilities	(327,865)	-	(327,865)
Net assets at 30th April 2002	<u>£949,107</u>	<u>£260,677</u>	<u>£1,209,784</u>

14. Operating lease commitments	2002 £	2001 £
The charity is committed to the following operating lease rental payments next year on leases expiring:		
Between two and five years	2,716	2,195
After five years	<u>190,000</u>	<u>95,000</u>
	<u>£192,716</u>	<u>£97,195</u>

## 15. Taxation

The company is exempt from taxation under section 505 of the Income and Corporation Taxes Act 1988.

## 16. Related party transactions

Mr J. D. Harris, a Governor, is a consultant to Henmans, a firm of solicitors, which was paid £4,701 (2001-£6,309) for lease advice and which was owed £nil (2001 - £4,349) at the balance sheet date.