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**DSL OPERATIONS LTD**

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**AUDITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2019**

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**DSL OPERATIONS LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	Professor A Woodman Professor P D John P Fuller
<b>Registered number</b>	08292030
<b>Registered office</b>	University of West London St. Marys Road London W5 5RF
<b>Independent auditors</b>	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA

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**DSL OPERATIONS LTD**

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## DSL OPERATIONS LTD

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2019

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The directors present their report and the financial statements for the year ended 31 July 2019.

#### Principal activity

The principal activity of the company during the period was that of actors training and all related skills and subjects.

#### Business review

The company expects to maintain its role as a drama school wholly owned by the University of West London whom it was acquired by during the year.

The World Health Organisation classed Covid -19 as a pandemic on 11 March 2020. Following that announcement, the UK Government introduced various measures to address the impact in the UK, resulting in lockdown from 23 March 2020. The social distancing measures meant that the company had to close the building from that date and commence online teaching and auditions. This situation has had an impact on the performance of the organisation after the balance sheet date. See further information in Note 2.3 Going Concern.

#### Directors

The directors who served during the year were:

C Thacker (resigned on 17 May 2019)  
C Pickles (resigned 17 May 2019)  
P Stone (resigned 17 May 2019)  
Professor A Woodman (appointed 17 May 2019)  
Professor P D John (appointed 17 May 2019)  
P Fuller (appointed 17 May 2019)

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Auditors

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

#### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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**DSL OPERATIONS LTD**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2019**

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This report was approved by the board on 30 July 2020 and signed on its behalf.

**P Fuller**  
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 JULY 2019**

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The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DSL OPERATIONS LTD

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**Opinion**

We have audited the financial statements of DSL Operations Ltd (the 'Company') for the year ended 31 July 2019, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of 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 Company's affairs as at 31 July 2019 and of its loss 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 Companies Act 2006.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

In connection with our audit of the financial statements, 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 there is a material

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DSL OPERATIONS LTD (CONTINUED)

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misstatement in the financial statements or a material misstatement of the other information. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 3, the directors 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 directors 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 directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DSL OPERATIONS LTD (CONTINUED)

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**Auditors' responsibilities for the audit of the financial statements**

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 Auditors' 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Other matters**

The year ended 31 July 2019 was the first year in which the financial statements were audited. The comparative figures in these financial statements are therefore unaudited.

**Use of our report**

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 Company and the Company's members for our audit work, for this report, or for the opinions we have formed.

Paula Willock (Senior Statutory Auditor)

For and on behalf of

**BDO LLP, Statutory Auditor**

2 City Place

Beehive Ring Road

Gatwick

West Sussex

RH6 0PA

30 July 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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**DSL OPERATIONS LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2019**

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	2019 £	2018 Unaudited £
Turnover	1,307,346	1,237,437
Cost of sales	(827,663)	(647,340)
<b>Gross profit</b>	<b>479,683</b>	590,097
Administrative expenses	(588,375)	(471,743)
<b>Operating (loss)/profit</b>	<b>(108,692)</b>	118,354
Interest payable and expenses	(84,031)	(58,647)
<b>(Loss)/profit before tax</b>	<b>(192,723)</b>	59,707
Tax on (loss)/profit	11,108	23,192
<b>(Loss)/profit for the financial year</b>	<b>(181,615)</b>	82,899

There are no items of other comprehensive income.

All amounts relate to continuing activities.

The notes on pages 12 to 25 form part of these financial statements.

**DSL OPERATIONS LTD**  
**REGISTERED NUMBER: 08292030**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JULY 2019**

	Note	2019 £	2018 Unaudited £
<b>Fixed assets</b>			
Tangible assets	9	3,427,130	3,452,989
Investments	10	2	2
		<u>3,427,132</u>	<u>3,452,991</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	304,606	308,690
Cash at bank and in hand	12	179,446	3,354
		<u>484,052</u>	<u>312,044</u>
Creditors: amounts falling due within one year	13	(2,671,358)	(1,220,219)
<b>Net current liabilities</b>		<u>(2,187,306)</u>	<u>(908,175)</u>
<b>Total assets less current liabilities</b>		<u>1,239,826</u>	<u>2,544,816</u>
Creditors: amounts falling due after more than one year	14	-	(1,200,092)
<b>Provisions for liabilities</b>			
Deferred tax	16	(210,000)	(210,000)
Other provisions	17	(185,050)	(108,333)
		<u>(395,050)</u>	<u>(318,333)</u>
<b>Net assets</b>		<u><u>844,776</u></u>	<u><u>1,026,391</u></u>
<b>Capital and reserves</b>			
Called up share capital	18	400	400
Share premium account	19	79,920	79,920
Revaluation reserve	19	1,167,000	1,175,000
Profit and loss account	19	(402,544)	(228,929)
		<u><u>844,776</u></u>	<u><u>1,026,391</u></u>

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**DSL OPERATIONS LTD**  
**REGISTERED NUMBER: 08292030**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 JULY 2019**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 July 2020.

**P Fuller**  
Director

The notes on pages 12 to 25 form part of these financial statements.

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**DSL OPERATIONS LTD**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2019**

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	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 August 2018	400	79,920	1,175,000	(228,929)	1,026,391
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(181,615)	(181,615)
Transfer to profit and loss account	-	-	(8,000)	-	(8,000)
Transfer from other reserves	-	-	-	8,000	8,000
<b>At 31 July 2019</b>	<u>400</u>	<u>79,920</u>	<u>1,167,000</u>	<u>(402,544)</u>	<u>844,776</u>

The notes on pages 12 to 25 form part of these financial statements.

DSL OPERATIONS LTD

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2018

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 August 2017	400	79,920	1,160,700	(297,528)	943,492
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	82,899	82,899
Transfer to profit and loss account	-	-	-	(14,300)	(14,300)
Transfer from other reserves	-	-	14,300	-	14,300
<b>At 31 July 2018</b>					
<b>Unaudited</b>	<b>400</b>	<b>79,920</b>	<b>1,175,000</b>	<b>(228,929)</b>	<b>1,026,391</b>

The notes on pages 12 to 25 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

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**1. General information**

DSL Operations Limited is a private company limited by shares, incorporated in England and Wales. The address of the registered office is University of West London, St. Marys Road, London, W5 5RF.

The company specialises in actor training and all related skills and subjects.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The company has taken advantage of the following exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

- the requirements of section 7 Statement of Cashflows;
- the requirements of section 33 Related Party Disclosures 33.11

The following principal accounting policies have been applied:

**2.2 Exemption from preparing consolidated financial statements**

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

**2.3 Going concern**

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities of £2,187,306 (2018 - £908,175) at the Statement of financial position date.

The board has reviewed the company's forecasts for the period to 31 July 2021 and is content that these plans are realistic and that the accounts should be prepared on a going concern basis.

The Government's decisions on social distancing have had an effect on our financial situation and resulted in a small reduction in our budgeted surplus for the year ended 31 July 2020. Management have reviewed forecasts for the year ended 31 July 2021 that estimate varying levels of student recruitment for that year and have considered the cost savings that would be made based on those varying student numbers.

The company has funding from its parent entity, The University of West London, which is disclosed in Note 13 to the accounts. This debt is repayable on demand and represents an uncertainty when assessing the forecast period. However, the company has obtained an understanding that it will not be demanded before 31 July 2021.

Given the current cash balances, the board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the company's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

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**2. Accounting policies (continued)**

**2.4 Turnover**

Revenue on acting courses is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue on acting courses is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes and is recognised over the period that a course runs.

**2.5 Tangible fixed assets**

Fixed assets are stated at cost / deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on the date of transition to FRS 102 are measured on the basis of deemed cost, being the revalued amounts at the date of that transition.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% on cost
S/Term Leasehold Property	- Straight line over 10 years
Motor vehicles	- 25% reducing balance basis
Fixtures & fittings	- 15% reducing balance basis
Office equipment	- Straight line over 5 years

The land element of the freehold property is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.7 Debtors**

Short term debtors are measured at transaction price.

**2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

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**2. Accounting policies (continued)**

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.11 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.12 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

2. Accounting policies (continued)

2.13 Current and deferred taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies the directors are required to make judgements and estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These are based on experience, historical outcomes and other factors that are considered relevant. Actual results may differ from these estimates.

The directors consider that the provisions for bad debts on trade debtors and the provision for potential VAT on certain sales have had the most significant effect on the amounts recognised in the financial statements.

4. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2019	2018
	£	Unaudited £
Auditors remuneration	6,000	-
Depreciation	29,449	28,816

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

5. Employees

	2019	2018
	Unaudited	
£	£	
Wages and salaries	227,604	188,692
Social security	20,816	13,258
Other pension	3,197	1,130
	<u>251,617</u>	<u>203,080</u>

The average monthly number of employees, including directors, during the year was 8 (2018 - 6).

6. Directors' remuneration

During the year, the directors received no emoluments (2018 - £Nil).

7. Interest payable and similar expenses

	2019	2018
	Unaudited	
£	£	£
Bank interest payable	49,273	40,178
Other loan interest payable	34,758	18,469
	<u>84,031</u>	<u>58,647</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

**8. Taxation**

	2019 £	2018 Unaudited £
Current tax on profits for the year	-	11,108
Adjustments in respect of previous periods	(11,108)	-
	<u>(11,108)</u>	<u>11,108</u>
<b>Total current tax</b>	<u>(11,108)</u>	<u>11,108</u>
<b>Deferred tax</b>		
Movement on deferred tax	-	(34,300)
<b>Total deferred tax</b>	<u>-</u>	<u>(34,300)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(11,108)</u>	<u>(23,192)</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 Unaudited £
(Loss)/profit on ordinary activities before tax	<u>(192,723)</u>	<u>59,707</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(36,617)	11,344
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	12,858	579
Capital allowances for year in excess of depreciation	4,629	3,800
(Utilisation)/carry forward of tax losses	500	(4,615)
Theatre tax relief	18,630	-
Adjustments to tax charge in respect of prior periods	(11,108)	-
Movement on deferred tax	-	(34,300)
<b>Total tax charge for the year</b>	<u>(11,108)</u>	<u>(23,192)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

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8. Taxation (continued)

**Factors that may affect future tax charges**

The trading losses carried forward have not been recognised as deferred tax assets as their recovery is uncertain.

DSL OPERATIONS LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

9. Tangible fixed assets

	Freehold property £	S/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
<b>Cost</b>						
At 1 August 2018	3,500,000	8,900	2,386	35,718	25,629	3,572,633
Additions	-	-	-	-	3,590	3,590
		8,900				3,576,223
At 31 July 2019	3,500,000		2,386	35,718	29,219	
<b>Depreciation</b>						
At 1 August 2018	80,000	4,450	1,820	17,445	15,929	119,644
Charge for the year on owned assets	20,000	891	141	2,741	5,676	29,449
		5,341				149,093
At 31 July 2019	100,000		1,961	20,186	21,605	
<b>Net book value</b>						
At 31 July 2019	3,400,000	3,559	425	15,532	7,614	3,427,130
<b>At 31 July 2018 Unaudited</b>	3,420,000	4,450	566	18,273	9,700	3,452,989

**DSL OPERATIONS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

The company's freehold property was valued by Rolfe East (property estate agents) as at 18 March 2015 and on conversion to FRS102 have used this valuation as deemed cost.

	<b>L &amp; B £</b>
<b>Comprising</b>	
Cost	2,100,000
Property improvements	8,900
Revaluation	1,400,000
	<u>3,508,900</u>
<b>At 31 July 2019</b>	<u><b>3,508,900</b></u>

Included in the valuation is land of £2.5m.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	<b>2019 £</b>	<b>2018 Unaudited £</b>
Cost	2,100,000	2,100,000
Accumulated depreciation	(77,000)	(65,000)
	<u><b>2,023,000</b></u>	<u><b>2,035,000</b></u>

**10. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 August 2018	2
	<u>2</u>
At 31 July 2019	<u><b>2</b></u>

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**DSL OPERATIONS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

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**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Drama Studio London Limited	The University Of West London, St. Marys Road, London, W5 5RF	Ordinary	100 %

The above company is dormant.

**11. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>Unaudited</b>
		<b>£</b>
Trade debtors	<b>271,739</b>	283,618
Other debtors	<b>8,451</b>	1,221
Prepayments and accrued income	<b>24,416</b>	23,851
	<b>304,606</b>	308,690

**12. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>Unaudited</b>
		<b>£</b>
Cash at bank and in hand	<b>179,446</b>	3,354
	<b>179,446</b>	3,354



**DSL OPERATIONS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Creditors: Amounts falling due within one year**

	2019	2018
	£	Unaudited £
Bank overdraft and loans	-	154,700
Trade creditors	225,442	219,440
Amounts owed to group undertakings	1,918,091	2
Corporation tax	-	11,108
Other taxation and social security	22,895	76,695
Other creditors	51,419	308,854
Accruals & deferred income	453,511	449,420
	<u>2,671,358</u>	<u>1,220,219</u>

The bank loan was repaid during the year and had been secured on the assets of the company.

Included within other creditors is deferred consideration payable of £Nil (2018 - £62,576).

A large intercompany balance has occurred as a result of the acquisition of DSL Operations Limited by The University of West London who funded the repayment of the bank loans.

**14. Creditors: Amounts falling due after more than one year**

	2019	2018
	£	Unaudited £
Bank loans	-	936,598
Other creditors	-	263,494
	<u>-</u>	<u>1,200,092</u>

The bank loan was repaid during the year and had been secured on the assets of the company.

Included within other creditors is deferred consideration payable of £Nil (2018 - £263,494).

**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Loans**

Analysis of the maturity of loans is given below:

	<b>2019</b>	2018
	<b>£</b>	Unaudited £
<b>Amounts falling due within one year</b>		
Bank overdraft and loans	-	154,700
	-	154,700
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	117,332
	-	117,332
<b>Amounts falling due 2-5 years</b>		
Bank loans	-	351,997
	-	351,997
<b>Amounts falling due after more than 5 years</b>		
Bank loans	-	467,269
	-	467,269
	-	1,091,298

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NOTES TO THE FINANCIAL STATEMENTS  
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16. Deferred taxation

	2019 £	2018 Unaudited £
At beginning of year	210,000	244,300
Credited to the profit or loss	-	(34,300)
<b>At end of year</b>	<b>210,000</b>	<b>210,000</b>

The provision for deferred taxation is made up as follows:

	2019 £	2018 Unaudited £
Accelerated capital allowances	3,400	3,400
Capital gain on disposal	206,600	206,600
	<b>210,000</b>	<b>210,000</b>

The company has trading losses to carry forward which have not been recognised as deferred tax assets due to uncertainty over their recovery.

17. Provisions

	Other provision £
At 1 August 2018	108,333
Charged to profit or loss	76,717
<b>At 31 July 2019</b>	<b>185,050</b>

The company has provided degree courses for De Montfort University. The VAT status of these supplies is uncertain. The directors have made a provision of their best estimate of the VAT that they believe will be payable.

NOTES TO THE FINANCIAL STATEMENTS  
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18. Share capital

	2019 £	2018 Unaudited £
<b>Allotted, called up and fully paid</b>		
400 Ordinary shares of £1 each	<u>400</u>	<u>400</u>

19. Reserves

**Revaluation reserve**

Included within reserves is a transfer of non-distributable revaluation reserve of £1,167,000 (2018 - £1,175,000).

20. Related party transactions

The company has taken advantage allowed by FRS 102 section 33, not to disclose any transactions with other wholly owned members of the group.

Included in the other creditors due within one year is £Nil (2018 - £209,599) due to a director. Interest paid to the director during the year was £500 (2018 - £Nil). During the year, the director provided directing services for the amount of £Nil (2018 - £4,684) to the company.

21. Post balance sheet events

The World Health Organisation classed Covid -19 as a pandemic on 11 March 2020. Following that announcement, the UK Government introduced various measures to address the impact in the UK, resulting in lockdown from 23 March 2020. The social distancing measures meant that the company had to close the building from that date and commence online teaching and auditions. This situation has had an impact on the performance of the organisation after the balance sheet date. See further information in Note 2.3 Going Concern.

22. Ultimate parent entity and controlling party

At the year end, the company was under the control of The University of West London Commercial Limited, The University Of West London, St. Mary's Road, Ealing, London, W5 5RF, the parent company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.