

BRITISH AMERICAN DRAMA ACADEMY
(Formerly Brit-Am Drama Academy)
(Limited by Guarantee)
Registered Charity No. 291796

Statement of accounts

for the year ended

30th April 2016

BRITISH AMERICAN DRAMA ACADEMY
REPORT OF THE BOARD OF GOVERNORS

The Board of Governors of the British American 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 2016.

Reference and administrative details

Governors

P. Boulaye
M. Boyle (Chairman)
L. Chantal (Appointed 30/11/2015)
Sir Anthony Colman (Resigned 04/07/2016)
D. Gelon
M. Harley (USA)
F. M. Shaw (Resigned 02/07/2015)
D. Simpson
S.G.G. Stokes
P. Wesson
M. Whitlum-Cooper

Key management

I. Wooldridge – Dean and Director (Resigned 31/08/2016)
T. Denham FCA – Interim Managing Director (Appointed 01/09/2016)

Registered and Principal office

14 Gloucester Gate
Regents Park
London
NW1 4HG

Auditors

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Bankers

Clydesdale Bank plc
88 Wood Street
London
EC2V 7QQ

Solicitors

Freeths LLP
5000 Oxford Business Park South
Oxford
OX4 2BH

BRITISH AMERICAN 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. Sir Anthony Colman retired as a Governor on 4th July 2016. He was one of the founder members of the Academy, 34 years ago and gave generous service over the years.

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 Interim Managing Director, Tim Denham, who continues as Finance Director and who reports to the Governors regularly. In addition, we are fortunate to be able to call on the wisdom and experience of Eunice Roberts and Christopher Cook in their roles as Acting Joint Deans.

As reported last year, Ian Wooldridge stepped down from his position at the end of August 2016 to pursue his other interests. 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.

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

The Finance Committee reviews the remuneration of existing and new key management personnel on the basis of available market data and reports to the Board for their agreement.

Public benefit disclosures

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.

Over two thirds of our students receive financial aid ranging from full scholarships to smaller contributions.

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.

Achievements and performance

Student numbers during the year were 199 (2015–2016). 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 have held up despite continuing economic difficulties faced by students. It is the Academy's intention to maintain the quality of participants despite other pressures on student numbers.

The Academy continued with its program of outreach work in the USA to give more students the experience that BADA offers. There were visits to hold classes at Duke Ellington School, Howard University, Bowie State University, North Carolina A&T and Spelman and Morehouse Colleges.

BRITISH AMERICAN DRAMA ACADEMY

REPORT OF THE BOARD OF GOVERNORS

Financial review

Fee income was £2,158,747 (2015 - £1,967,688). The results for the year show a net surplus of £2,463 (2015 - £13,364). Within these figures, financial aid awards were £246,420 (2015 - £234,688), continuing the Academy's commitment to ensuring that financial need is not a barrier to participation in the programs.

Key risks and uncertainties disclosures

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.

Plans for future periods

The Academy will be implementing a three-year business plan to enable it to look forward with confidence to the future, by consolidating its achievements and looking at possible new initiatives, with the aim of building its scholarship fund reserves.

Reserves

The Academy's reserves at 30th April 2016 were £759,360 (2015 - £756,897), 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.

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 British American 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;
- state whether applicable UK accounting standard have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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.

BRITISH AMERICAN DRAMA ACADEMY
REPORT OF THE BOARD OF GOVERNORS

Auditors

RSM 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 04/11/16 and signed on their behalf by

M. Boyle
Chairman



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BRITISH AMERICAN DRAMA ACADEMY**

We have audited the financial statements of the British American Drama Academy for the year ended 30 April 2016 on pages 6 to 14. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 trustees and auditor

As explained more fully in the Statement of Governors' responsibilities set out on page 3, the governors (who are also the directors of the charitable 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 2016 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 matter prescribed by 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 charitable company 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 governors' 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, Statutory Auditor
Chartered Accountants
London

Date: 11 November 2016

BRITISH AMERICAN DRAMA ACADEMY
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30th April 2016

	Notes	Unrestricted 2016 Total £	2015 Total £
Incoming resources			
Incoming resources from generated funds:			
Investment income	3	170,139	140,492
Incoming resources from charitable activities:			
Fees received from students		2,158,747	1,967,688
Donations		15,895	134,368
Total incoming resources		<u>2,344,781</u>	<u>2,242,548</u>
Resources expended			
Charitable activities:			
Advancement of education	4	2,342,318	2,229,184
Total resources expended		<u>2,342,318</u>	<u>2,229,184</u>
Net incoming resources	6	2,463	13,364
Total funds brought forward		<u>756,897</u>	<u>743,533</u>
Total funds carried forward	14	<u>759,360</u>	<u>756,897</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

BRITISH AMERICAN DRAMA ACADEMY
(Limited by Guarantee)

BALANCE SHEET AT 30th April 2016

	Notes	£	2016 £	2015 £
FIXED ASSETS				
Tangible assets	7		5,520	7,537
CURRENT ASSETS				
Debtors: - amounts receivable within one year	8	502,134	376,689	
- amounts receivable in more than one year	9	193,349	192,961	
Short term investments				
- deposits	10	129,900	254,391	
Cash at bank and in hand		440,464	626,222	
		<u>1,265,847</u>	<u>1,450,263</u>	
CREDITORS: amounts falling due within one year	11	<u>512,007</u>	<u>600,903</u>	
NET CURRENT ASSETS			<u>753,840</u>	<u>849,360</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>759,360</u>	<u>856,897</u>
LESS: PROVISION FOR LIABILITIES AND CHARGES	13		-	(100,000)
NET ASSETS			<u><u>759,360</u></u>	<u><u>756,897</u></u>
UNRESTRICTED RESERVES				
General fund			618,465	623,718
Scholarship fund	15		140,895	133,179
			<u>759,360</u>	<u>756,897</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 9 to 14 form part of these accounts.

Approved and authorised for issue by the Board of Governors on 04/11/16 and signed on their behalf by

M. Boyle
Chairman

Company number: 1828640

BRITISH AMERICAN DRAMA ACADEMY
(Limited by Guarantee)

STATEMENT OF CASHFLOW AT 30th April 2016

	£	2016 £	£	2015 £
Cash flows from operating activities:				
Net income for the reporting period		2,463		13,364
Adjustments for:				
Depreciation charges	2,494		9,446	
(Decrease)/increase in short term deposits	124,491		(676)	
Interest and rental income	(170,139)		(140,492)	
(Increase) in debtors	(125,833)		(112,703)	
(Decrease)/increase in creditors	(88,896)		146,564	
(Decrease)/increase in provision	(100,000)		25,000	
	(357,883)		(72,861)	
Net cash used in operating activities		(355,420)		(59,497)
Cash flows from investing activities:				
Interest receivable	618		1,529	
Rental Income	169,521		138,963	
Purchase of property, plant and equipment	(477)		(7,670)	
Net cash provided by investing activities		169,662		132,822
Change in cash and cash equivalents in the reporting period		(185,758)		73,325
Cash and cash equivalents at 1st May		626,222		552,897
Cash and cash equivalents at 30th April		440,464		626,222

BRITISH AMERICAN DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th April 2016

1. Constitution

British American 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

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(i) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

British American Drama Academy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(ii) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No such restatements were deemed necessary.

(iii) Going concern

The Governors consider that it is appropriate to treat the Academy as a going concern, having reviewed the Budget for the current financial year and the level of activities thereafter.

(iv) Income

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. All income relates to activities taking place in the UK.

(iv) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

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.

(v) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of Academy. Designated funds are unrestricted funds of the Academy which the governors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Academy's work or for specific projects being undertaken by the Academy.

(vi) 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, less their residual values, 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.

BRITISH AMERICAN DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30th April 2016

(vii) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

(viii) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(ix) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(x) Financial instruments

The Academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(xi) Operating leases

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

(xii) 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.

(xii) 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.

(xiii) Termination benefits

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. Investment income

	2016	2015
	£	£
Bank interest receivable	618	1,529
Rental income	169,521	138,963
	<u>170,139</u>	<u>140,492</u>

BRITISH AMERICAN DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2016

4. Charitable activities	2016 £	2015 £
<i>Direct costs</i>		
Scholarships and grants	246,420	234,688
Accommodation	510,630	521,056
College fees/rebates	208,621	85,125
Teachers	178,412	215,100
Productions	82,219	73,976
Excursions	27,840	33,186
Other course expenses	32,178	32,094
Administrative staff costs	313,027	367,923
Property expenses	430,862	368,946
Travel expenses	24,305	27,890
Office costs	20,384	31,267
Professional fees	19,879	15,467
Marketing	108,072	94,158
Auditions	45,454	37,301
Development	19,316	12,701
Depreciation	2,494	9,446
Bank & credit card charges	10,540	10,177
VAT on US costs	36,322	28,940
Other expenses	5,271	10,331
	<u>2,322,246</u>	<u>2,209,772</u>
<i>Governance costs</i>		
Professional fees	2,752	3,092
Audit fees	16,320	16,320
	<u>20,072</u>	<u>19,412</u>
Advancement of education	<u>2,342,318</u>	<u>2,229,184</u>
5. Staff costs and Governors' remuneration	2016 £	2015 £
Salaries	266,905	292,744
Social security costs	31,340	35,714
Pension costs	14,145	16,465
	<u>312,390</u>	<u>344,923</u>

The average number of employees during the year was 7 (2015 - 8). There were 5 employees (2015 - 3) to whom retirement benefits were accruing under a money purchase pension scheme.

There was 1 (2015 - 1) employee with emoluments greater than £60,000 but less than £70,000, for whom pension costs of £5,670 (2015 - £6,708) were paid.

There were 2 (2015 - 2) employees with emoluments greater than £70,000 but less than £80,000, for whom pension costs of £7,842 (2015 - £7,842) were paid.

The key management personnel of the charity comprise the Dean and Director and the Finance Director. The total employee benefits of the key management personnel of the charity were £183,923 (2015: £189,404).

BRITISH AMERICAN DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2016

Staff costs and Governors' remuneration (continued)

There were no (2015 - 1) Governors 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:

	2016 £	2015 £
F. M. Shaw	-	1,200

In addition travel costs of £822 (2015 - £179) were reimbursed to 2 (2015 - 1) Governors.

During the year redundancy costs of £638 (£2015: £23,000) were included in wages and salaries.

6. Net incoming resources for the year

Net incoming resources for the year is stated after charging;	2016 £	2015 £
Operating leases – equipment	1,568	3,960
Operating leases – property rentals	262,500	262,500
Depreciation	2,494	9,446
Auditor's remuneration – external audit	16,320	16,320
Auditor's remuneration – other services	3,752	3,092

7. Tangible fixed assets

	Leasehold improvements £	Equipment, furniture & fittings £	Total £
Cost:			
At 1st May 2015	362,436	55,996	418,432
Additions	-	477	477
At 30th April 2016	362,436	56,473	418,909
Depreciation:			
At 1st May 2015	362,436	48,459	410,895
Charge for the year	-	2,494	2,494
At 30th April 2016	362,436	50,953	413,389
Net book values:			
At 30th April 2016	-	5,520	5,520
At 30th April 2015	-	7,537	7,537

BRITISH AMERICAN DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2016

8. Debtors: amounts receivable within one year	2016 £	2015 £
Sarah Lawrence College	145,921	-
Prepayments and accrued income	125,672	158,621
Other debtors	230,541	218,068
	<u>502,134</u>	<u>376,689</u>
Sarah Lawrence College accredits the London Theatre Programme and administers the applications process.		
9. Debtors: amounts receivable in more than one year	2016 £	2015 £
Rental deposit which is repayable at the end of the lease	193,349	192,961
	<u>193,349</u>	<u>192,961</u>
10. Short term Investments	2016 £	2015 £
Balance at 1st May 2015	254,391	253,715
Movement in investments in the year	(124,491)	676
Balance at 30th April 2016	<u>129,900</u>	<u>254,391</u>
11. Creditors: amounts falling due within one year	2016 £	2015 £
Fees invoiced in advance (see note 12)	385,432	398,562
Sarah Lawrence College	-	73,051
Other creditors	108,253	110,340
Taxation and social security	18,322	18,950
Balance at 30th April 2016	<u>512,007</u>	<u>600,903</u>
Sarah Lawrence College accredits the London Theatre Programme and administers the applications process.		
12. Fees invoiced in advance	2016 £	2015 £
Balance at 1st May 2015	398,562	360,463
Fees invoiced in respect of following year	385,432	398,562
Released to Statement of Financial Activities	(398,562)	(360,463)
Balance at 30th April 2016	<u>385,432</u>	<u>398,562</u>
13. Provision for liabilities and charges	2016 £	2015 £
Balance as at 1st May 2015	100,000	75,000
Charged to Statement of Financial Activities during the year	(100,000)	25,000
Balance at 30th April 2016	<u>-</u>	<u>100,000</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.

BRITISH AMERICAN DRAMA ACADEMY
NOTES FORMING PART OF THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30th April 2016

14. Reconciliation of movements on funds

	Balance 1st May 2015	Incoming resources	Outgoing resources	Transfers	Balance at 30th April 2016
	£	£	£	£	£
General fund	623,718	2,344,781	(2,342,318)	(7,716)	618,465
Scholarship fund	133,179	-	-	7,716	140,895
Total	<u>756,897</u>	<u>2,344,781</u>	<u>(2,342,318)</u>	<u>-</u>	<u>759,360</u>

Scholarship fund

This is an unrestricted designated fund comprising funds the Governors have set aside from the general fund to contribute to the cost of scholarships awarded. Scholarships are awarded to individuals at the discretion of the Academy.

The transfer into the fund from the general fund is due to £15,895 of donation income being transferred to the designated fund in the year, and £8,179 being expended from this fund in the year.

15. Analysis of net assets between funds

	General fund £	Scholarship fund £	Total funds £
Tangible fixed assets	5,520	-	5,520
Current assets	1,124,952	140,895	1,265,847
Current liabilities	(512,007)	-	(512,007)
Provisions	-	-	-
Net assets at 30th April 2016	<u>618,465</u>	<u>140,895</u>	<u>759,360</u>

16. Operating lease commitments

The charity is committed to the following operating lease rental payments next year on leases expiring:

	2016 £	2015 £
within one to two years	-	-
within one year	-	196,875

17. 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.

18. Related party transactions

During the year costs of £4,480 (2015: £5,120) were incurred for room hire at the Oxford Playhouse. There was no balance outstanding at 30th April 2016 (2015: nil). The Oxford Playhouse is considered to be a related party as Louise Chantal is a Governor at the British American Drama Academy and the Chief Executive of the Oxford Playhouse.