

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

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED

30TH APRIL 1996



**SLATER, CHAPMAN & COOKE,
CHARTERED ACCOUNTANTS,
7, ST. JAMES'S SQUARE,
LONDON, SW1Y 7JU.**

BRIT-AM DRAMA ACADEMY

GOVERNORS AND OFFICERS

Governors

Prof. P.A.W. Collins
Sir Anthony Colman
G.M. Hall
M. Harley
M.A.B. Harrison (Chairman)
M.G. Rawstorne
F.M. Shaw
P. Wesson
R.N. Cottrell

Secretary

A.G. Branch

Address of the principal office of the company

Cecil Sharp House
2 Regents Park Road
London NW1 7AY

Auditors

Slater, Chapman & Cooke
7 St James's Square
London SW1Y 7JU

Bankers

Clydesdale Bank Plc
30 Lombard Street
London EC3V 9BB

Solicitors

Bischoff & Co
4 John Carpenter Street
London EC4

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 1996.

Activities

The principal activity and object of the company, which is wholly charitable in its objects, is that of tutoring students in drama skills. The company's objects are specified in full in its memorandum and articles of association which are the company's governing documents.

Results

The surplus of income over expenditure for the year as shown on page 4 amounts to £74,192. The company has had a successful year with 204 (1995-166) students attending courses. The increased fee income has led to the surplus which the governors hope will be repeated in the next year. The governors have taken the opportunity of the surplus to increase the scholarship fund which at the year end stood at £96,513 (1995-£43,630).

Board of Governors

The Board of Governors during the year were:

Prof. P.A.W. Collins
Sir Anthony Colman
R.N. Cottrell (appointed 13th September 1995)
C.M.J. Eldridge (resigned 31st December 1995)
G.M. Hall
M. Harley
M.A.B. Harrison
F.I. Hauser OBE (resigned 1st September 1995)
Lord Moyne (resigned 15th September 1995)
M.G. Rawstorne
F.M. Shaw
P. Wesson
T.L. West CBE (resigned 10th March 1996)

The company is limited by guarantee. 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.

Auditors

The auditors, Slater, Chapman & Cooke, 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

Advantage is taken in the preparation of this report of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

BY ORDER OF THE BOARD

M.A.B. HARRISON
CHAIRMAN

Dated: 25/9/96

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

As required by section 43 of the Charities Act 1993 we have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors

As described on page 6 the company's directors, being the Board of Governors, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 and in accordance with regulations made under Section 44 of the Charities Act 1993. 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 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies and regulation 3 of the Charities Act 1993.

LONDON
Dated:

30th April 1996



SLATER, CHAPMAN & COOKE
Chartered Accountants and
Registered Auditors

BRIT-AM DRAMA ACADEMY
Limited by Guarantee

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30TH APRIL 1996

	Notes	Unrestricted funds General Fund £	Scholarship Fund £	1996 Total £	1995 Total £
INCOME AND EXPENDITURE					
Incoming resources					
Fees received		648,497	-	648,497	554,779
Deferred fees		<u>(1,779)</u>	-	<u>(1,779)</u>	<u>12,595</u>
Fees receivable		646,718	-	646,718	567,374
Accommodation		194,486	-	194,486	146,948
Funds received for scholarships		-	-	-	1,227
Other operating income		5,856	-	5,856	12,068
Interest receivable		<u>7,302</u>	<u>-</u>	<u>7,302</u>	<u>4,877</u>
Total incoming resources		<u>854,362</u>	<u>-</u>	<u>854,362</u>	<u>732,494</u>
Resources expended					
Accommodation		177,186	-	177,186	141,189
Scholarships awarded		-	47,117	47,117	110,243
Course expenditure	4	179,039	-	179,039	151,183
Other College fees		103,531	-	103,531	67,309
Administration expenses	5	262,902	-	262,902	257,625
Depreciation		1,837	-	1,837	2,391
Bad debts		2,210	-	2,210	(1,234)
Interest payable and similar charges	6	552	-	552	956
Other expenses	7	<u>5,796</u>	<u>-</u>	<u>5,796</u>	<u>-</u>
Total resources expended		<u>733,053</u>	<u>47,117</u>	<u>780,170</u>	<u>729,662</u>
Net incoming resources before transfers		121,309	(47,117)	74,192	2,832
Transfers between funds		<u>(100,000)</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
Net incoming resources for the year		21,309	52,883	74,192	2,832
Reserves brought forward at 1st May 1995		<u>29,999</u>	<u>43,630</u>	<u>73,629</u>	<u>70,797</u>
Reserves carried forward at 30th April 1996		<u>£51,308</u>	<u>£96,513</u>	<u>£147,821</u>	<u>£73,629</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued in the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the surplus for the above two financial years.

BRIT-AM DRAMA ACADEMY
(Limited By Guarantee)

BALANCE SHEET AT 30TH APRIL 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible assets	8		13,788		7,175
CURRENT ASSETS					
Debtors: other debtors		13,644		15,927	
Cash at bank and in hand		<u>148,865</u>		<u>76,883</u>	
		162,509		92,810	
CREDITORS: amounts falling due within one year	9	<u>28,476</u>		<u>25,550</u>	
NET CURRENT ASSETS			<u>134,033</u>		<u>67,260</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			147,821		74,435
CREDITORS: amounts falling due after more than one year	10		<u>-</u>		<u>806</u>
			<u>£147,821</u>		<u>£73,629</u>
RESERVES					
Total unrestricted funds	11		<u>£147,821</u>		<u>£73,629</u>

In preparing these accounts, the governors have taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the basis that, in their opinion, the company qualifies as a small company.

Approved on behalf of the Board of Governors on

25/9/96

M.A.B. HARRISON
CHAIRMAN

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1996

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.

- (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.

- (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.

- (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) Statement of recommended practice for accounting by Charities

The Charity Commissioners have issued a revised Statement of Recommended Practice ("SORP") for accounting by charities. The company is obliged to adopt the recommendation of the revised SORP in the accounts for the year ended 30th April 1997. However the Board of Governors have chosen to adopt the recommendation a year earlier than required as they believe it gives a clearer presentation to the accounts.

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL 1996

3. Accounting policies (continued)

(vi) 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

(vii) 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.

(viii) Foreign currency transactions

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

(ix) 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.

(x) Scholarship fund

This fund comprises donations and other monies received together with a contribution from the surplus of income over expenditure arising in the year. Scholarships awarded are treated as an expense of this fund.

4. Course expenditure

	1996 £	1995 £
Teachers	112,339	97,634
Productions	34,218	28,286
Teaching rooms	4,920	5,204
Entertainment	7,055	5,290
Excursions	14,772	11,350
Books	4,927	2,921
Other expenses	808	498
	<u>£179,039</u>	<u>£151,183</u>

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL 1996

5. Administration expenses

	1996 £	1995 £
Wages and salaries	100,133	98,342
Social security costs	10,287	10,177
Pension costs	<u>4,359</u>	<u>4,095</u>
Staff costs	114,779	112,614
Accountancy and Treasury	27,732	27,008
Cecil Sharp House	39,390	36,473
Travel	18,424	16,348
Car expenses	6,769	5,355
Entertaining	4,043	3,814
Advertising	20,241	22,998
Brochures	5,992	3,824
Auditions	2,540	2,715
Professional fees	-	794
Audit fees	3,900	3,900
Office equipment	463	743
Hire of equipment	3,260	3,104
Telephone and fax	5,437	7,643
Postage and courier	3,236	3,078
Printing and stationery	1,626	1,996
General expenses	3,256	3,154
Bank charges	1,374	1,706
Other expenses	<u>440</u>	<u>358</u>
	<u>£262,902</u>	<u>£257,625</u>

The average weekly number of employees during the year was 4 (1995 - 4).

Two Governors received remuneration from the company which was wholly earned in their capacity as tutors.

The tutorial fees paid were:

	1996	1995
G.M. Hall	£5,560	£4,660
F.M. Shaw	£1,500	£1,100

In addition the following travel costs were reimbursed to Governors:

	1996	1995
M. Harley (resident in U.S.A)	£500	£500
Prof. P.A.W. Collins	£62	£63

Number of employees earning more than £40,000 per annum:

	1996 Number	1995 Number
£40,001 - £50,000	1	1

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL 1996

6. Interest payable and similar charges

	1996 £	1995 £
Hire purchase interest	400	400
Loss on foreign exchange	<u>152</u>	<u>556</u>
	<u>£ 552</u>	<u>£ 956</u>

7. Other expenses

	1996 £
Ex gratia payment to retiring Dean	4,000
Shakespeare Programme set-up	<u>1,796</u>
	<u>£5,796</u>

8. Tangible fixed assets

	Leasehold improvements £	Equipment, furniture & fittings £	Motor vehicles £	Total £
Cost:				
At 1st May 1995	9,396	9,787	7,300	26,483
Additions	<u>-</u>	<u>-</u>	<u>8,450</u>	<u>8,450</u>
At 30th April 1996	<u>9,396</u>	<u>9,787</u>	<u>15,750</u>	<u>34,933</u>
Depreciation:				
At 1st May 1995	9,396	7,289	2,623	19,308
Charge for the year	<u>-</u>	<u>624</u>	<u>1,213</u>	<u>1,837</u>
At 30th April 1996	<u>9,396</u>	<u>7,913</u>	<u>3,836</u>	<u>21,145</u>
Net book values:				
At 30th April 1996	<u>-</u>	<u>£1,874</u>	<u>£11,914</u>	<u>£13,788</u>
At 30th April 1995	<u>-</u>	<u>£2,498</u>	<u>£ 4,677</u>	<u>£ 7,175</u>

The motor vehicle with a book cost of £7,300 was acquired under a hire purchase contract. The depreciation charge for the year on this vehicle was £1,169 and the accumulated depreciation at the year end was £3,792.

9. Creditors: amounts falling due within one year

	1996 £	1995 £
Obligations under hire purchase contracts	806	1,933
Other creditors	<u>27,670</u>	<u>23,617</u>
	<u>£28,476</u>	<u>£25,550</u>

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL 1996

10. Creditors: amounts falling due after more than one year

	1995
Obligations under hire purchase contracts falling due within 2 to 5 years	<u>£ 806</u>

11. Reconciliation of movements on unrestricted funds

The total funds of the charity include a designated fund for scholarships which has been set aside out of general funds by the Governors.

	Balance at 1st May 1995 £	Movement in resources		Transfers £	Balance at 30th April 1996 £
		Incoming £	Outgoing £		
General fund	29,999	854,362	(733,053)	(100,000)	51,308
Scholarship fund	<u>43,630</u>	<u>-</u>	<u>(47,117)</u>	<u>100,000</u>	<u>96,513</u>
	<u>£73,629</u>	<u>£854,362</u>	<u>£(780,170)</u>	<u>-</u>	<u>£147,821</u>

12. Operating lease commitments

The company is committed to make lease payments of £3,339 (1995-£3,180) in the year following the balance sheet date on leases expiring within two to five years.

13. Financial commitments

The company receives part of its fees in US Dollars and to cover large variations in exchange rates enters into forward contracts. At the year end the company had entered into a contract to sell US \$150,780 on 1st September 1996 for £100,000. Exchange rate variations meant that the company has made a small surplus on the transaction.

14. Taxation

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