

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 1997**



*mm*

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 1997**

**INDEX**

	<b>Pages</b>
Trustees' report	1 - 3
Auditors' report	4
Statement of financial activities	5 - 6
Balance sheet	7
Cash flow statement	8
Notes forming part of the financial statements	9 - 16

# **RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

## **TRUSTEES' REPORT**

The Trustees submit their report and audited financial statements for the year ended 30th June 1997.

During the year the University achieved a surplus of £334,954, a slight improvement on the budgeted surplus of £300,000. £516,518 was spent on capital projects during the year and the cash balances held at the end of the year were in the order of £1.3 million. Enrolment for the year was 1172 students - an all time record. This increase in enrolment represents a 6% increase over the previous year.

Apart from the increase in enrolment, a number of activities occurred during the year which bode well for the future financial health of the University. Certainly not the least among these developments was the successful visit by the Middle States accrediting team and the subsequent unconditional 10 year re-accreditation report. On the eve of Richmond's 25th anniversary it was also encouraging to receive a visit from the Open University Validation Service, which we are pleased to report has resulted in OU accreditation of the University and the validation of six degree programs.

Other activities also portend well for the long term. The creation of a School of Arts and Sciences to balance the School of Business, and the creation of new masters degree programs, will create marketing opportunities that will enable further enrolment stability. The recent focus on fund raising activities as we actively pursue new sources of funding world-wide has the potential to strengthen the financial foundation of the University.

### **Responsibilities of the Trustees**

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

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue its operations.

### **Activities**

The University is an independent public educational charity with exempt status under Section 501(c)3 of the US Internal Revenue Code.

The principal activities of the University, which have remained unchanged during the financial year, were the provision of higher education degrees under licence from the Department of Public Instruction of the State of Delaware USA and as accredited by the Middle States Association of Colleges and Schools.

# **RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

## **TRUSTEES' REPORT (continued)**

### **Management and advisers**

#### **Bankers**

National Westminster Bank Plc  
22 George Street  
Richmond  
Surrey TW9 1JW

#### **Solicitors**

Field Fisher Waterhouse  
41 Vine Street  
London EC3M 2AA.

#### **Auditors**

Casson Beckman  
Chartered Accountants  
and Registered Auditors  
Hobson House  
155 Gower Street  
London WC1E 6BJ

#### **Trustees**

The trustees of the University who served during the year were:

##### **American Trustees**

Ms M Assefa	Executive Director, World Education Services
Mr R J Brennan (Secretary)	President, American Institute for Foreign Study
Mr R N Cristadoro	Senior Vice President, American Institute for Foreign Study
Mr M I Eizenberg (resigned 30th June 1997)	President, American Council for International Studies
Mr W J McCann	President, Richmond College
Ms M J Jacobi	Head of Group Public Affairs, HSBC Holdings Plc
Dr J Kuhnle	Vice President, Korn/Ferry International
Mrs L Lader	President, The Renaissance Institute
Dr S Melendez	President, Independent Sector
Mr P Tcherepnine	Executive Vice-President, Loeb Partners Management Inc.
Ms V Day	Alumna
Mr B. Davenport (appointed 31st October 1996)	Principal, Eastern Middle School
Ms L H Harris (appointed 11th July 1996)	Executive Producer, Four Quest Entertainment Inc.

##### **British Trustees**

Sir Cyril Taylor (Chairman)	Chairman, American Institute for Foreign Study
Dr A E Christodoulou	Retired-former Secretary General, Association of Commonwealth Universities
Mr C D Joseph	Barrister at Law
Dr M Morgan	Retired - former Principal, The Froebel Educational Institute, London
Mr A J Taylor (Treasurer)	Director of Administration, American Institute for Foreign Study
Mr L V D Tindale (deceased October 1996)	Former Deputy Chairman, 3i Group Plc

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**TRUSTEE'S REPORT (continued)**

**Registered Office:**

The Corporation Trust Company  
Corporation Trust Centre  
1209 Orange Street  
Wilmington  
Delaware 19801  
United States of America

(US Company Registration No 722450)  
(UK Company Registration No FC8955)

**Connected charity**

The Richmond College Foundation (Queens Road, Richmond, Surrey) is a connected charity of the University and provides facilities, equipment and educational programmes to the University by way of donations.

Signed on behalf of the Trustees

13th October 1997

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**AUDITORS' REPORT TO THE MEMBERS OF RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

We have audited the financial statements on pages 5 to 16 which have been prepared under the historical cost convention and the accounting policies set out on page 9 and 10.

**Respective responsibilities of trustees and auditors**

As described in the trustees report, the university's trustees are responsible for the preparation of the 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 members.

**Basis of 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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the university'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 of material mis-statement, 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 affairs of the university as at 30th June 1997 and of the income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as modified by the exemptions available to overseas companies.

**CASSON BECKMAN**

Chartered Accountants  
and Registered Auditors

Hobson House  
155 Gower Street  
London WC1E 6BJ

13th October 1997

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 1997**

	Notes	Restricted £	1997 Unrestricted £	Total £	1996 £
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Fees		-	12,056,133	12,056,133	11,051,971
Other income		-	181,778	181,778	176,858
Donations	2	79,125	72,014	151,139	138,271
Bank interest		-	78,318	78,318	91,722
(Loss)/profit on sale of fixed assets		-	(1,837)	(1,837)	2,625
<b>Total incoming resources</b>		<b>79,125</b>	<b>12,386,406</b>	<b>12,465,531</b>	<b>11,461,447</b>
<b>Resources expended</b>					
<b>Direct charitable expenditure</b>					
Provision of educational services	3	-	11,900,019	11,900,019	10,718,344
<b>Other expenditure</b>					
Publicity		-	111,769	111,769	139,107
Management and administration of the charity	4	-	118,963	118,963	123,386
Taxation	6	-	(174)	(174)	45,635
<b>Total resources expended</b>		<b>-</b>	<b>12,130,577</b>	<b>12,130,577</b>	<b>11,026,472</b>
<b>Net incoming resources for the year and net movement in funds</b>		<b>79,125</b>	<b>255,829</b>	<b>334,954</b>	<b>434,975</b>
<b>Balance brought forward at 1st July 1996</b>		<b>-</b>	<b>1,865,395</b>	<b>1,865,395</b>	<b>1,430,420</b>
<b>Balance carried forward at 30th June 1997</b>		<b>£ 79,125</b>	<b>£2,121,224</b>	<b>£2,200,349</b>	<b>£1,865,395</b>

There are no recognised gains or losses other than the surplus for the year.

Income and net movement in funds all derive from continuing activities.

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30TH JUNE 1997**

The net incoming resources for the year before taxation stated on an unmodified historical cost basis was as follows:

	1997 £	1996 £
Net incoming resources after taxation as reported on page 5	334,954	434,975
Taxation	(174)	45,635
	<hr/>	<hr/>
Net incoming resources before taxation as reported	334,780	480,610
Depreciation on revalued element of fixed assets	46,767	90,857
	<hr/>	<hr/>
Net incoming resources before taxation on an unmodified historical cost basis	£381,547	£571,467
	<hr/> <hr/>	<hr/> <hr/>

The net incoming resources for the year after tax stated on an unmodified historical cost basis was £381,721 (1996: £525,832).



**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**BALANCE SHEET**

**AT 30TH JUNE 1997**

	Notes	£	1997 £	£	1996 £
<b>Fixed assets</b>					
Leasehold improvements		538,247		495,842	
Equipment		782,640		792,309	
Motor vehicles		55,915		36,390	
Library books		128,758		135,259	
	7		1,505,560		1,459,800
<b>Current assets</b>					
Stocks		35,774		21,642	
Fees receivables		418,808		314,125	
Other receivables		185,463		93,089	
Prepaid expenditure		261,549		214,036	
Cash at bank and on deposit		1,340,037		1,213,304	
Cash in hand		3,163		2,512	
		2,244,794		1,858,708	
<b>Current liabilities</b>					
Creditors and accruals		360,883		402,574	
Student security deposits		274,375		203,733	
Fees received in advance		434,567		330,974	
Deferred income		351,211		392,908	
Other taxation and social security costs		128,969		122,924	
		1,550,005		1,453,113	
<b>Net current assets</b>			694,789		405,595
<b>Total assets less current liabilities</b>			£2,200,349		£1,865,395
<b>Represented by:</b>					
Accumulated fund	8				
Unrestricted			2,121,224		1,865,395
Restricted			79,125		-
			£2,200,349		£1,865,395

Approved 13th October 1997

)  
) TRUSTEES  
)

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30TH JUNE 1997**

	Notes	1997		1996	
		£	£	£	£
<b>Net cash inflow from operating activities</b>	10		<b>564,910</b>		<b>847,109</b>
<b>Returns on investments and servicing of finance</b>					
Interest received		<u>78,318</u>		<u>48,877</u>	
			<b>78,318</b>		<b>48,877</b>
<b>Taxation</b>					
Income tax		<u>174</u>		<u>(3,596)</u>	
			<b>174</b>		<b>(3,596)</b>
<b>Capital expenditure and financial investment</b>					
Payments to acquire tangible fixed assets		<b>(516,518)</b>		<b>(603,102)</b>	
Receipts from sales of tangible fixed assets		<u>500</u>		<u>2,625</u>	
			<b>(516,018)</b>		<b>(600,477)</b>
<b>Increase in cash</b>	10		<b>£127,384</b>		<b>£291,913</b>

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 1997**

**1. Accounting policies**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, with the Statement of Recommended Practice "Accounting by Charities", and the United Kingdom Companies Act 1985. The trustees have adopted an alternative form of presentation to that prescribed in Schedule 4 of the Companies Act 1985 as in their opinion this is necessary in order to present a true and fair view of the university's affairs.

**Fees receivable**

Fees receivable from students are apportioned on a time basis.

**Donations**

Donations are included in full in the income and expenditure account as soon as received.

**Direct charitable expenditure**

Direct charitable expenses comprises all expenditure directly relating to the objects of the charity which are the provision of educational services.

**Other expenditure**

Other expenditure comprises publicity costs expended to broaden enrolment and raise funds and expenditure on the management and administration of the Charity.

Expenditure other than on assets which are capitalised is included in the income and expenditure account on the accruals basis.

**Tangible fixed assets**

Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value of each asset, over the expected useful life as follows:

Leasehold improvements	-	12½ %
Furnishings and equipment	-	20 %
Motor vehicles	-	25 %
Library books	-	20 %

Soft furnishings, linen and bedding are not capitalised, the full cost being written off in the period of acquisition.

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**1. Accounting policies (continued)**

**Stocks**

Stocks are valued on a first in, first out basis at the lower of cost and net realisable value, and represent stationery and consumables.

**Contribution to pensions**

A money purchase pension scheme is operated for the benefit of eligible employees. All the Trustees of the scheme are employees of the University. Both the University and employees contribute to the fund. The charge to the income and expenditure account represents University contributions accrued in respect of the period.

The University also participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings-Related Pension Scheme. The Fund is valued every three years by a professionally qualified independent actuary using the aggregate method, the rates of contributions payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the Scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the University benefits from the employees' services.

**Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. All differences are taken to the income and expenditure account.

**2. Donations**

Donations are made up as follows:-

	1997	1996
	£	£
Unrestricted	72,014	106,271
Restricted	79,125	32,000
	<hr/>	<hr/>
	£151,139	£138,271
	<hr/>	<hr/>

Donations include amounts received from The Richmond College Foundation, a charity set up solely for the support of facilities, equipment and educational programmes to the University.

At 31st March 1997, the Richmond College Foundation's audited accounts showed accumulated funds of £461,125, of which £334,865 was in respect of restricted funds. Between 1st April 1997 and 30th June 1997 £34,402 was transferred to the University.

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**2. Donations (continued)**

Certain donations received were made for the following restricted purposes. In 1996 all of these were expensed by the University during the year.

	1997	1996
	£	£
Library project	79,125	-
Provision of library furnishings	-	6,461
Provision of library books	-	14,448
Provision of faculty development and training	-	10,616
Other	-	475
	<u>£79,125</u>	<u>£32,000</u>

**3. Direct charitable expenditure**

	1997	1996
Provision of educational services	£11,900,019	£10,718,344

**4. Management and administration costs**

	1997	1996
	£	£
Management and administration costs include:		
Auditors' remuneration	19,432	17,038

**5. Employees and trustees**

	1997	1996
	£	£
Staff costs including executive trustees during the year amounted to:-		
Wages and salaries	4,105,743	3,659,672
Social security costs	369,107	327,846
Other pension costs	302,350	278,538
	<u>£4,777,200</u>	<u>£4,266,056</u>

The average monthly number of employees during the year was:-	No.	No.
	270	256

Trustees emoluments:

Remuneration	100,928	97,070
Contributions to money purchase pension schemes	11,415	19,043
	<u>£112,343</u>	<u>£116,113</u>

None of the non-executive trustees received any remuneration in respect of their services.

The number of trustees to whom retirement benefits are accruing in respect of qualifying services to the company is as follows:

	No.	No.
Money purchase scheme	1	1

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**5. Employees and trustees (continued)**

Expenses reimbursed to twelve trustees during the year in respect of travelling and subsistence costs amounted to £11,999 (1996 - £17,803)

The number of employees whose emoluments were £40,000 or above was as follows:-

	No	No
£40,001 - £ 50,000	6	5
£50,001 - £ 60,000	2	1
£60,001 - £ 70,000	1	1
£90,001 - £100,000	1	-
	<hr/>	<hr/>
	10	7
	<hr/>	<hr/>

**6. Taxation**

It has been agreed with the Inland Revenue that the university is not liable for corporation tax.

The (credit)/charge represents income tax on interest receivable at current rates as follows:

	1997	1996
	£	£
Current year		
Income tax	£(174)	£45,635
	<hr/>	<hr/>

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**7. Fixed assets**

	Library books £	Leasehold improvements £	Equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1st July 1996	452,444	1,422,703	2,078,274	151,699	4,105,120
Additions	44,678	162,835	275,561	33,444	516,518
Disposals	-	-	-	(22,327)	(22,327)
At 30th June 1997	£497,122	£1,585,538	£2,353,835	£162,816	£4,599,311
<b>Depreciation</b>					
At 1st July 1996	317,185	926,861	1,285,965	115,309	2,645,320
Charge for the year	51,179	120,430	285,230	11,582	468,421
In respect of disposals	-	-	-	(19,990)	(19,990)
At 30th June 1997	£368,364	£1,047,291	£1,571,195	£106,901	£3,093,751
<b>Net book value</b>					
At 30th June 1997	£128,758	£538,247	£782,640	£55,915	£1,505,560
At 30th June 1996	£135,259	£495,842	£792,309	£36,390	£1,459,800

The net book value at 30th June 1997 represents fixed assets used for direct charitable purposes only

**8. Reserves and reconciliation of movements in funds**

	Revaluation Reserve £	Accumulated Funds £	Total funds £
Opening funds	84,091	1,781,304	1,865,395
Net incoming resources	-	334,954	334,954
Adjustment for revalued element of depreciation	(46,767)	46,767	-
Closing funds	£37,324	£2,163,025	£2,200,349

**9. Restricted funds**

	At 1 July 1996 £	Incoming resources £	At 30 June 1997 £
Library project	-	79,125	79,125

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**9. Restricted funds (continued)**

Analysis of net assets between funds

	<b>Fixed assets</b>	<b>Net current assets</b>	<b>Total</b>
Restricted funds			
- Library project	-	79,125	79,125
Unrestricted funds	1,505,560	615,664	2,121,224
	<u>£1,505,560</u>	<u>£694,789</u>	<u>£2,200,349</u>

**10. Notes to the cash flow statement**

	<b>1997 £</b>	<b>1996 £</b>
Reconciliation of net incoming resources to net cash inflow from operating activities:-		
Net incoming resources before taxation	334,780	480,610
Interest receivable	(78,318)	(91,722)
Profit on sale of fixed assets	1,837	(2,625)
Depreciation	468,421	452,419
(Increase)/decrease in stock	(14,132)	14,037
Increase in debtors	(244,570)	(140,124)
Increase in creditors	96,892	134,514
Net cash inflow from operating activities	<u>£564,910</u>	<u>£847,109</u>

Reconciliation of net cash flow to movement in net debt:-

Increase in cash in the period	127,384
Net funds at 30th June 1996	1,215,816
Net funds at 30th June 1997	<u>£1,343,200</u>

Analysis of changes in net debt:

	<b>At 1st July 1996</b>	<b>Cashflows £</b>	<b>At 30th June 1997</b>
Cash in hand, at bank	1,215,816	127,384	1,343,200
Total	<u>£1,215,816</u>	<u>£127,384</u>	<u>£1,343,200</u>



**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**11. Pension costs**

**i Money purchase scheme.**

The pension charge for the year was £136,966 (1996 - £125,923).

**ii. Universities Superannuation Scheme.**

The total pension cost for the university was £165,384 (1996 - £152,615).

The pension cost is assessed using the projected unit method.

The assets of the scheme are held in a separate trustee administered fund.

The latest actuarial valuation of the Scheme was at 31st March 1996. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salary and pensions. It was assumed that the investment return would be 8½% per annum, that salary scale increases would be 6½% per annum, and that pension would increase by 5% per annum.

At the date of the latest actuarial valuation, which was carried out using the projected unit method, the market value of the assets of the Scheme was £12,087 million and the actuarial value of the assets was sufficient to cover 108% of the benefits which had accrued to members after allowing for expected future increases in earnings.

**12. Capital commitments**

	1997	1996
Authorised and contracted for	£ -	£12,308
	<u>          </u>	<u>          </u>

**13. Financial commitments**

At 30th June 1997 the University was committed to make payments in the forthcoming year under the following operating lease obligations which expire as follows:

	Land and buildings		Equipment	
	1997	1996	1997	1996
	£	£	£	£
Within two to five years	180,000	200,000	-	-
After five years	116,025	116,025	40,768	40,322
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	£296,025	£316,025	£40,768	£ 40,322
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**RICHMOND COLLEGE, THE AMERICAN INTERNATIONAL UNIVERSITY IN LONDON, INC**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT (continued)**

**FOR THE YEAR ENDED 30TH JUNE 1997**

**14. Other commitments**

- (a) The University is committed to pay £376,000 (1996: £376,000) to the American Institute for Foreign Study Inc. a connected party for services and facilities provided in the forthcoming year.
- (b) Other financial commitments amounted to £149,426 (1996 - £87,853) relating to the purchase of university catalogues and year books which were contracted for at the year end.

**15. Guarantees**

Under the terms of an agreement existing between the University and the American Institute for Foreign Study Inc., the American Institute for Foreign Study Inc. is committed to providing up to £500,000 in any period of twelve months should it be necessary to enable the University to carry on its operations.

**16. Related party transactions**

The University paid £2,715,622 during the year (1996: £2,470,463) to the American Institute for Foreign Study, Inc. (AIFS) a connected party for services and facilities provided. Included within the other receivables is £53,060 owed to the University by AIFS. Seven of the trustees of Richmond College are officers of AIFS.

The Richmond College Foundation is a connected charity of the University. The Foundation makes periodic donations to Richmond College. During the year these donations amounted to £34,502.

A majority of the trustees of The Richmond College Foundation are trustees of The University.

Richmond College Services Limited which is controlled by The Richmond College Foundation provides educational support services for the University. Included within other receivables is £72,518 owed to the University in respect of costs borne by them on the company's behalf.

**17. Country of incorporation**

The University is incorporated in the United States of America.

**18. Approval of financial statements**

These financial statements were formally approved by the board of trustees on 13th October 1997.