

Company number: 1828640

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

Statement of accounts

for the year ended

30th April 2015



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

The Board of Governors of the Brit-Am Drama Academy (which operates under the name of the British American Drama Academy and BADA) presents its annual report and audited financial statements for the year ended 30th April 2015.

Reference and administrative details**Governors**

P. Boulaye
M. Boyle (Chairman)
Sir Anthony Colman
D. Gelon
M. Harley (USA)
J. D. Harris (Resigned 01/03/2015)
M. G. Rawstorne (Resigned 26/02/2015)
F. M. Shaw (Resigned 02/07/2015)
D. Simpson
S.G.G. Stokes
P. Wesson
M. Whitlum-Cooper

Secretary

T. M. Denham FCA

Registered and Principal office

14 Gloucester Gate
Regents Park
London
NW1 4HG

Auditors

RSM UK Audit LLP
(formerly Baker Tilly UK Audit LLP)
25 Farringdon Street
London
EC4A 4AB

Bankers

Clydesdale Bank plc
88 Wood Street
London
EC2V 7QQ

Solicitors

Henmans LLP
5000 Oxford Business Park South
Oxford
OX4 2BH

BRIT-AM DRAMA ACADEMY

REPORT OF THE BOARD OF GOVERNORS

Structure, governance and management

The Academy is a company limited by guarantee, registered in England and Wales No. 1828640, governed by its Memorandum and Articles of Association dated 28th June 1984. It is a registered charity in England and Wales No. 291796.

The Board of Governors is responsible for the activities of the Academy. Its members, who act both as Trustees of the Charity and Directors of the Company, are recruited for their skills and experience in particular areas of its activities. Where necessary, appropriate induction and training is provided. One third of the Governors retire each year and individuals may stand for re-election. The Board of Governors meets every four months. Day to day management of the Academy is delegated to a small team, under the leadership of the Dean and Director, Ian Wooldridge, who reports to the Governors regularly.

Ian Wooldridge has decided to step down from his position at the end of August 2016 to pursue his other interests and his freelance career. Over the past 20 years, first as Dean and then as both Dean and Director, Ian has given totally dedicated service to BADA. He has been an inspirational teacher; his experience, skill, warmth and generosity have been widely acknowledged and he has been a major influence on generations of our students. As BADA's leader he has tirelessly championed the organization, embraced change and forged new connections. The Academy owes him a huge debt of gratitude.

The Board has started what will undoubtedly be a very challenging search for his successor, with a view to making an appointment in December 2015, to ensure a smooth handover of responsibilities.

During the year two Governors, John Harris and Martin Rawstorne, retired from The Board after many years of dedicated service. The Academy is very grateful to both of them and is delighted that they will both become Honorary Governors. Fiona Shaw has stepped down from the Board and will become the first member of a group of Associate Artists, which we are setting up. Neither of these roles will involve governance duties.

Financial supervision is exercised by the Director of Finance who reports to Governors through the Finance and Audit Subcommittee, which meets four-monthly to review the accounting and other management information.

The major risks to the Academy are kept under frequent review and addressed as necessary. As most of the Academy's students are from the United States of America, international events and the ongoing economic difficulties could adversely affect student numbers. In addition, the possible trend in the value of the US Dollar against Sterling may impact on the Academy.

The Governors consider that the principal risks and uncertainties facing the Academy are as follows:

- maintenance of reputation;
- unforeseen reduction in student numbers;
- effect of exchange rate changes.

The Academy's financial risk management objectives are to ensure funding resources and to continue to monitor costs. The Finance and Audit Committee regularly reviews budgets, forecasts and currency exposure.

Objectives and activities

The objects, as detailed in the Memorandum of Association, include: the advancement of education and the benefit of the community by stimulating and giving instruction in all aspects of the performing and theatrical arts; to establish, maintain and support courses for those who meet the Academy's criteria for participation; and to provide financial assistance to enable attendance.

The Academy seeks to achieve these aims through its residential summer programs in Oxford and its Fall and Spring Term courses in London. Links with major universities and colleges in the United States of America, together with a policy of auditioning prospective students ensure a high standard of those attending the courses. Particular attention is paid to the overall experience enjoyed by the students. This also serves to encourage word of mouth promotion by alumni and teachers which is seen as one of the Academy's strengths, evidenced by the high level of interest in the programs encountered by our representatives as they visit colleges in the USA.

The assessment process for financial aid is seen as an integral part of the recruitment process and particular attention is paid to ensuring that gifted students are given assistance to enable them to attend the courses. This process involves both the Academy and the colleges with which it runs the courses. The Governors have considered the impact of the public benefit requirement including the guidance issued by the Charity Commission and believe that the Academy meets the tests. BADA has always sought to attract those who cannot afford the fees charged by the provision of scholarships and financial aid.

BRIT-AM DRAMA ACADEMY

REPORT OF THE BOARD OF GOVERNORS (CONTINUED)

Achievements and performance

Student numbers during the year were 201 (2014– 196). The Academy set out to maintain its existing courses at their current high level despite the harsher financial climate forecast at the start of the year. From a qualitative viewpoint, the Academy's standing among its students and alumni appears to remain strong. Quantitatively, applications and attendances were lower than budget reflecting the US economic situation and the Academy's intention to maintain the quality of participants despite other pressures on student numbers.

Financial review

Fee income was £1,967,688 (2014 - £1,935,352). The results for the year show a net surplus of £13,364 (2014 – deficit of £86,663). Within these figures, financial aid awards were £233,499 (2014 - £206,084), continuing the Academy's commitment to ensuring that financial need is not a barrier to participation in the programs.

The Academy's reserves at 30 April 2015 were £756,897 (2014 - £743,533), representing approximately three months of charitable expenditure. This level is felt to be appropriate to the Academy's financial obligations both for staff and for premises.

The Academy received an extremely generous donation of £100,000 from a long term friend who wishes their identity to be withheld. This gift has enabled us to re-establish the Scholarship Fund. It is the intention of the Governors to continue to increase the provision of financial aid in the future by utilising the funds over several years.

Plans for future periods

The Academy will continue with its program of outreach work in the USA to give more students the experience that BADA offers. This Spring there were return visits to North Carolina A&T, Howard University, Coppin State University, Texas Southern University, Spelman/Morehouse Colleges, and the Professional Performing Arts School in Manhattan to teach classes and hold auditions. There were also first visits to teach classes at North Carolina School of the Arts, San Diego State University, Duke Ellington High School in Washington DC, and The Dreamyard Project in the Bronx.

Equal opportunities

The Academy uses its best endeavours to ensure that young people from every background can access courses and it is committed to equality of opportunity in employment so that nobody receives less favourable treatment on the grounds of race, colour, religion, nationality, ethnic origins, gender, marital status, sexuality or disability. The Governors recognise that equal opportunities for students and staff should be an integral part of good practice within the workplace.

Statement of Governors' responsibilities

The Governors (who are also directors of the Brit – Am Drama Academy for the purpose of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRIT-AM DRAMA ACADEMY

REPORT OF THE BOARD OF GOVERNORS (CONTINUED)

Disclosure of information to auditor

The Governors confirm that so far as they are aware, there is no relevant audit information of which the company's auditor is unaware. They have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

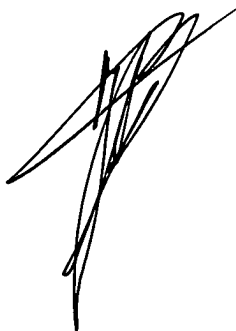
RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Small companies' exemptions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Governors on 30/11/2015 and signed on their behalf by

M. Boyle
Chairman

A handwritten signature in black ink, appearing to be 'M. Boyle', written over a series of horizontal lines.

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

We have audited the financial statements of Brit – Am Drama Academy for the year ended 30 April 2015 on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, 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 charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditor

As explained more fully in the Statement of Governors' responsibilities set out on page 3, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2015 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the charity has not kept adequate accounting records, 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Governors' Report

RSM UK Audit LLP

Nicholas Sladden FCA DChA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

London

Dated: *2 December 2015*

BRIT-AM DRAMA ACADEMY
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30th April 2015

	Notes	Unrestricted funds		2015	2014
		2015	2015	2015	2014
		General	Scholarship	Total	Total
		£	£	£	£
Incoming resources					
Incoming resources from generated funds:					
Investment income	3	140,492	-	140,492	131,704
Incoming resources from charitable activities:					
Fees received from students		1,967,688	-	1,967,688	1,935,352
Donations		-	134,368	134,368	3,638
Total incoming resources		<u>2,108,180</u>	<u>134,368</u>	<u>2,242,548</u>	<u>2,070,694</u>
Resources expended					
Charitable activities:					
Advancement of education	4	2,208,583	1,189	2,209,772	2,138,952
Governance costs	5	19,412	-	19,412	18,405
Total resources expended		<u>2,227,995</u>	<u>1,189</u>	<u>2,229,184</u>	<u>2,157,357</u>
Net incoming/(outgoing) resources	7	(119,815)	133,179	13,364	(86,663)
Total funds brought forward		<u>743,533</u>	-	<u>743,533</u>	<u>830,196</u>
Total funds carried forward	15	<u><u>623,718</u></u>	<u><u>133,179</u></u>	<u><u>756,897</u></u>	<u><u>743,533</u></u>

BRIT-AM DRAMA ACADEMY
(Limited by Guarantee)

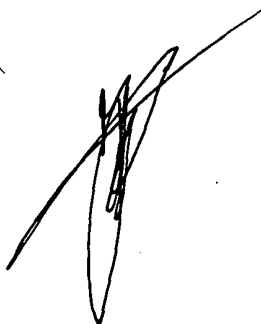
BALANCE SHEET AT 30th April 2015

	Notes	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	8		7,537		9,313
CURRENT ASSETS					
Debtors: - amounts receivable within one year	9	376,689		264,471	
- amounts receivable in more than one year	10	192,961		192,476	
Short term investments					
- deposits	11	254,391		253,715	
Cash at bank and in hand		626,222		552,897	
		<u>1,450,263</u>		<u>1,263,559</u>	
CREDITORS: amounts falling due within one year	12	<u>600,903</u>		<u>454,339</u>	
NET CURRENT ASSETS			<u>849,360</u>		<u>809,220</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>856,897</u>		<u>818,533</u>
LESS: PROVISION FOR LIABILITIES AND CHARGES	14		<u>(100,000)</u>		<u>(75,000)</u>
NET ASSETS			<u><u>756,897</u></u>		<u><u>743,533</u></u>
UNRESTRICTED RESERVES					
General fund			623,718		743,533
Scholarship fund	16		133,179		-
			<u><u>756,897</u></u>		<u><u>743,533</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved and authorised for issue by the Board of Governors on 30/11/15 and signed on their behalf by

M. Boyle
Chairman



Company number: 1828640

BRIT-AM DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th April 2015

1. 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.

2. Accounting policies

(i) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

(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. Non-redeemable application fees are recognised on a receipts basis. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All income relates to activities taking place in the UK.

(iii) Restricted funds

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

(iv) Fixed assets and depreciation

All fixed assets are initially recorded at cost. 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:

Equipment, furniture and fittings	- 25% straight line
Leasehold improvements	- over the term of the lease

Assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments in the SOFA.

(v) Operating leases

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

(vi) 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 income and expenditure account. All balances at the year-end are translated at the rate ruling at the balance sheet date.

BRIT-AM DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2015

2. Accounting policies (continued)

(vii) Pension scheme

The company operates a defined contribution scheme. Contributions to the scheme are charged to the Statement of Financial Activities the accounting period to which they relate.

(viii) Scholarship fund

This is an unrestricted 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.

(ix) Cost allocation

All costs are charged to charitable activities unless they specifically relate to governance costs. Where members of staff and other expenses are utilised in both charitable and governance work the costs have been apportioned accordingly.

(x) Governance costs

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include the audit fee.

3. Investment income

	2015	2014
	£	£
Bank interest receivable	1,529	1,154
Rental income	138,963	130,550
	<u>140,492</u>	<u>131,704</u>

BRIT-AM DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2015

4. Charitable activities	2015 £	2014 £
Scholarships and grants	233,499	206,084
Accommodation	521,056	502,040
College fees/rebates	85,125	110,726
Teachers	215,100	217,117
Productions	73,976	84,516
Excursions	33,186	30,413
Other course expenses	32,094	32,369
Administrative Staff costs	367,923	316,805
Property expenses	368,946	381,493
Travel expenses	27,890	22,293
Office costs	31,267	33,825
Professional fees	15,467	3,030
Marketing	94,158	95,241
Auditions	37,301	21,924
Development	12,701	6,667
Depreciation	9,446	32,566
Bank & credit card charges	10,177	11,536
VAT on US costs	28,940	27,184
Other expenses	10,331	3,123
Advancement of education	<u>2,208,583</u>	<u>2,138,952</u>
 5. Governance costs	 2015 £	 2014 £
Professional fees	3,092	3,045
Audit fees	16,320	15,360
	<u>19,412</u>	<u>18,405</u>
 6. Staff costs and Governors' remuneration	 2015 £	 2014 £
Salaries	292,744	260,575
Social security costs	35,714	32,605
Pension costs	16,465	15,687
	<u>344,923</u>	<u>308,867</u>

The average number of employees during the year was 8 (2014- 8). There were 3 employees (2014 - 3) to whom retirement benefits were accruing under a money purchase pension scheme.

There was 1 (2014 – 2) employees with emoluments greater than £60,000 but less than £70,000, for whom pension costs of £6,708 (2014 - £6,399) were paid.

There were 2 (2014 – 1) employees with emoluments greater than £70,000, for whom pension costs of £7,842 (2014 - £7,726) were paid.

BRIT-AM DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2015

6. Staff costs and Governors' remuneration (continued)

There was 1 (2014 - 1) Governor who received remuneration from the company which was wholly earned in their capacity as a tutor. The tutorial fees paid were made under the legal authority contained within the Charities Act 2011:

	2015	2014
	£	£
F. M. Shaw	1,200	2,160

In addition travel costs of £179 (2014 - £47) were reimbursed to 1 (2014 - 1) Governor.

7. Net (outgoing)/incoming resources for the year

Net (outgoing)/incoming resources for the year is stated after charging;

	2015	2014
	£	£
Operating leases – equipment	3,960	3,300
Operating leases – property rentals	261,250	261,250
Depreciation	9,446	32,566
Auditor's remuneration – external audit	16,320	15,360
Auditor's remuneration – other services	3,092	2,670

8. Tangible fixed assets

	Leasehold improvements £	Equipment, furniture & fittings £	Total £
Cost:			
At 1st May 2014	362,436	48,326	410,762
Additions	-	7,670	7,670
At 30th April 2015	362,436	55,996	418,432
Depreciation:			
At 1st May 2014	356,570	44,879	401,449
Charge for the year	5,866	3,580	9,446
At 30th April 2015	362,436	48,459	410,895
Net book values:			
At 30th April 2015	-	7,537	7,537
At 30th April 2014	5,866	3,447	9,313

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30th April 2015

9. Debtors: amounts receivable within one year	2015 £	2014 £
Sarah Lawrence College :	-	12,476
Prepayments and accrued income	158,621	81,382
Other debtors	218,068	170,613
	<u>376,689</u>	<u>264,471</u>

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

10. Debtors: amounts receivable in more than one year	2015 £	2014 £
Rental deposit which is repayable at the end of the lease	<u>192,961</u>	<u>192,476</u>

11. Short term Investments	2015 £	2014 £
Balance at 1st May 2014	253,715	253,083
Movement in investments in the year	676	632
Balance at 30th April 2015	<u>254,391</u>	<u>253,715</u>

12. Creditors: amounts falling due within one year	2015 £	2014 £
Fees invoiced in advance (see note 13)	398,562	360,463
Sarah Lawrence College	73,051	-
Other creditors	110,340	78,273
Taxation and social security	18,950	15,603
Balance at 30th April 2015	<u>600,903</u>	<u>454,339</u>

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

13. Fees invoiced in advance	2015 £	2014 £
Balance at 1st May 2014	360,463	214,460
Fees invoiced in respect of following year	398,562	378,803
Released to Statement of Financial Activities	(360,463)	(232,800)
Balance at 30th April 2015	<u>398,562</u>	<u>360,463</u>

14. Provision for liabilities and charges	2015 £	2014 £
Balance as at 1st May 2014	75,000	50,000
Charged to Statement of Financial Activities during the year	25,000	25,000
Balance at 30th April 2015	<u>100,000</u>	<u>75,000</u>

This provision relates to quinquennial repainting work required to be undertaken by the Academy under the terms of the lease, arising over the period of the tenancy and relating to general wear and tear.

BRIT-AM DRAMA ACADEMY

NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30th April 2015

15. Reconciliation of movements on funds

	Balance at 1 May 2014 £	Movements in resources		Balance at 30 April 2015 £
		Incoming £	Outgoing £	
General fund	743,533	2,108,180	(2,227,995)	623,718
Scholarship fund	-	134,368	(1,189)	133,179
Total	<u>743,533</u>	<u>2,242,548</u>	<u>(2,229,184)</u>	<u>756,897</u>

16. Analysis of net assets between funds

	Scholarship fund	General fund £	Total funds £
Tangible fixed assets	-	7,537	7,537
Current assets	133,179	1,317,084	1,450,263
Current liabilities	-	(600,903)	(600,903)
Provisions	-	(100,000)	(100,000)
Net assets at 30th April 2015	<u>133,179</u>	<u>623,718</u>	<u>756,897</u>

17. Operating lease commitments

	2015 £	2014 £
The charity is committed to the following operating lease rental payments next year on leases expiring:		
within one to two years	-	262,500
within one year	<u>196,875</u>	<u>-</u>

18. Taxation

The company is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.