



**LAMDA**

**LAMDA Limited**  
(A company limited by guarantee)

Annual Report & Financial  
Statements

For the year ended  
31 July 2020

Company number 364456  
Charity number 312821

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## Legal and administrative information

For the year ending 31 July 2020

**Status** The organisation is a charitable company limited by guarantee, incorporated on 20 December 1940 and registered as a charity on 3 March 1963. The Office for Students is the regulator for the Higher Education charities.

**Governing Document** The company was established under the Articles of Association which established the objects and powers of the charitable company (as amended by Special Resolutions on 21 June 2018, 13 February 2020 and 23 July 2020).

## Board of Trustees/Directors

All members of the Board served throughout the year and to the date of this report, with the exception of the student representatives, Imogen Mackie-Walker who resigned in July 2020 and was replaced as student representative in September 2020 by John Paul Wagner Hersted.

All are considered to be independent and non-executive (except as otherwise noted).

**Chairman** Rt. Hon. Shaun Woodward (2 & 6)  
Shamez Alibhai (2 & 5)  
Matt Applewhite (2 & 4)  
Olga Basirov (2 & 5)  
Tom Chandos (Vice Chair) (2, 5 & 6)  
Mark Cornell (2)  
Prof Mohammed Dastbaz (3 & 4)  
Sarah Habberfield (Vice Chair) (1 & 6)  
John Paul Wagner Hersted (student representative – from September 2020)  
Joanne Hirst (4)  
Patricia Hodge OBE (2 & 6)  
Thomas Laing-Baker (1 & 6)  
Prof April McMahon (3)  
Imogen Mackie-Walker (student representative - to July 2020)  
John Owen CMG MBE DL (1)  
Jemma Redgrave (3)  
Prof Carol-Anne Upton (1 & 3)  
Helen Wright (5)

Clerk to the Board of Trustees Justine Stephenson  
Secretary Karen Di Lorenzo (appointed 23 April 2020)

Patron HRH Princess Alexandra, the Hon. Lady Ogilvy KG GCVO  
President Benedict Cumberbatch CBE  
Vice-President Dame Janet Suzman DBE

The President and Vice-President are invited to attend board meetings in an advisory, non-voting capacity.

Committee member: <sup>(1)</sup> Audit and Risk, <sup>(2)</sup> Development, <sup>(3)</sup> Education, <sup>(4)</sup> Exams, <sup>(5)</sup> Finance, <sup>(6)</sup> Nominations, Remuneration & Human Resources

Registered with the Charities Commission (registration number 312821)

**Legal and administrative information**

For the year ending 31 July 2020

**Registered Office**

155 Talgarth Road  
London W14 9DA

**Auditor**

Haysmacintyre LLP.

10 Queen Street Place, London EC4R 1AG

**Bankers**

Barclays  
Corporate Banking, PO Box 13699, Birmingham B2  
2FS

C.Hoare & Co  
37 Fleet Street, London EC4P 4DQ

**Solicitors**

Harbottle & Lewis LLP  
Hanover House, 14 Hanover Square, London W1S  
1HP

Bates Wells & Braithwaite  
10 Queen Street Place, London EC4R 1AG

**Officers for the year 2019-20**

Director	Sarah Frankcom (appointed November 2019)
Executive Director	Peter Holliday (Acting Principal January-November 2019)
Director of Commercial Development	Georgina Firmin
Director of Development & Alumni Relations	Lyndel Harrison
Head of Drama School	Rodney Cottier
Head of Technical Training	Rob Young
Head of Student and Academic Services	Ian Warren
Project Manager HEI	Sue Rivers
Head of Marketing & Communications	Richard Scandrett
Head of Examinations	Andy Pitts
Head of Finance	John Garnham (resigned January 2020), Karen Di Lorenzo (appointed January 2020)

**Website:**

[www.lamda.ac.uk](http://www.lamda.ac.uk)

**Twitter:**

@LAMDA drama

**Facebook:**

[www.facebook.com/LAMDA drama](http://www.facebook.com/LAMDA drama)

**YouTube:**

[www.youtube.com/LAMDA channel](http://www.youtube.com/LAMDA channel)

**Instagram:**

[www.instagram.com/lamdadrama/](http://www.instagram.com/lamdadrama/)

## **Chairman's Introduction**

This last year has been truly exceptional. No-one could have foreseen the crisis faced across the world by COVID-19. And in the scale of upset and tragedy which has unfolded, we should of course view this last year with perspective and in truth with some relief. That said, it has been an enormously challenging time. But LAMDA continues to navigate our way through these seeming unpredictable waters, hopefully by judgement and hard work by everyone to find ourselves eventually not only in calmer conditions, but by undertaking some very major transformation, with a strong and exciting future.

Looking back, this has therefore been a year of two distinct halves. August to January was marked by burgeoning success and renewal as we welcomed Sarah Frankcom as our new Director, recorded above target financial performance, including new markets for LAMDA Exams pan Asia, and the QAA completed their inspections and assessment of LAMDA to posit with the Office for Students a very strong recommendation that the Academy be granted Degree Awarding Powers (DAPs). In January 2020 we saw very early signs of the COVID-19 pandemic to come as the closure of schools in China and the Far East resulted in beginnings of a reduction in income for the international arm of our Examinations business. Since then Board, management and staff have worked tirelessly to prevent and mitigate the impact of the pandemic on the student and learner experience and maintain financial viability.

I am proud that throughout the crisis LAMDA has been forward-thinking, from early recognition of the potential impact on the business, to decisive interventions to cease operations at Talgarth Road and provide remote learning, rapid development of on-line alternatives to face to face LAMDA examinations and the planned provision of a COVID-Secure environment enabling LAMDA to be one of the first institutions to return to 'live' socially distanced training at the end of June 2020, enabling our final year students to complete assessed productions and graduate.

The same proactive operational stance has extended into delivery of our emergent strategy, developed and articulated by Sarah Frankcom and approved by the Board and in the early stages of execution at the start of the pandemic. As Sarah arrived as Director in November 2019 the Board approved proposals for radical change in admissions and a clearer and more regular pattern of course delivery over the year; both strategic enablers to provide tangible change in terms of the representation of our student body and our ability to develop, organise and deliver relevant, high quality training. The development of an Anti-Racist action plan in response to the killing of George Floyd in the US and the Black Lives Matter movement has put the issue of race at the centre of strategic change at LAMDA.

Whilst decisive executive leadership, with unstinting support and resolve from the Board undoubtedly ensured that operations continued to be successfully delivered through the year, the financial impact of COVID-19 on LAMDA was nonetheless profound. The worldwide closure of schools and downturn in demand for our short summer courses, especially from the US, led to a shortfall in income of £4.2m. That we finished the year with a net Income and Expenditure deficit of £1.6m was due to firm control of non-pay costs and imaginative measures to make good income shortfall by developing on-line exams, and introducing new short courses in the Drama School, including distance learning.

The timing of the COVID crisis was inevitably tough for LAMDA, following on from the intention to rebuild cash reserves following major investment in the redevelopment of our campus (West Wing development) completed in FY 2017-18. The timing of a world-wide shutdown in schools from February curtailed what promised to be a record year of Exams delivery, with the larger proportion of business set for the spring and summer. Whilst we were able to draw on the furlough scheme to maintain jobs during the summer, a very challenging projected in-year cash position called for a strategic as well as an operational response. A restructure was planned and conducted over the summer to reduce costs, re-focus efforts on recovering and growing income, and to progress the Vision, the need for which the Board concluded had been made more pressing by the year's tumultuous events. At time of writing the restructure has been approved and is being implemented, paving the way for a recovery of our growth trajectory and improved financial stability.

Whilst COVID-19, and all the challenges associated with the pandemic, remain, LAMDA finished 2019-20 in a far better position than appeared probable just a few months previously. Whilst experience has shown how difficult it is to predict how the current pandemic, or other, as yet another wave of the virus may yet play out, the creditable financial result in this annual report, and that we commence 2020-21 leaner and with renewed energy and vision, bodes well for our ability to respond to future challenge.

I would like to take this opportunity to thank on behalf of the Board Sarah Frankcom and Peter Holliday. Peter in the first quarter of the year completed a period as Acting Principal before we welcomed Sarah in November 2019. None of us could have envisaged that Sarah's first year would hold the enormous challenges that it has, and it is to Sarah's great credit that she continues to lead the response to events, whilst also shaping the institution towards LAMDA's vision for the future.

I wish to express our thanks to the many individuals, Trusts and foundations who continue to support LAMDA with scholarships and other financial support. Many supporters have responded magnificently in our hour of need to help grow the Student Hardship funds to meet the significant additional cost barriers to learning that has characterised the pandemic. This has enabled us to help students overcome the challenges of additional travel and IT costs during lockdown and distance learning, and in some cases extend leases on accommodation on return to London to complete their courses. This continued generosity of our donors and supporters remains a crucial part of LAMDA's commitment to ensure our training is accessible to everybody regardless of financial circumstances.

Finally I would like to thank my fellow Trustees. Their dedication and commitment to the students and staff is truly amazing and in a word, wonderful. Trustees have given their time, their energy and their skills, time and time again throughout this period without hesitation or question. LAMDA is very fortunate to have such experience and dedication and without their support we would have found these last few months even tougher. Thanks to their commitment and involvement, LAMDA has been able to call on their enormous knowledge and help, playing the fullest role in vital discussions with regulators, funders and supporter of all kinds though this demanding period. I would also like to thank our President, Benedict Cumberbatch CBE and also Dame Janet Suzman DBE who have both given time, real help in every way and continued to show outstanding support and commitment to LAMDA. The generosity they have all shown with their time and other very tangible support for students at this difficult time is felt and appreciated throughout LAMDA.

Thank you to everyone.

A handwritten signature in black ink, appearing to read 'Shaun Woodward', with a horizontal line underneath it.

**The Rt Hon Shaun Woodward**  
**Chairman**

## Director's Report

I arrived in November 2019 having been announced as Director in February. During the intervening period I spent several weeks at LAMDA getting to understand how the Academy functions and, most importantly, listening to the experiences of students and staff. At the same time I sought to correlate the impression I had of LAMDA by soliciting the views and experiences of former students and industry professionals so that by the time I 'landed' in November my vision for how LAMDA could build on its track record and lead the next iteration of drama training was already beginning to take form.

After less than three months after my arrival we had begun to discuss the Vision with students and staff, when our whole world, and everyone else's, became a struggle to understand and address the COVID-19 pandemic. From early reports of closures of schools in China affecting demand for LAMDA Examinations, an intense period of contingency planning eventually led to the decision to close Talgarth Road to students in favour of online learning on 17th March. A herculean effort by teachers and support staff enabled Higher Education to resume as distance teaching and learning, whilst LAMDA Examinations rapidly set about designing on-line alternatives; training staff and examiners so that learners who were ready could still take their exams within a reasonable timeframe and a broad range of our exams would be available on-line ready for the expected 'bounce-back' whenever it would be possible for the teaching of LAMDA Exams syllabi to resume. The learning curve for all things digital has been incredibly steep. We were able to accommodate the switch to on-line thanks both to the extraordinary efforts and fortitude of our students and staff, but also because of the resilience and flexibility of new IT systems and service infrastructure which were major areas for investment in 2018-19.

Almost as soon as we had left the building work commenced to prepare for our return and we were delighted when our Board of Trustees endorsed preparations to make LAMDA a 'COVID Secure' environment, enabling a gradual return of live training from 29th June. The first students to return to the building to complete assessed performance were those graduating. It is to the enormous credit of students and staff that this year's graduating students achieved such remarkable degree outcomes: (BA (Hons) Professional Acting 87% 1st, MFA Professional Acting 59% Distinction, FdA Production and Technical Arts (Stage & Screen) 44% Distinction, BA (Hons) Production and Technical Arts (top-up) 91% 1st).

The year ended with a great deal of work to restructure LAMDA; to reduce costs and ensure that we are best placed to recover and grow income, but also to take the next steps towards realising the Vision. The restructure has been a difficult exercise as we have negotiated changes to decades of deep-rooted practice to lay the foundations for a new type of co-creation between LAMDA and its students in an environment that celebrates and supports fully every aspect of its diverse student body, which we will prepare as fully as possible for varied careers in a changed creative performing arts landscape. At time of writing, the Board of Trustees have approved our plans following a lengthy period of collective consultation and we are embarking on fully recruiting staff to the new structures. We look forward to an Autumn Term that will be transitional, with emphasis on communicating the changes to students and staff, and ensuring continuity of learning programmes. The adoption of technology has not just enabled us to carry on teaching and learning; it has brought forth unexpected creativity and developments in our pedagogy as we help our actors and technicians prepare for careers in our radically changed art forms.

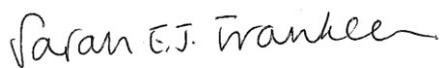
Just how much LAMDA is changing is becoming very apparent, as we begin the new academic year with far greater diversity than hitherto amongst our staff and our students. Our new approach to auditions, with emphasis on curiosity, imagination, play, generosity and authenticity, in combination with some truly excellent work by our small Access and Widening Participation team, has resulted in a rich, varied and exciting intake of actors and technicians.

But it is not enough simply to open our doors to new people. In the wake of the killing of George Floyd I was, rightly, challenged by our students as to why LAMDA was not vocal enough in our condemnation of racism and commitment to change. This has resulted in an Anti-Racism Action Plan, now reported routinely to our Board of Trustees and scrutinised by an independent Advisory Board comprising Black and Brown former LAMDA students. The plan has been built on the testimony of former and current students. It acknowledges past failings and has set in train tangible measures to eradicate our institutional racism. As we evolve our pedagogy and transform the curriculum we are developing a non-hierarchical form of genuine co-learning and co-creation, with inclusion and anti-racism at its heart. We are developing an academy-wide approach to standards, parameters

and accountability with training that recognises the unique gifts and identity of the individual student and is reflexive and adaptable, backed by responsive and timely student welfare and support systems. To improve ratios of overall student satisfaction will not be easy; in the 2020 National Student Survey LAMDA topped its peer group of 11 comparable drama school and conservatoires with a 95.7% overall satisfaction rating for the institution as a whole among students in their final year. We must maintain and improve on this achievement whilst making further inroads to representation and industry relevance.

Whilst we are still in a period of cataclysmic world and industry events, LAMDA has risen to the existential threats posed. I feel sure that whatever the future may hold, LAMDA will see 2019-20 as a year during which it has seen off these threats and laid the foundation for the next chapter as a successful drama school and learning business.

Finally, I would like to thank our outstanding and committed Board of Trustees whose unstinting, conscientious and decisive governance throughout this remarkable year has been invaluable in preserving LAMDA's financial position and establishing the momentum for change essential for the future.



**Sarah Frankcom**  
**Director**

**Trustees' report  
for the year ended 31 July 2020**

The members of the Board, who are directors for the purposes of the Companies Act and are trustees for the purposes of the Charities Act, submit their annual report and financial statements for the year ended 31 July 2020.

## **PRINCIPAL ACTIVITIES**

Founded in 1861, LAMDA is the oldest drama school in the UK, offering exceptional vocational training to actors, stage managers, technicians, directors and designers. In addition to six validated degree programmes, LAMDA offers a Foundation Diploma and a number of validated semester and short courses.

LAMDA Examinations complements the work of the Drama School, through which LAMDA offers a drama and communications-based syllabus leading to accredited and non-accredited awards in the UK and overseas.

LAMDA Enterprises Limited operates as LAMDA's trading subsidiary.

From 1 August 2019 LAMDA has been directly regulated by the Office for Students as a stand-alone Higher Education Provider, having terminated our previous agreement with the Conservatoire for Dance and Drama.

### **Objects of the charity**

The objects of the charity, as expressed in its Articles of Association, are to advance education for the public benefit, in particular by maintaining and carrying on an Academy, College, School or Examinations Board where students may receive a sound education and tuition in dramatic arts, music and all their branches, embracing both practice and theory.

### **Our vision**

*LAMDA believes that the dramatic arts have the power to transform lives.*

*We seek out, train and empower exceptional dramatic artists and technicians of every generation so they can make the most extraordinary impact across the world through their work. Our examinations in drama and communications inspire people across the globe to become confident, authentic communicators and discover their own voice.*

### **Our mission**

*LAMDA will be a diverse and engaged institution in every sense, shaping the future of the dramatic arts and creative industries and fulfilling a vital role in the continuing artistic, cultural and economic success of the UK. As an independent Higher Education provider with degree awarding powers and rooted in the art and craft of ensemble-based theatre and film, we will deliver excellence and innovation across all our courses. Our graduates will be courageous change-makers, engineers of the impossible and leaders in their field, making their impact in the creative industries across the world. Through the expansion and diversification of our examinations and qualifications portfolio we will broaden our global reach; empowering more people of all ages to realise their full potential.*

## **PUBLIC BENEFIT**

The Trustees have considered the Charity Commission's guidance on public benefit. LAMDA believes that the arts, and the best training, should be accessible to everyone; students are recruited from as wide a range of backgrounds as possible and selected on the basis of talent, passion and the ability to learn, regardless of social, educational or financial circumstances. Examinations is also a key element in the delivery of LAMDA's public benefit, with the number of UK candidates registered for regulated and non-regulated examinations rising from just over 97,000 learners in 2016/17 to almost 104,000 in 2017/18, and almost 107,000 in 2018/19. CoVid

**Trustees' report**

**for the year ended 31 July 2020**

restrictions meant that we were only able to examine just under 52,000 registered learners during our six and a half months of operation, but we are confident that numbers will increase again in 20-21 and beyond.

**IN YEAR PERFORMANCE**

For 2019/20, the trustees agreed an Annual Operating Plan (AOP) which included strategies to deliver LAMDA's charitable objects. Several of these strategic priorities and enablers changed in year as the new Director arrived and worked with the Board on new Vision and priorities, others were also impacted by COVID-19. Objectives and performance were monitored by a Scorecard backed by key performance indicators reported to the Board. Key area of operational underperformance and concern were due to COVID and centred on the impact on Exams income, reduction in short course income and shortfall in unrestricted fundraising, all of which are reflected in the financial reports. Performance against Strategic Priorities and Strategic Enablers set in the AOP was as follows:

:

- **Strategic Priorities**
  - **Learning, Teaching and Assessment:**
    - HEIF solo bid **Achieved.**
    - Achievement of Degree Awarding Powers **Strong report and recommendation for granting of DAPs received from the Quality Assurance Agency and currently awaiting final approval and granting of DAPs by the Office for Student.**
    - Curriculum review and new course development (including short course) **Review was commenced and pilot validation carried out as part of DAPs review process. Further review overtaken by COVID but significant short course and online development carried out.**
    - TEF preparation **TEF Gold award secure until September 2021 at least.**
  - **Inclusion:**
    - More scholarships **New multi-year scholarships established from the American Theatre Wing and John Gore Foundation.**
    - Commence de-colonising of the curriculum **Sarah Frankcom championed this work from arrival and significant inroads made.**
  - **Research and Innovation:**
    - Virtual Conservatoire **Project successfully completed.**
    - Entrepreneurship programme **Funding gained from the Commercial Enterprise Trust for research into Entrepreneurship in Drama Schools.**
  - **International:**
    - AFTEC and Pasadena **Both projects completed (AFTEC (Hong Kong) delayed due first to political unrest and then COVID (Final phase October- December 2020)**
    - Post-BREXIT new market focus **Expansion of Exams business in Pan Asia region.**
  - **Student/Learner Experience:**
    - Implement improved tech and Virtual Learning Environment (VLE) Introduced **new MS 365 licensing and adopted Education Teams as VLE.**
    - Accommodation partnership with another institution **Postponed due to COVID.**
    - Graduate to Alumnus review (to include improvements across student and learning support through whole student journey) **Incremental improvements made including recruitment of Student Wellbeing Officer.**
- **Strategic Enablers**
  - **Development and Partnership:**
    - Olympia collaboration **Considered and rejected**
    - Growth in funding for scholarships and bursaries **Achieved**
    - Increase Individual Giving **Achieved**
    - Increase Corporate funding **Further development of Audible Partnership**
  - **Estates & Infrastructure:**
    - East Wing refurbishment (over a number of years) **Initial investigation completed.**
    - Source alternative to Druid Street arches **Postponed**
  - **Marketing and Communications:**
    - Web site renewal **Complete**
    - Alumni Focus (1/5/10 years) **Postponed**
    - Rebrand **Postponed**

**Trustees' report**

**for the year ended 31 July 2020**

- Marketing for changes in curriculum **Achieved for new short courses**
- **Connected, Motivated and Supported Staff:**
  - CPD opportunities **Postponed**
  - Staff Achievement Awards **Postponed**
  - Digital Skills Training **Carried out as part of switch to online learning in response to COVID.**
  - Plan review of pay structures **Postponed**
- e. **Digitally Enabled:**
  - System development (including Exam Track) **Achieved**
  - ICT Strategy Implementation **VLE and Quercus student record system projects implemented.**
- **Commercial:**
  - International Growth **Examinations overseas growth achieved before COVID.**

## PRINCIPAL RISKS

The year started with risk of data breach considered possible in the light of the previous year's virus and data breach and remediation and commissioning of Aura Technology as our managed service provider being relatively recent. However, the year completed with no further such breaches and further remediation measures were instigated including upgrade of Microsoft 365 education licensing.

Risk of regulatory breach associated with LAMDA Exams was also relatively high at the start of the year but reduced with a growing track record of continuing compliance associated with earlier procedural changes and IT system investments. This view was reflected in Ofqual's decision in January 2020 to remove long-standing special conditions of registration.

There were no significant sustained increases in risk noted in the first two quarters but as COVID appeared new risks to operations, and therefore income and financial sustainability, were identified and mitigated wherever possible. Previously identified risks of failure to monitor and deliver business plans and ineffective cost controls were both perceived as increasing in probability at the start of the pandemic and mitigated by clear re-prioritisation with a focus on plans to address the adverse effects of the virus, and to mitigate loss of income by reducing costs.

Latterly COVID specific risks were identified and added to the risk register:

- Failure to take adequate precautions to defend against Coronavirus affecting LAMDA students and staff
- Adverse impact of Coronavirus on LAMDA overseas operations, especially overseas (eg LAMDA Examinations)
- Adverse effect of Coronavirus on income and profitability threatens sustainability of LAMDA.
- Adverse impact of Coronavirus on LAMDA home operations, with staff and students absences and potentially forced closure

Risk ratings showed that these COVID-related risks constituted by far the biggest threat to LAMDA in the second half of the year. Mitigation measures taken included a rapid switch to online provision, maximum utilisation of the Government's furlough scheme, creation of a COVID-secure environment to allow early return of live training and development of new income streams. Latterly a major restructure has been agreed and is being implemented in order to reduce costs, recover lost income and continue with delivery of the Vision.

As we begin 2020-21 COVID-19 risks remain significant with implementation of the restructure and continuing with COVID-secure operations both high priorities. Risk of breaching regulatory compliance, made less likely by commensurate relaxation in compliance rules in the light of COVID-19, nevertheless remains and we will continue to mitigate this risk and the return to more normal regulation as we continue to make improvements to our systems and processes. We will return to the practice established in 2019-20 of maintaining a separate risk register for OfS compliance in particular and we will renew our focus on the risks to the business of BREXIT, which are every more apparent as we seek to set fees to attract EU students from 2021-22 in an era where they will not be eligible for the financial support open to UK students.

## Trustees' report

### for the year ended 31 July 2020

Whilst we believe the measures taken during the year have reduced the risk to long term financial sustainability there will be continued focus on financial performance, in particular the return of growth in income from LAMDA Examinations and Drama School semester and short course performance. Organisational change brought about by the current restructure causing instability to operations and quality of the experience of students and staff at LAMDA constitutes a significant new risk which has been added to the risk register and will be mitigated by senior management team oversight of the AOP and programme of change.

## WIDENING ACCESS TO HIGHER EDUCATION

LAMDA is committed to ensuring that its training is accessible to all, regardless of social or economic circumstances. LAMDA has a number of substantial measures in place to widen access to Higher Education and create pathways to our training for those from underrepresented groups such as low-income backgrounds, new to higher education or from a Black, Asian or Minority Ethnic (BAME) background.

This year we slashed the audition/interview fee from £54 to just £12 for the first round. In addition, we deliver targeted workshops and activities across London and the UK through LAMDA's Pathways Programme. These initiatives also include regional auditions, audition fee-waivers, bursaries for the Foundation Diploma and an extensive scholarship programme.

### LAMDA Scholarships & Bursaries Scheme

Currently, 23.55% of our students receive scholarship or bursary assistance. At the top of our agenda is to remove all barriers to specialist training in the performing arts – not only to lead the changing face of drama schools in terms of students, but also to change the face of the wider performing arts industry to reflect the stories, experiences and creativity of all members of society. The first step to achieving this aim is to increase scholarship support. Our long-term goal is to be able to provide financial assistance to 45% of our students by 2023.

During the 2019/20 financial year, we received £380,103 in restricted scholarship income, including £23,200 for our Fulbright Scholar via the American Friends of LAMDA. Additionally, we welcomed new multi-year scholarships from the American Theatre Wing and the John Gore Foundation. From this and grants received in previous years £454,815 was awarded as follows:

- 65 students received support through LAMDA's Scholarships & Bursaries Scheme, including the General Bursary Fund and Student Hardship Fund.
- Over 1 in 4 (29.6%) of the student body on the three undergraduate courses received scholarship or bursary support, some receiving more than one award. Overall, 23.5% of students receive support across the degree and foundation courses.
- Some students received multiple awards, with a total of 74 scholarships & general bursaries awarded. 17 awards (totaling £140,150) were made at point of entry, seven (£78,783) were awarded to students in the middle of their training and 29 (£196,898) were awarded to final-year students. 21 awards (totaling £60,583) were made from the General Bursary Fund. Approximately 4% of these awards were paid directly to the student by the donor.
- In addition to the £454,815, two tuition fee bursaries were awarded for students on the Foundation Diploma (totaling: approx. £26,794)
- The average scholarship value in 2019/20 was £5,461 (not including general bursaries and student hardship awards)

25 awards (£22,959) were made through the Student Hardship Fund.

LAMDA's Access and Widening Participation Programme connects with and supports young people who are under-represented in the arts and may not have access to drama school through a series of targeted outreach programmes and activities. Key target groups include those who are:

- People from low income backgrounds and areas where participation in higher education or the arts is low (POLAR Quintiles 1-2).
- People who are Black, Asian and Minority Ethnicities
- Young people living with a disability

## Trustees' report

### for the year ended 31 July 2020

- Young people who are care leavers
- Young people who are not in education, employment or training (NEET)
- Schools and colleges with a high number of students eligible for Pupil Premium

The majority of the work carried out was targeted at young people aged 16-25 who are under-represented in Higher Education and in the arts. Across England and Wales we engaged a total of 842 young people in our delivery. Continued funding from the Esmée Fairbairn Foundation has enabled the department to continue to employ an Access and Widening Participation Officer, allowing the team to deliver a higher volume of work locally and regionally.

## LAMDA Shakespeare in Schools Tour

The second-year students on the MFA Professional Acting course took part in LAMDA's annual week-long tour of Shakespeare plays to local secondary schools and Sixth Form colleges in October 2019. They toured two Shakespeare plays, *Hamlet* and *Twelfth Night*, to six secondary schools and colleges in the local area and hosted one Alternative Provision school for a performance in the LAMDA Carne Studio Theatre.

All the schools we visited serve a large number of students from disadvantaged areas with above average numbers of pupils eligible for pupil premium, as well as a high proportion of students who are Black, Asian and from Minority Ethnicities. The shows were performed to a total of 486 students from across key stages 3-5. Five of the seven performances were followed by a Q&A with the cast about working with Shakespeare, LAMDA and actor training and the wider arts industry. In addition to the productions in schools, each show had at least 3 performances in the LAMDA Carne Studio Theatre for the LAMDA community.

## LAMDA Pathways

LAMDA Pathways is a targeted engagement and skills development programme which uses LAMDA's reputation, expertise and facilities to remove the barriers that prevent young people up to the age of 25 who may not have the opportunity to experience LAMDA's style of conservatoire training, or to consider the creative skills industry as a career choice; engaging them in workshops, visits and events designed to raise aspiration and build routes into training and employment in the creative industries. The programme has been supported by John Lyons Charity in London, the Ashley Family Foundation in Wales and the Esmée Fairbairn Foundation regionally.

Pathways creates long term sustainable partnerships with selected schools and youth arts organisations in London and across the UK focusing on cities where LAMDA holds regional auditions, and where there are high levels of social disadvantage and low rates of participation in Higher Education. This year we delivered 50 workshops, Q&As and events for our partners to 364 young people.

## Regional

The focus for our regional Pathways delivery this year was to create regional 'hubs' in areas around key cities where LAMDA holds regional auditions, building connections with schools in these areas of low participation in HE and signposting students to Pathways opportunities at local Youth Art Organisations.

We have begun to build new relationships with Ashton Sixth Form (Manchester), Stockton Riverside College (Newcastle) and Broadway Academy (Birmingham) and have started planning for workshop delivery in the next academic year. Working with LAMDA Examinations, we are aiming to offer participants from Broadway Academy the opportunity to complete a LAMDA Examination in addition to experiencing a Pathways workshop in the Autumn term.

Due to COVID-19 and a reduction in face-to-face delivery, it was challenging to engage regional schools and colleges in workshops as teachers reported that many of the students were already very overwhelmed with online learning. Therefore, we have focused on building these new relationships and planning for next year's delivery when we aim to work with the students in-person.

We nurtured pre-established partnerships with Open Door (East Midlands), Prime Theatre (Swindon), 20 Stories High (Liverpool), NYAT Hull (Hull) and Young REP/Lightpost (Birmingham). We also formed new

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**for the year ended 31 July 2020**

partnerships with the Royal Exchange Young Company (Manchester), Bolton Octagon (Bolton), Contact Theatre (Manchester) and Nonsuch Theatre (Nottingham).

We delivered 39 workshops in regional areas, either in person or online via Zoom. These sessions covered a range of areas such as Introduction to Actor Training, Audition Technique, Acting for Screen and Making Your Own Work. From mid-March, the necessity to maintain social distancing and adhere to safety guidelines regarding COVID-19, meant that all the work in the second half of the year was delivered remotely. We collected data from 414 young people and of this group at least:

- 35.% of participants were BAME
- 9.2% of participants declared a disability
- 32.1% of participants were from families with no prior experience of HE
- 60.6% of participants were from low income households
- 18.8% of participants were from POLAR 4 Quintile 1-2 postcodes
- 0.7% of participants were care leavers

35 regional audition/interview fee waivers were given out with 4 participants being offered places on the BA (Hons) Professional Acting Course, the Foundation Diploma course and the Fda Production and Technical Arts courses.

Regional delivery in Wales (supported by the Ashley Family Foundation)

We continued our relationship with Gower College and Coleg Sir Gar, with 58 participants taking part in a workshop day at Gower in Swansea. The day involved an Introduction to Drama School workshop and an Audition Technique workshop, as well as a Q&A with a recent graduate. Of the 45 students who gave us feedback:

- 4.4% of participants were BAME
- 8.9% of participants declared a disability
- 31.1% of participants were from families with no prior experience of HE
- 6.7% of participants were care leavers
- 37.8% of participants were from low income households
- 31.1% of participants were from POLAR 4 Quintile 1-2 postcodes

Nine audition/interview fee waivers were given out to participants from Gower College this year.

**Local**

We supported a range of groups based in the London area such as NYT Playing Up, Open Door and Intermission Youth Theatre offering them bespoke workshops, audition/interview fee waivers, free tickets to LAMDA productions, rehearsal space where available and invitations to LAMDA's Pathways Open Day.

In addition to this we assisted with Audition preparation at Leyton Sixth Form and welcomed a group of students from Stoke Newington School for a tour of LAMDA's backstage areas and a Q&A about the Production and Technical Arts course.

We have continued to support Graeae's Ensemble, a pioneering artist development programme for young D/deaf and disabled people who are passionate about theatre. The Ensemble cohort visited LAMDA in the Autumn term for a Production and Technical Arts workshop with the Head of Technical Training and then experienced three additional online sessions during the COVID-19 lockdown.

A total 61 young people from local partners went on to audition for LAMDA's BA (Hons) Professional Acting course. 11 individuals were successful and offered a place on the course for entry in September 2020. 8 of them have accepted their places.

Funded tickets

## Trustees' report

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Throughout the year, funded tickets for LAMDA productions were offered regularly to Pathways partner schools and youth arts organisations. Overall, 207 tickets were provided; however, only 142 of them were used due to cancelled performances due to government guidance. 42 young people from five different groups took part in post-show Q&As and one of those groups also received a pre-show tour of the backstage and technical areas with Head of Technical Theatre and a current Production and Technical Arts student.

## Foundation Diploma Bursary

Each year, LAMDA awards a minimum of two bursary places on the (non HE-accredited) LAMDA Foundation Diploma Course. The tuition fees for both of these places are fully funded, currently worth £13,799 each. The Foundation Diploma Bursary scheme directly targets young people from low income backgrounds and is a key factor in LAMDA's mission to encourage and support young people from low income backgrounds to access the BA (Hons) Professional Acting course at LAMDA or a comparable course at another Higher Education Institution.

Information on total spend on measures to support widening access and to support students while at LAMDA to enable them to successfully complete their courses is set out in Note 6 to the accounts.

## APPLICATIONS AND STUDENT NUMBERS

Admissions procedures, particularly for LAMDA's acting courses, underwent a major overhaul during 2019-20, with the aim of ensuring our UK-based intake represented a far more diverse cross-section of young people. The UK audition fee was reduced from £54 to £12, a progressive policy which made national headlines. Those progressing to recall auditions were then charged a further £48, on the basis that they would learn from the experience of what is effectively a one-day workshop with senior LAMDA teaching staff. Nearly 100 students auditioned via the AWP department, and paid no fee at all. Besides this, a new cohort of audition panellists was selected and trained to ensure fairness and consistency, and a new system was introduced for giving all applicants structured, written feedback.

The adjustments to the process meant that applications opened one month later than usual, at the start of November, but demand remained very high. Total applications for FT courses starting in 2020-21 reached over 5,200, 12% up on the previous year. The Admissions team handled over 2,000 applications in November alone.

### FT HE courses applications and enrolments, autumn 2020 start

	BA (Hons)		MA Classical		MFA		FdA PTASS		BA PTA top-up		MA Directing		Total
	%	count	%	count	%	count	%	count	%	count	%	count	
<b>Applications 19-20 start</b>	77%	3,649	3%	151	17%	787	2%	75	0%	11	2%	77	4,750
<b>Applications 20-21 start</b>	77% ↑	4,058	2% ↓	120	17% ↑	870	1% ↓	57	0% ↑	24	3% ↑	133	↑ 5,262
<b>Target 20-21 (revised post-COVID)</b>		27		10		29		26		9		6	107
<b>Predicted enrolment 20-21 v target (as at Sept '20)</b>		↑ 30		↑ 20		↑ 31		↑ 28		⇒ 9		↑ 6	↑ 124

### UK FT HE applications

	BAME		Disability		UK POLAR 1-2		Gender Female		GendNon		Total
	%	count	%	count	%	count	%	count	%	count	
<b>Applications 19-20 start</b>	15%	640	15%	619	13%	540	57%	2,414	1%	22	4,235
<b>Applications 20-21 start</b>	17%	863	16%	819	11%	590	56%	2,892	1%	42	5,206

The socio-economic breakdown of enrolments shows the positive effects of the changes to application and selection procedures.

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Enrolment breakdown 19-20 & 20-21

	Female		BAME		Disability		POLAR 1-2		IMD 1-2	
	2019-20	2020-21 +	2019-20	2020-21 +	2019-20	2020-21 +	2019-20	2020-21 +	2019-20	2020-21 +
BA (Hons) Professional Acting	44%	50%	35%	65%	9%	20%	9%	15%	23%	57%
BA (Hons) PTA top-up	82%	50%	9%	0%	0%	50%	20%	25%	10%	25%
FdA PTASS	64%	50%	11%	17%	0%	33%	31%	13%	30%	13%
MA Classical Acting	59%	70%	14%	30%	14%	30%	0%		0%	
MFA Professional Acting	50%	52%	24%	39%	3%	22%	6%	6%	18%	21%
MA Directing	67%	60%	17%	60%	0%	0%	33%	20%	0%	60%
Semester Diploma Autumn	77%	70%	20%	29%	7%	8%	0%		29%	
Semester Diploma Spring	69%		16%		17%		0%		17%	
8 Week Shakespeare Summer School	67%		26%		16%		17%		17%	
Foundation Diploma	65%		6%		10%		13%		21%	
<b>Grand Total</b>	<b>64%</b>	<b>60%</b>	<b>19%</b>	<b>34%</b>	<b>10%</b>	<b>18%</b>	<b>14%</b>	<b>12%</b>	<b>20%</b>	<b>32%</b>

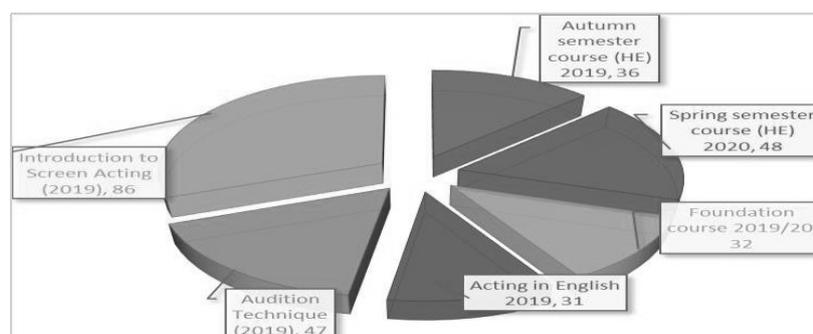
+ 20-21 enrolment data still provisional

Student enrolments for HE courses in 2019-20 were as follows (data from HESES 2019).

HESES19 Comparison table 1	Fundability status	2017-18 HESA/ILR	HESES/ HEIFES18	2018-19 HESA/ILR	HESES19
Total years countable (Columns 1 + 2)	Fundable	169	168	169	↑ 172
	Non-fundable	10	14	22	↑ 23
	Island and overseas	216	199	220	↓ 191
	<b>Total</b>	<b>395</b>	<b>381</b>	<b>411</b>	<b>↓ 386</b>
Total estimated <b>completed</b> years (Column 4)	Fundable	169	165	166	↑ 169
	Non-fundable	10	14	22	↑ 23
	Island and overseas	216	194	218	↓ 186
	<b>Total</b>	<b>395</b>	<b>373</b>	<b>406</b>	<b>↓ 378</b>
Total estimated <b>FTE</b> (Column 4a)	Fundable	167	161	162	↑ 169
	Non-fundable	4	8	12	↓ 9
	Island and overseas	107	117	126	↓ 109
	<b>Total</b>	<b>278</b>	<b>285</b>	<b>300</b>	<b>↓ 287</b>

HE student numbers peaked in 2018-19, so the 2019-20 intake should be seen as a return to a more usual pattern, with just under 300 FTE students in our HE courses.

The financial year 2019-20 spans the summer short course period, meaning that these accounts include income from our successful August 2019 courses. We were unable to run our usual Shakespeare courses in June and July 2020 due to the pandemic.



## ACADEMIC ACHIEVEMENTS

We are proud to have received very positive reports about our academic quality from the Quality Assurance Agency, who have unequivocally recommended that LAMDA be granted its own Degree Awarding Powers. This followed a very detailed, in-depth scrutiny of our academic processes and committee work. Our application has now proceeded to the final stage and a decision is awaited from the Office for Students. This is not likely to be before late 2020.

For many of us this year has been dominated by the need to adapt to the challenges posed by the coronavirus pandemic. Our staff and students have risen to the significant challenge of having to move much of our teaching to online delivery in the face of worldwide lockdowns. All have responded magnificently in the face of very short timescales and the inherent difficulties of learning new technologies and moving a subject so physical in nature to a very different form of delivery. Training was provided for all staff and students, particularly in using videoconferencing, and equipment was provided to students in particular need. Uniquely among leading Drama Schools, the decision was taken to ensure that our graduating students were able to complete their studies as near as possible to the original timing. The Spring Term was therefore paused and training resumed in April with a later finishing time than originally scheduled. Below is a summary of results:

- Undergraduate degree results were exceptional in 2019-20. On the BA (Hons) Professional Acting, 87% of graduates were awarded a 1<sup>st</sup> class degree, with the remainder all receiving 2:1s. Of the graduates who completed the FdA Production and Technical Arts (Stage & Screen) 44% achieved a Distinction, with the remainder receiving a Merit. On the BA (Hons) Production and Technical Arts top-up, 91% of graduates received a 1<sup>st</sup>.
- Postgraduate results were equally good. Of the MFA Professional Acting group, 59% achieved a distinction, while 2/3 of the MA Directing cohort passed with a Distinction, with the remainder receiving a Merit. On the MA Classical Acting, more than half of graduates earned a Distinction, with all the remainder receiving a Merit.
- At pre-degree level, eight students from the Foundation Diploma progressed to our BA (Hons) Professional Acting, and many others were offered places at other drama schools.
- By the end of the academic year, two thirds of the BA (Hons) Professional Acting graduates had formally signed with an agent, as had just under half of the FdA Professional Acting graduates. This represents a slightly lower return than in previous years.

In addition, each year we commission and produce a series of original short films. These are shot on location and written, directed and edited by industry professionals. Since 2011, our films have been viewed over 60,000 times online in nearly 100 countries and attracted the interest of agents and casting directors in the UK and overseas.

## Production and Technical Arts

All of LAMDA's public stage productions are staffed and run by students on the Production and Technical Arts Course. This course prepares the students for careers in production across all art forms – while the training at LAMDA is focussed on theatre productions, the skills learnt are transferrable across entertainment industry.

Each production at LAMDA is overseen by a student Production Manager, supported by full Stage Management teams. The scenery is designed by a visiting professional designer, but constructed in our scenic workshops in Bermondsey, by a mix of 1<sup>st</sup> and 2<sup>nd</sup> year students. Lighting is designed by a 2<sup>nd</sup> or 3<sup>rd</sup> year student, and then rigged, focussed and operated by 1<sup>st</sup> year students. The sound is also designed and operated by students. The opportunity for the students to work across three well equipped theatres allows them to develop their skills and knowledge to a very high standard, preparing them for successful careers in the industry.

## **LAMDA Exams**

### **COVID-19 impact**

Following the outbreak COVID-19 pandemic and the global lockdown, LAMDA examinations were postponed internationally from February 2020 and from 21st March 2020 in the UK. We told our customers about the cancellations and informed the relevant Regulators. Initially we decided only to postpone sessions scheduled for the remainder of March and April 2020, but as the lockdown continued, we had to also cancel May and June sessions.

### **Financial impact**

The cancellation of examination sessions over the Spring and Summer has had a devastating impact on the projected Examinations income. The original budget for 19-20 for candidate fees was £6.3m and actual income achieved was £2.6m. The team immediately began work to develop ways in which we could recoup the lost income. The Examinations team furloughed 20 members of staff and retained a skeleton team of 12 to manage customer communications, develop Remote Online Assessments and process results.

### **Volumes**

In 2019-20, LAMDA examined 51,502 learners in 2,632 days. This was a reduction of 57% in learners and 50% in examining days compared to the previous year.

### **Remote working**

The LAMDA offices closed on 19th March, at which time the Examinations team began working remotely. The transition was extremely successful with the team embracing virtual meeting and examining software, using Sharepoint collaboration tools and developing new ways of working.

We successfully transferred our processes to enable us to work remotely and began to allow a skeleton staff back to the office from July 2020. That team who returned to the office were able to practice social distancing whilst printing certificates, managing the post and administering hard copy result. Our inability to be in the office impacted our SLA to dispatch certificates to our customers. However, we provided digital results to customers in the interim and communicated the delay of hard copy certificates to the Regulators and our customers.

### **Remote Online Assessments**

Following the decision to postpone in-person exams, we fast-tracked our existing project to develop Remote Online Assessments (ROAs). After an intensive review, testing and training period, we developed a Zoom based solution where learners are assessed via a live link to an Examiner and learners are able to take the examination from home or from a Centre. Initially, we offered only level 1 assessments, but built our expertise and were able to deliver the more complex level 2 and 3 assessments through the summer as we found solutions to technical and assessment issues. Feedback from customers has been extremely positive and our due diligence has ensured the quality and integrity of ROAs and maintained a parity with in-person examinations. We have worked closely with the Regulators to report these ROA developments and the decision-making process behind them.

### **Return to in-person Examinations**

Following Government guidance and in agreement with LAMDA SMT, we reintroduced in-person examinations from July 2020. The Examinations team created and shared guidance documents for Centres and Examiners to ensure the in-person sessions were conducted under social restriction rules. As further advice was published, we updated and amended these documents and allowed for additional Centres to open for examinations as long as they were able to do so safely. We highlighted the paramount importance of the health and safety of our customers, examiners and staff, and communicated the availability to our customers

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as Centres re-opened. In agreement with the Regulators, we prioritised Level 3 examinations which carry UCAS points to enable those Learners to transfer to the next stage of their education.

## ExamTrack developments

Due to the development of ROAs, the furloughing of staff and financial constraints from the reduction in revenue, we decided to postpone the development of digital marking. This development was specified to enable Examiners to mark on an iPad and upload their marks directly into ExamTrack. We intend to implement this development in 2021 and have communicated the postponement to the regulators.

## Overview

LAMDA Examinations have coped extremely well with the global lockdown, managed customer's expectations during this difficult time and developed new, innovative solutions to enable learners to be assessed under social distancing rules. This continues to enable us to recoup much of the income lost from the spring cancellations over the summer and autumn. We are seeing increased revenues in the first quarter of 2020-21 and the development of ROAs means we will be able to continue to assess if further restrictions are announced.

## DEVELOPMENT

### Development fundraising approach and performance

LAMDA is grateful for the generous financial contributions from charitable trusts, individuals and organisations towards its scholarship programmes, activities and capital developments. When a donor makes a commitment to LAMDA, we adhere to the Institute of Fundraising's current Code of Fundraising Practice and to Charity Commission guidelines.

It has been a challenging year with the economic and social fallout from the coronavirus affecting so many of the initiatives and events that were planned to increase our fundraising. Income is reduced against unrestricted targets but balanced out with substantial income in restricted funding for needs identified due to the crisis. A few donors and small trusts had to reduce or cancel their donations due to being affected financially by the pandemic but fortunately the majority are robust and able to continue their support.

### Individuals

2019/20 was on track to be a successful year consolidating the success of LAMDA's first fundraising Gala and deepening those new relationships. An exciting events programme around shows starring LAMDA alumni was planned to steward donors, introduce and cultivate new donors and fundraise. The majority of these were planned for between April and July and were of course all cancelled due to the pandemic. Donors were kept informed and connected to LAMDA via phone calls, newsletters and occasional online events.

Individual donations were re-directed to the Student Hardship Fund with circa £50,000 being raised from a combination of individuals, trusts and corporates which are managed by Individual Giving. Major individual donations were raised from family trusts during this period for issues caused by the pandemic. The Overstall Charitable Trust donated £50,000 to assist student access to broadband and IT equipment during remote learning as a result of COVID, and the Lynn and Land Foundation provided a grant of £5,000 towards the administration of COVID-relief support for the Student Hardship Fund. £60,000 was pledged by Manny and Brigitta Davidson to fund LAMDA making the entrance foyer and building COVID secure with £30k received this year.

### Trusts & Foundations

LAMDA received a grant of £25,000 to support a research project into entrepreneurship from the Commercial Education Trust. Findings from this report will inform LAMDA's approach to entrepreneurship training for performing arts students and graduates.

### Trustees' report

#### for the year ended 31 July 2020

The Genesis Foundation provided the final tranche of funding of their current grant for the Genesis LAMDA Network. The programme will continue in the 2020/21 academic year as it also undergoes a review of delivery.

The Old Possum's Practical Trust continued their support of New Writing at LAMDA with the second tranche of their three-year grant. The Carne Trust also continued support of the MA Directing Programme.

The Terence Rattigan Society gave £1,000 towards LAMDA's production of French Without Tears, which was performed by final year students in February 2020. As part of the Society's support, students involved in the production received a bespoke session on the history of Terence Rattigan and his work.

The Enterprise Arts Trust gave £500 to help with audition fee waivers, ensuring even more access to LAMDA's training and in support of Sarah Frankcom's initiative to reduce first-round audition fees overall.

The Fidelity UK Foundation gave a restricted grant of £103,340 towards LAMDA's ICT development programme, namely to develop and implement the Virtual Learning Environment and the Quercus Student Records system – two smaller grants from the Foundation will arrive over the next two years to provide continued support towards licensing costs.

Alumna Emily Carewe undertook fundraising for the MishMash Festival, a platform for LAMDA graduates to share work in development and take part in forums and workshops. She was able to secure £5,000 in Trust funding for this programme, including grants from the Harbour Foundation and the Backstage Trust. Because of COVID, the funds have been carried forward to 2020/21 due to rescheduling of the event, which had been planned for April 2020.

LAMDA also received over £320,000 from Trusts, in addition to grants from Individuals, to support the scholarship programme, as referenced in the Scholarships & Bursaries section of these accounts, and the Genesis Foundation donated £5,000 towards the Student Hardship Fund.

## STAFFING

Staff numbers (excluding hourly-paid teaching staff on fixed-term appointments), averaged 103 over the course of the year. Numbers peaked at 109 in December 2019, and new appointments included the arrival of Sarah Frankcom as Director and Karen Di Lorenzo as Head of Finance. However, staff numbers then reduced as a result of a recruitment freeze imposed from March onwards in the light of the financial impact of the pandemic closures. Casual headcount numbers averaged 38.5 (2019: 56.3), with the reduction due to lower need for casual staff to support examinations and front of house activity, and non-permanent teaching staff numbers averaged 54.17 (2019: 49.83).

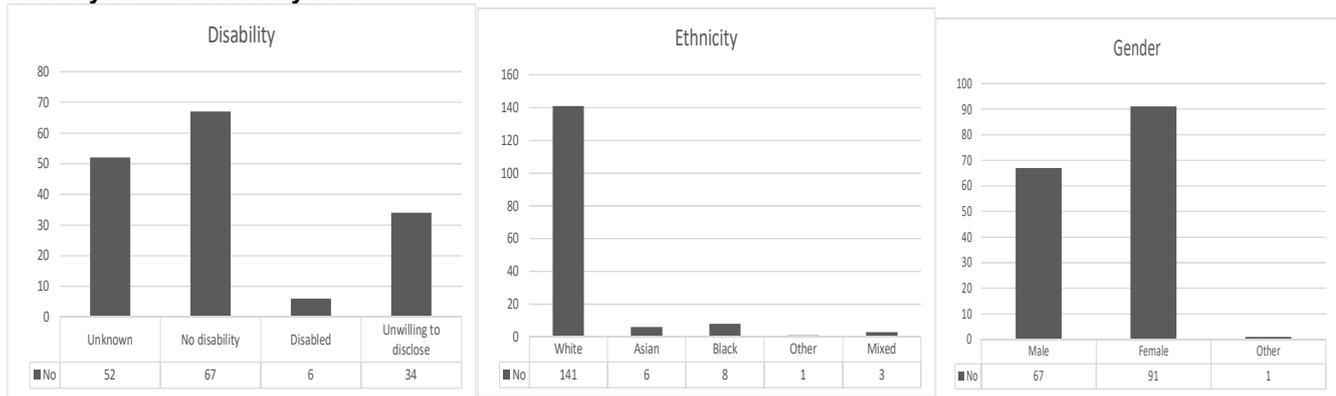
We made use of the government's Job retention Scheme (JRS) to furlough 49 staff from examinations, productions and front of house departments while they had no work. We made up the salaries of lower paid staff to 100% of their permanent salaries. As our examinations business reopened and we restarted productions we were able to return all but 5 staff to their original work by mid-July 2020. We also used the furlough scheme to replace pay for 119 casual staff and 39 non-permanent teaching staff who were not able to work due to the coronavirus closures. Our total JRS claim was for £396k, and we paid a total of £433k to staff on furlough.

We recruited new starters to the posts of Student Wellbeing Officer, Student and Engagement and Quality Manager, Access and Participation Officer, and Exams Administrators, and ended the year with 105 in permanent posts.

### Diversifying LAMDA's Staff

The following charts show breakdown of staff numbers in terms of ethnicity, disability and gender. The figures are for staff employed at LAMDA during the period 1 August 2019 - 31st July 2020 .

**Trustees' report  
for the year ended 31 July 2020**



We regard this breakdown as a baseline from which we will work to increase the proportion of staff with protected characteristics to more closely reflect the student body, which is itself changing to one of significantly increased diversity.

**ESTATES AND OPERATIONS**

Until the advent of COVID-19 the year was progressing well, the major investment in maintenance backlog and ICT having been achieved in 2018/19. An ICT strategy was completed and approved during the year and gave rise to the projects to improve systems and build on the previous year's work on IT infrastructure. Considerable progress has been made to field and utilise the MS 365 environment with new licensing arrangements providing 24/7 access to the Microsoft suite. A significant project was to utilise MS Teams Education as LAMDA's chosen Virtual Learning Environment. Work on the project to configure Teams for use in this way had only just commenced when COVID struck and it is to the great credit of our teachers, Student and Academic Services, Facilities team, and IT partners Aura Technology that we were able to classroom to use this system, in combination with Zoom licensing, as the backbone of a successful migration to remote learning.

The project to upgrade our website was completed, with the new site infrastructure allowing much greater flexibility for us to update and change pages. A further IT project has now linked our student records system, Quercus, with Microsoft 365, allowing automated transfer of student emails into the correct teaching/production groupings. Improvements were made to Celcat, our space management system, including making timetables available to students and staff on line.

Further systems projects planned as part of the next phase of the ICT strategy include a new Customer Relations Management (CRM) system and Enterprise Resource Planner (ERP). We are also starting to explore further technological enhancements to the learning environment, including increased use of video.

Improvements in space information and utilisation through increased use of Celcat has allowed us to conduct more precise space planning and give advance bookings for external hire, supporting increased revenue. A project was commissioned for improvements to the Manny and Brigitta Davidson Foyer to provide a weather lobby, allowing the space to be used as the main entrance to the Academy; for implementation in Autumn 2020. A survey of the East Wing and initial work on future space requirements commenced before lockdown and we look forward to recommencing work on future options for this part of the estate.

**VALUE FOR MONEY**

As a member of the London Universities Purchasing Consortium, LAMDA seeks to utilise appropriate Framework agreements where possible. Where this may not be practicable (e.g. for specialist works), the Academy ensures that all goods and services procured are subject to competitive quotes and tender processes, in accordance with expenditure levels set out in its Financial Regulations.

**Trustees' report**

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**FINANCIAL REVIEW 2019-20**

In both operational and financial terms, 2019-20 was a year of two halves. From August 2019 – February 2020 we were generating income ahead of forecast, and our net position was £0.5m ahead of budget. This was due to a successful run of summer courses in August 2019, healthy recruitment into undergraduate and postgraduate BA and MA/MFA courses, and a record number of exam bookings for the spring season.

However, the national lockdown in March 2020 had an immediate impact on our exams income, as we were forecast to cancel all exams from mid-March to early July, our busiest exam period. We also faced the challenge of moving teaching and learning online, and while we did do that successfully it was an expensive exercise and we had to extend some courses into August to allow students to complete their modules.

The overall impact has been a significant loss of £1.8m (2019 -0.3m) from our consolidated activity, which we have financed from reserves but which has reduced our medium term financial capacity.

A summary of LAMDA's consolidated income, expenditure and out-turn for the year is provided below:

	<b>2020</b>		<b>2019</b>	
	Unrestricted £000s	Restricted £000s	Unrestricted £000s	Restricted £000s
<b>Income</b>	9,788	678	12,273	629
<b>Expenditure</b>	(11,548)	(703)	(12,687)	(473)
<b>Surplus/(Deficit) for the Year</b>	(1,760)	(26)	(414)	156
<b>Reserves at year- end (after transfers)</b>	23,711	348	25,471	374

LAMDA's key financial performance measure in any year is the surplus or deficit arising from its unrestricted activities. Restricted income will over time be fully expended but the matching of income and expenditure will not necessarily occur within the financial year. This is particularly the case where restricted income is received towards the end of the financial year. Surpluses on restricted income will be reversed in the following financial year as it is expended. This review therefore concentrates mainly on the unrestricted deficit for 2019-20 with comparisons to 2018-19.

The general fund deficit before funds transfers in 2019-20 was -£1,760k (2019: -£414k).

**Income**

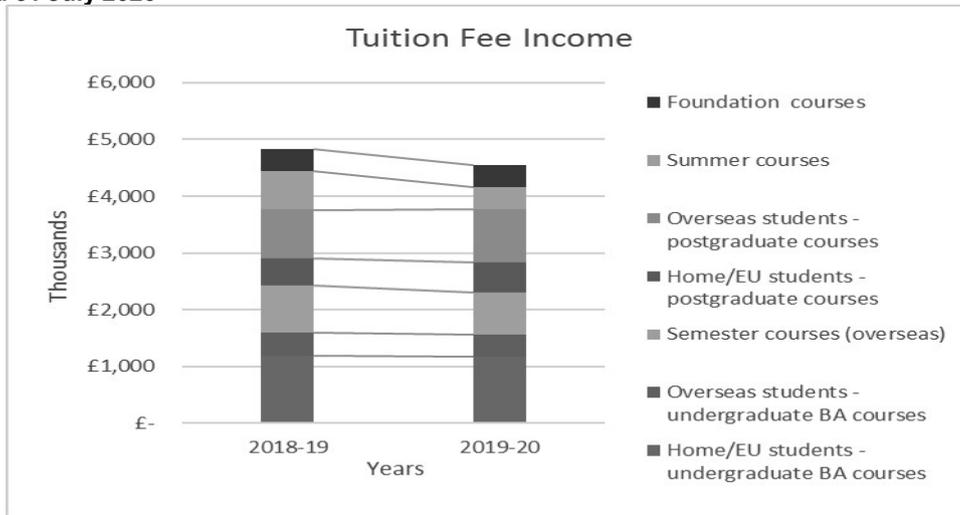
Unrestricted income in 2019-20 was £9,788k compared with £12,273k in 2018-19, a decrease of 20%.

*Tuition fees and education contracts*

Income from undergraduate BA and postgraduate MA and MFA tuition fees grew by £101k to £3,023k (2019: £2,922k) as a result of higher recruitment to the postgraduate courses. However, recruitment to the autumn semester course was below 2018-19 levels (-£97k) and we had to cancel our accredited 8 week summer Shakespeare course due to CoVid restrictions (-£192k), leaving HE income at £3,766k (2019: £3,954k).

Income from our non-accredited short courses was also severely impacted by the CoVid closures, as we were unable to run two of our largest summer courses. This led to a reduction in income to £787k (2019: £870k).

Trustees' report for the year ended 31 July 2020



Funding Body Grants

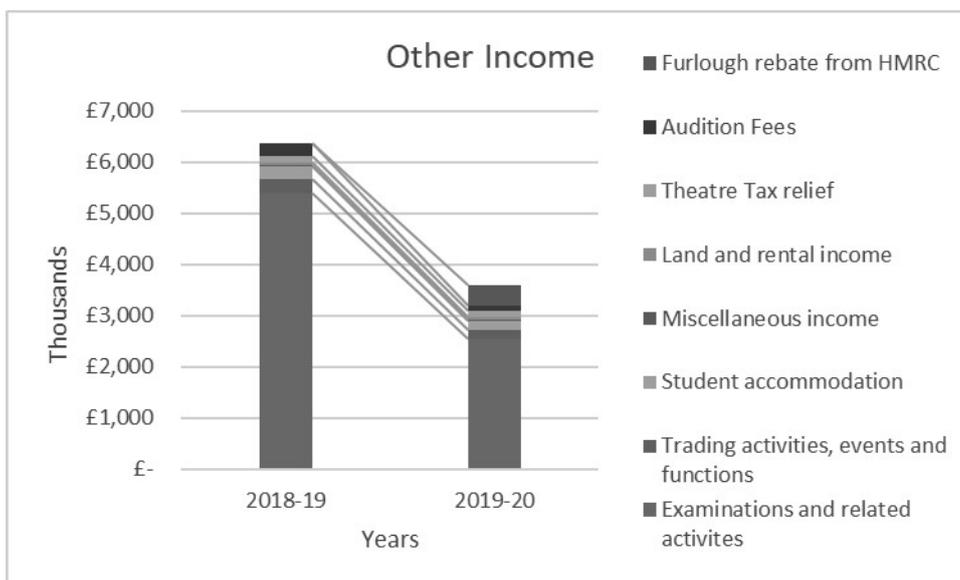
As a result of our move to independence from the Conservatoire for Dance and Drama, this has been the first year in which we have received grant funding direct from the Office for Students and the Research England.

The Office for Students has continued to provide teaching grants for our students, and we received from them £136k in teaching grant, plus £13k capital grant (total 2019: £654k). The reduction of £516k was a result of our leaving the Conservatoire, as the grant for specialist teaching funding was retained at Conservatoire level.

However, we have benefited from an increase in grant from Research England to £1,350k (2019: £200k). The Higher Education Innovation Fund (HEIF) is allocated to higher education bodies based on their interactions with the wider community and the value they contribute to the local, national and international economies from their higher education work. Our growing examinations and other consultancy business meant that we qualified for a larger grant than the previous amounts received through the Conservatoire.

Other income

This is the area of income most affected by the requirement to close our building and stop other operations in March 2020 in response to the lockdown requirements. Overall, this led to a 40% reduction in other income from 2018-19 to £3,606k (2019: £6,041k net of £331k negative charge).



**Trustees' report  
for the year ended 31 July 2020**

The majority of this was the result of the reduction in income from examinations fees and related courses to £2,530k (2019: £5,398k), because we were unable to operate between March and early July, usually the busiest period of the year. Income from commercial hires and events reduced to £180k, (2019: £265k), We also saw a planned reduction(-£154k) in audition fees to £112k (2019: £266k) to enable a wider pool of applicants to apply to LAMDA. The impact of these income reductions was partially offset by £396k grant income from the Job Retention Scheme to cover the costs of staff who were not able to work due to the pandemic.

*Donations and legacies*

Although we had budgeted for reduced levels of fundraising in 2019-20 because we do not run our successful gala every year, the final outturn of £124k (2019: £551k) income from unrestricted donations was below targets. This was because fundraising was also impacted by the CoVid closures as we were unable to run many of our planned fundraising events from March onwards. We refocused our efforts on fundraising to support the specific needs of students so they could continue learning during lockdown, and generous donations to these funds helped us exceed our previous restricted fundraising levels, ending the year with £678k income for specific restricted projects (2019: £629k).

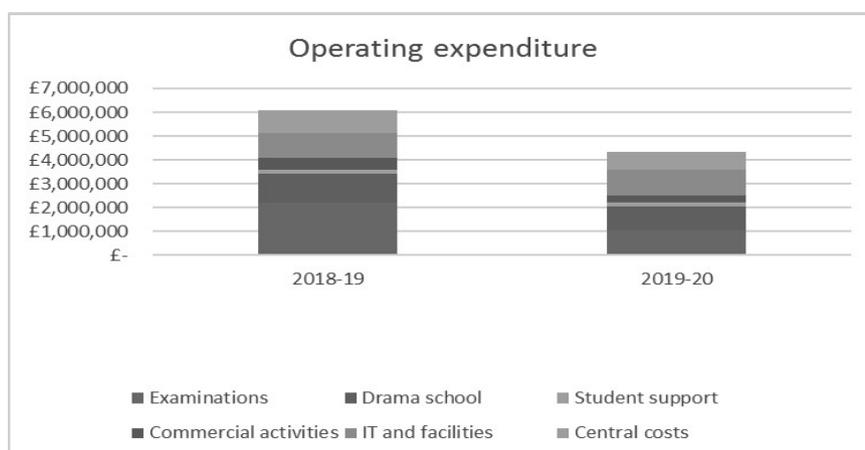
**Expenditure**

Unrestricted expenditure in 2019-20 totalled £11,549k (2019: £12,687k), a decrease of 9%. This was the result of cost reductions from the pausing of examinations and commercial operations from March to July 2020 due to the CoVid closures.

Staff costs rose overall to £5.8m (2019: £5.2m). The reasons for this include an increase in the cost of teaching and academic and student support in the Drama School to £2,958k (2019: £2,644k), including additional costs of the move to more intensive online teaching and learning, a provision of £200k for redundancy costs associated with the restructuring programme announced in July 2020, as well as additional staffing for student welfare and outreach. Overall, we paid £433k to staff on furlough (2019: £0) which was largely offset by £396k grant income from HMRC.

LAMDA auto-enrols its staff in a defined contribution pension scheme administered by Aviva plc and therefore does not have any of the financial risks arising from large deficits in defined benefit schemes.

Other operating costs funded from unrestricted sources reduced by £1.8m to £4.3m (2019: £6.1m). This resulted from significant reductions to expenditure on examinations to £1.1m (2019: £2.2m) and on commercial activities to £293k (2019: £504k).



Expenditure from restricted funds totalled £647k (2019: £473k) of which the majority (£482k) was financial support for students (2019: £431k).

## Balance Sheet

The key changes on the balance sheet reflect the loss of profitability from examinations and commercial activities as a result of CoVid, and the impact on cash and reserves to finance the resulting in-year deficit.

- a) LAMDA's consolidated working capital position (current assets less current liabilities) at 31 July 2020 was *negative* £1,260k (2019: *negative* £167k), representing a deterioration of £1.2m.
- b) Within current assets, the bank position on 31 July 2019 was £232k (2019: £1,405k), a decrease of £1,173k.
- c) Unrestricted reserves reduced to £23,711k (2019: £25,471k), of which £21,956k is held as a designated fund for building works.

## FUTURE OUTLOOK

In July 2020 the Board agreed a deficit budget for 2020-21, based on prudent assumptions about the resumption of examinations activity and income, and student numbers. Indications in autumn 2020 are that these prudent assumptions should be exceeded and despite the challenges of a further national lockdown in November 2020, we now forecast an improved year in 20-21, with growing profitability for the following years as we forecast a return of our summer short course business and a return to previous growth trajectories in examination income.

**Trustees' report**

**for the year ended 31 July 2020**

**CORPORATE GOVERNANCE**

LAMDA is committed to best practice in all aspects of corporate governance. It endeavours to conduct its business in accordance with the well-established Seven Principles of Public Life (the Nolan Principles) and with the Higher Education Code of Governance issued by the Committee of University Chairs, as revised in Dec 2018 (the CUC Code). It also takes account of other codes or good practice as appropriate, including those from the Charity Commission. These principles and the expectations of the CUC Code are reflected in the Terms of Reference for the Board of Trustees, the governing body of LAMDA.

As the governing body of LAMDA, the Board of Trustees is responsible for the finance, property, investment and general business operation of LAMDA and for setting the strategic direction of LAMDA whilst ensuring the sustainability of the organisation. There are 16 independent members of the Board of Trustees plus one student trustee. The Board of Trustees met seven times during the year.

The Board of Trustees is responsible for the employment of the Principal/Director who in turn is supported by the senior management team. Executive management of LAMDA is delegated on a day-to-day basis to the Director and Executive Director. In November 2019 Sarah Frankcom took up her appointment as Director, replacing Mr Peter Holliday who had been acting as Principal. Mr Holliday then took on the post of Executive Director.

The Director is responsible for the strategic direction of LAMDA and works with the Board of Trustees to shape and define the vision of the organisation. S/he exercises considerable influence over the development of LAMDA's ethos and strategy and, supported by the Executive Senior Management Team, is responsible for operational management of the organisation. The names of senior officers who served during the year are listed on page one.

In order to ensure good governance, the Board of Trustees has further delegated some of its supervisory powers to sub committees to monitor on going performance in key business areas. During the year there were 6 sub committees -Development, Education, Examinations, Finance, Audit & Risk & Nominations, Remunerations and HR. The decisions and recommendations of these committees are formally reported to the Board of Trustees. These committees are formally constituted with written terms of reference that are reviewed regularly specifying membership of the committee and the required number of independent Trustees. The Chair of each committee is elected from the independent Trustees.

### **Appointment and induction of Trustees**

Job descriptions for Trustees and for the chair have been agreed by the Nominations, Remuneration & HR committee. This committee is responsible for advising on the appointment of new Trustees, (including appropriate advertising and interview procedures), and making recommendations to the Board. Potential candidates are evaluated and considered to ensure that a balance of relevant experience and skills is maintained on the Board.

New Trustees receive a board induction pack, tours of the building and induction meetings with the Chairman, the Director and relevant members of the Senior Management Team. Time is also spent with the Senior Management Team to equip new Trustees with appropriate information and oversight necessary to fulfil their obligations. Training is offered according to need.

### **Executive management**

Executive management of LAMDA is delegated on a day-to-day basis to the Director, who is the chief executive officer. The Director is responsible for the strategic direction of LAMDA and works with the Board of Trustees to shape and define the vision of the organisation. The Director exercises considerable influence over the development of LAMDA's ethos and strategy and, supported by the Executive Senior Management Team, is responsible for operational management of the organisation. The names of senior officers who served during the year are listed on page 1.

### **Funding and regulatory environment**

Between 2004 and 2019, LAMDA was part of the Conservatoire for Dance and Drama (The Conservatoire). The Conservatoire comprised eight specialist schools delivering world-leading education and vocational training in the performing arts. Through the Conservatoire, LAMDA attracted funding from HEFCE, which enables eligible

**Trustees' report**

**for the year ended 31 July 2020**

UK and EU students to access loans to assist with tuition fees and maintenance costs. LAMDA left the CDD on 31 July 2019 and is now funded and regulated directly by the Office for Students and Research England (both formerly constituents of HEFCE), and ultimately therefore by their parent government departments, the Department for Education and the Department for Business, Innovation & Skills respectively.

LAMDA currently operates six full-time higher education courses, currently validated by the University of Kent:

- Foundation Degree Production & Technical Arts: Stage & Screen
- BA (Hons) Production & Technical Arts (top-up)
- BA (Hons) Professional Acting
- MA Classical Acting for the Professional Theatre
- MA Directing
- MFA Professional Acting [first intake started Sept 2018]

Through its Examinations department, LAMDA is also an Awarding Organisation, which comes under the UK regulated bodies for this area of its operations. Graded examinations are offered in Communication (Speaking Verse and Prose, Reading for Performance, Using Spoken English, Speaking in Public); Performance (Acting, Devising Drama, Miming); Musical Theatre; Group examinations (Group Recital, Choral Speaking, Group Acting, Group Devising, Group Musical Theatre); a Certificate in Speech and Drama: Performance Studies (PCertLAM) and a Diploma in Communication, Speech and Drama Education (LSDE).

**STATEMENT OF INTERNAL CONTROL**

The Board of Trustees who are the directors of LAMDA Ltd have responsibility for ensuring a sound system of internal control supports the aims, policies and objectives of LAMDA whilst safeguarding public and other funds and assets for which it is responsible.

Arrangements for internal control are based on an ongoing process designed to identify and manage the principal risks to the achievement of the aims, policies and objectives and evaluate the likelihood and impact of those risks becoming a reality. A risk register is maintained and reviewed at every meeting of the Audit & Risk Committee and regularly by the senior management team. The register must be updated at least three times per year. It considers the areas of risk and their mitigation in order that the Audit & Risk Committee may advise the Board of Trustees and the senior management team. The Committee will consider carefully how much risk can reasonably be taken with regard to a particular situation or initiative.

The Audit & Risk Committee is a sub-Committee of the Board of Trustees and is responsible for reviewing the effectiveness of internal control systems and to approve any additions and amendments to those systems as necessary. The Committee meets at least four times per year.

The Chair of the Committee submits a report at every Board of Trustees' meeting.

LAMDA engages independent internal auditors to report on selected areas of internal control and in 2019-20, internal audits were carried out on key financial controls, student mental health and data governance, risk management and IT strategy, services and security. The auditors concluded that the control frameworks for student mental health, data governance and IT strategy, services and security provided satisfactory assurance, but that they could provide only limited assurance for key financial controls and risk management. The weaknesses identified in financial controls related to lack of formal follow up with budget holders over management accounts variances, incomplete record keeping on some reconciliations and delays in issuing purchase orders. Management has committed to improvements in these areas and has now implemented more regular formal meetings with budget holders and tighter controls over the issuing of purchase orders and record keeping over reconciliations. Internal auditors noted that management had made good progress in implementing the recommendations made in previous audits. The internal audit report was received by the Audit & Risk Committee.

## BOARD AND COMMITTEE MEETINGS

The Board of Trustees met seven times during the year.

Much of the Board's detailed work is delegated to LAMDA's six sub-committees, namely: Development; Education; Examinations; Finance; Audit & Risk; Nominations, Remuneration & HR. Recommendations of these committees are made to the Board for discussion and approval at its meetings.

The respective responsibilities of these committees are as follows:

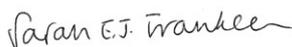
<b>Development</b>	Working with the development team to help identify fund raising opportunities to ensure that possibilities are maximised and explored.
<b>Education</b>	Considering HE matters on behalf of the Board of Trustees, including the long-term strategy in relation to the future development of Higher Education.
<b>Examinations</b>	Reviewing and accepting regulatory compliance/self-assessment reports and advising on business strategy and development of LAMDA's qualifications syllabus.
<b>Finance</b>	Reviewing the quarterly and annual results and presenting the annual budget for Board approval.
<b>Audit &amp; Risk</b>	Ensuring that LAMDA operates under an appropriate and robust risk-management regime and has adequate arrangements for ensuring economy, efficiency and effectiveness.
<b>Nominations, Remuneration HR</b>	Advising on Trustee appointments and Board composition, staff remuneration and HR policies, setting the salary of the Principal.

The Board has agreed terms of reference for all committees and the majority of members on each committee are trustees. External members with specialist expertise may be co-opted, provided that trustees remain in the majority.

Approved by the Board on 12 November 2020 and signed on its behalf by:



Rt. Hon. Shaun Woodward  
Chairman



Sarah Frankcom  
Director



Lord Tom Chandos  
Director and Chair of the Finance Committee

**Statement of Trustees' responsibilities for the Financial Statements  
for the year ended 31 July 2020**

**Statement of Trustees' responsibilities for the financial statements**

The Trustees, who are also directors of LAMDA Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Higher Education SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 assume that the charitable company will continue on that basis

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAMDA LIMITED**

### **Opinion**

We have audited the financial statements of LAMDA Limited for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, 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 group's and the parent charitable company's affairs as at 31 July 2020 and of the group's net movement in funds, including the 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 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the Statement of Trustees' Responsibilities on page 29, the Trustees (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, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and the parent charitable 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 trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's 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).

### **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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. 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 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.

### **Opinions 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 Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (which incorporates the strategic report 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and 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 by the parent charitable company; or
- the parent charitable company 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.

### **Other matters prescribed by the Office for Students**

We have nothing to report in respect of the following matters in relation to which the Office for Students ('OfS') requires us to report to you in Regulatory advice 9: Accounts direction if, in our opinion, in all material respects:

- Where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- Where applicable, funds provided by OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions;
- The requirements of OfS's accounts direction have been met.
- The providers grant and fee income, as disclosed in the accounts, has been materially misstated.
- The providers expenditure on access and participation activities for the financial year has been materially misstated.

### **Use of report**

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.



Richard Weaver  
Senior Statutory Auditor  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

14 December 2020

LAMDA Limited (limited by Guarantee) and subsidiary company  
**Statement of financial activities (including income and expenditure account)**

For the year ending 31 July 2020

The notes on pages 40-55 form part of these accounts

	Notes	[General Funds]			Total funds 2020	Total funds 2019
		Unrestricted funds	Designated funds	Restricted funds		
		£	£	£		
<b>Income:</b>						
Tuition Fees and education contracts	1	4,552,917	-	-	<b>4,552,917</b>	4,823,952
Funding Body Grants	2	1,499,723	-	-	<b>1,499,723</b>	853,803
Other income	3	3,606,135	-	-	<b>3,606,135</b>	6,041,567
Donations and Endowments	3	123,831	-	677,597	<b>801,428</b>	1,179,590
Investment Income	4	5,842	-	-	<b>5,842</b>	3,280
		<b>9,788,448</b>	<b>-</b>	<b>677,597</b>	<b>10,466,045</b>	<b>12,902,192</b>
<b>Expenditure:</b>						
Staff costs	5	5,825,303	-	-	<b>5,825,303</b>	5,226,774
Other operating Expenses	6	4,346,470	-	703,432	<b>5,049,902</b>	6,554,998
Depreciation	8	774,882	457,561	-	<b>1,232,443</b>	1,189,304
Interest and other finance costs		144,273	-	-	<b>144,273</b>	189,292
<b>Total</b>		<b>11,090,928</b>	<b>457,561</b>	<b>703,432</b>	<b>12,251,921</b>	<b>13,160,368</b>
<b>Net Surplus/(deficit) for the year before funds transfers</b>		(1,302,481)	(457,561)	(25,835)	(1,785,877)	(258,176)
<b>Funds transfers</b>	16	2,906,714	(2,906,714)	-	-	
<b>Net Surplus/(deficit) for the year after funds transfers</b>		<b>1,604,233</b>	<b>(3,364,275)</b>	<b>(25,835)</b>	<b>(1,785,877)</b>	<b>(258,176)</b>
<b>Fund balances brought forward at 1 August</b>		150,956	25,320,193	373,801	25,844,950	26,103,126
<b>Fund balances carried forward at 31 July</b>		<b>1,755,189</b>	<b>21,955,918</b>	<b>347,966</b>	<b>24,059,073</b>	<b>25,844,950</b>

The group statement of financial activities has been prepared on the basis that all operations are continuing operations. The statement of financial activities includes all gains and losses recognised in the year.

**Group Balance Sheet**

For the year ending 31 July 2020

The notes on pages 40-55 form part of these accounts

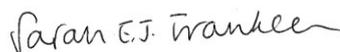
	Notes	2020	2020	2019	2019
<b>Fixed assets</b>					
Intangible assets	8		753,287		684,823
Tangible assets	9		29,815,911		30,743,967
Investments	10		46		46
			<u>30,569,244</u>		<u>31,428,836</u>
<b>Current assets</b>					
Stock	12	36,069		36,249	
Debtors	13	764,597		957,893	
Short term deposits and cash in hand	21	232,500		1,404,816	
		<u>1,033,166</u>		<u>2,398,958</u>	
<b>Current liabilities</b>					
Creditors: amount falling due within one year	14	(2,293,338)		(2,566,177)	
			<u>(1,260,172)</u>		<u>(167,219)</u>
<b>Net current liabilities</b>					
<b>Total assets less current liabilities</b>			<u>29,309,072</u>		<u>31,261,617</u>
Creditors: amounts falling due after more than one year	15		(5,250,000)		(5,416,667)
<b>Net assets</b>			<u>24,059,072</u>		<u>25,844,950</u>
<b>Funds</b>					
<b>Restricted funds</b>	18		347,965		373,801
<b>Designated funds</b>					
Property fund	18		21,955,919		25,320,193
<b>General unrestricted funds</b>	18		1,755,188		150,956
<b>Total Charity Funds</b>			<u>24,059,072</u>		<u>25,844,950</u>

The net result of LAMDA Ltd as a single entity was a deficit of £1,785,878 (2019: deficit of £258,294)

Approved by the Trustees and authorised for their issue on 12 November 2020 and signed on their behalf by:



**The Rt. Hon. Shaun Woodward**  
Chairman



**Sarah Frankcom**  
Director



**Lord Thomas Chandos**  
Director and Chair of the  
Finance Committee

**LAMDA Limited** (Limited by guarantee)

For the year ended 31 July 2020

The notes on pages 40-55 form part of these accounts

**LAMDA Ltd Balance Sheet**

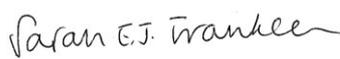
For the year ended 31 July 2020

	Notes	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Intangible assets	8		753,287		684,823
Tangible assets	9		29,815,911		30,743,967
Investments	10		346		346
			<u>30,569,544</u>		<u>31,429,136</u>
<b>Current assets</b>					
Stock	12	29,853		29,854	
Debtors	13	818,303		992,565	
Short term deposits and cash in hand		171,430		1,351,732	
		<u>1,019,586</u>		<u>2,374,151</u>	
<b>Current liabilities</b>					
Creditors: amount falling due within one year	14	(2,286,834)		(2,548,446)	
<b>Net current liabilities</b>			<u>(1,267,248)</u>		<u>(174,295)</u>
<b>Total assets less current liabilities</b>			<u>29,302,296</u>		<u>31,254,841</u>
Creditors: amounts falling due after more than one year	15		(5,250,000)		(5,416,667)
<b>Net assets</b>			<u>24,052,296</u>		<u>25,838,174</u>
<b>Funds</b>					
<b>Restricted funds</b>	18		347,965		373,801
<b>Designated funds</b>					
Property fund	18		21,955,918		25,320,193
<b>General unrestricted funds</b>	18		1,748,413		144,180
<b>Total Charity Funds</b>			<u>24,052,296</u>		<u>25,838,174</u>

Approved by the Trustees and authorised for their issue on 12 November 2020 and signed on their behalf by:



**The Rt. Hon. Shaun Woodward**  
Chairman



**Sarah Frankcom**  
Director



**Lord Thomas Chandos**  
Director and Chair of the  
Finance Committee

## Cashflow Statement

<b>Cash flows from operating activities</b>	21	<u>(494,367)</u>	<u>1,053,812</u>
<b>Cash flows from investing activities</b>			
Interest income		5,842	3,280
Payment to acquire tangible fixed assets		(372,850)	(548,857)
<b>Cash provided by (used in) investing activities</b>		<u>(367,008)</u>	<u>(545,577)</u>
<b>Cash flows from financing activities</b>			
Interest payments		(144,273)	(189,292)
Repayments of amounts borrowed		(166,667)	(333,333)
New secured loans		-	766,667
		<u>(310,940)</u>	<u>244,042</u>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<b>(1,172,315)</b>	<b>752,277</b>
Cash and cash equivalents at the beginning of the year		<u>1,404,815</u>	<u>652,538</u>
<b>Total cash and cash equivalents at the end of the year</b>		<u>232,500</u>	<u>1,404,815</u>

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

### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Higher Education Institutions registered as charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, issued March 2018) - (Charities SORP (FRS 102)), and the Companies Act 2006.

LAMDA Limited meets the definition of a public benefit entity under FRS 102—and therefore has applied the relevant public benefit requirements of FRS102.

The financial statements are prepared in accordance with the historical cost convention unless otherwise stated in the relevant note to the financial statements.

### **Preparation on a going concern basis**

The trustees consider that there are no material uncertainties about LAMDA's ability to continue as a going concern. A five-year plan has been prepared up to July 2024 which forecasts a return to surplus over the period. The plan has been shared with LAMDA's bankers and LAMDA expects that it will continue to meet the covenants in the long-term loan agreement which is described in Note 15. The review of the position, reserves and future plans gives the trustees confidence that LAMDA remains a going concern for the foreseeable future.

### **Basis of consolidation**

The results of LAMDA Limited's wholly owned subsidiary undertaking – LAMDA Enterprises Limited – have been consolidated in the financial statements. More details of the subsidiary are disclosed in Note 11.

### **Accounting judgements and estimates**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management will also consult with appropriate professional advisers when necessary to determine estimated income and expenditure.

The key estimates and assumptions in the financial statements are:

#### *Useful economic lives of tangible and intangible assets*

The annual depreciation charge for tangible assets and the amortisation charge for intangible assets are sensitive to changes in the estimated useful economic lives of the assets so these are re-assessed annually and amended when necessary to reflect current estimates.

LAMDA has applied to the Quality Assurance Agency for Higher Education to be granted degree awarding powers and costs in 2020 have been capitalised as an intangible asset on the assumption that it will be granted the right to award its own degrees.

#### *Theatre tax relief*

The tax claim for 2019-20 has been estimated based on previous tax claims and theatre productions over the past three financial years.

### **Recognition of income**

Income is recognised once there is an entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

#### *Tuition Fees*

Tuition fees represent all fees chargeable to students or their sponsors, received and receivable, which are attributable to the current accounting period net of discounts. The cost of any fees waived by LAMDA Limited is deducted from tuition fee income. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

#### *Donations and Legacies*

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

#### *Gifts in kind*

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the price the charity would otherwise have paid for the assets or the Trustees best estimate of this value.

#### *Grants*

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

- Grants received to fund capital expenditure are recorded as restricted income and transferred to General Funds when spent.

Grants and donations are only deferred when the donor has imposed conditions that must be met before LAMDA Limited has unconditional entitlement.

#### *Income from charitable activities*

Income is recognised from charitable activities as earned when the related services are provided. Income is recognised from other trading activities as earned when the related goods are provided.

#### *Investment income*

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

### **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. Expenditure is classified under the following activity headings:

- Costs of raising funds are those incurred in attracting voluntary income and in fundraising activities.
- Expenditure on charitable activities includes all costs related to the awarding of grants and the costs of Drama School and Examinations.

#### *Irrecoverable VAT*

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred only in the case of fixed assets, but to a separate general ledger code for all other expenditure.

#### *Allocation*

Expenditure is allocated and apportioned into various categories. Direct costs are allocated to each activity, as are costs that can be directly apportioned to each activity. Support costs relating to central services including management and administration are allocated to service areas on the basis of either floor area or gross expenditure.

#### *Operating leases*

Rental charges are charged on a straight-line basis over the life of the lease.

## Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

## Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets costing more than £2,000 (inclusive of VAT) are capitalised.

Fixed assets are not depreciated or amortised until they are brought into use.

Depreciation and amortisation are calculated to write off the costs of the fixed asset on a straight-line basis over their useful economic lives as follows:

Freehold buildings	50 years
Repairs to freehold buildings (upon the nature of the repair)	50 years or 10 years
Plant and Machinery	10 years
Office and theatres fixtures, fittings and equipment	10 years
Studio and stage equipment	3 years
Computers and IT equipment	3 years
Intangible fixed assets	5 years

Freehold land is not depreciated.

Intangible fixed assets comprise Cloud based IT software, Office for Students (OfS) registration and Degree Awarding Powers application developments.

## Creditors and provisions

Creditors and provisions are recognised where LAMDA 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.

## Debtors

Short term debtors are measured at transaction price, less any impairment.

## Stock

Stock is carried at the lower of purchase cost and net realisable value.

## Cash at bank and in hand

Cash at bank includes current and deposit accounts which are immediately available. Cash in hand is petty cash floats.

## **Foreign currency**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. All differences are recognised in the Statement of Financial Activities.

## **Financial instruments**

All financial assets and liabilities are basic financial instruments as defined in FRS 102. Basic financial instruments, including trade and other debtors and creditors, are initially recognised at transaction value and subsequently measured at their settlement value.

## **Funds**

Unrestricted funds are donations and other income received or receivable. These funds may be used at the discretion of the trustees towards meeting LAMDA's charitable objectives.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

## **Employee benefits**

- **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- **Employee termination benefits**

Termination benefits are accounted for on an accrual basis in accordance with FRS 102.

- **Pension scheme**

LAMDA operates a defined contribution pension scheme for the benefit of its employees to which LAMDA contributes. The assets of the scheme are held independently from LAMDA in an independently administered fund. The pensions costs charged in the financial statements represent LAMDA's contributions payable during the year.

## **Legal status**

LAMDA Limited is limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1 Tuition Fee income**

	<b>2020</b>		2019
	£	£	£
<b>Income from Higher Education Courses</b>		-	
Home/EU students - undergraduate BA courses	1,176,429		1,195,227
Overseas students - undergraduate BA courses	386,492		389,982
Accredited Shakespeare summer course	-		192,301
Semester courses	742,950		840,248
<b>Total undergraduate</b>		<b>2,305,872</b>	2,617,758
Home/EU students - postgraduate courses	534,187		484,078
Overseas students - postgraduate courses	926,090		852,433
<b>Total postgraduate</b>		<b>1,460,277</b>	1,336,511
<b>Total</b>		<b>3,766,148</b>	3,954,269
<b>Income from other courses</b>			
Summer courses		384,859	479,473
Foundation courses		401,910	390,210
<b>Total</b>		<b>786,769</b>	869,683
<b>Total Tuition Fee Income</b>		<b>4,552,917</b>	4,823,952

**2 Grant and related income**

	Unrestricted funds	Restricted funds	<b>2020</b>	2019
	£	£	£	£
Office for Students Teaching Grant	136,289	-	<b>136,289</b>	654,291
Higher Education Innovation Fund	1,350,119	-	<b>1,350,119</b>	199,512
Office for Students capital grant	13,315	-	<b>13,315</b>	-
	<u>1,499,723</u>	<u>-</u>	<b><u>1,499,723</u></b>	<u>853,803</u>

These grants are all from government funds. Grants were administered through the Conservatoire for Dance and Drama until August 2019.

**3 Income from donations, legacies and trading activities**

	Unrestricted funds	Restricted funds	<b>2020</b>	2019
	£	£	£	£
<b>Voluntary income</b>				
Donations	123,831	677,597	<b>801,428</b>	1,149,590
Legacies	-	-	-	30,000
	<u>123,831</u>	<u>677,597</u>	<u><b>801,428</b></u>	<u>1,179,590</u>
<b>Other income</b>				
Examinations and related activities	2,530,146	-	<b>2,530,146</b>	5,397,861
Trading activities, events and functions	180,016	-	<b>180,016</b>	265,030
Student accommodation	193,424	-	<b>193,424</b>	246,970
Miscellaneous income	30,164	-	<b>30,164</b>	35,311
Land and rental income	39,737	-	<b>39,737</b>	33,168
Theatre Tax relief	118,340	-	<b>118,340</b>	130,774
Audition Fees	111,995	-	<b>111,995</b>	265,971
Writeback of previously accrued income	6,576	-	<b>6,576</b>	(333,518)
Furlough rebate from HMRC	395,737	-	<b>395,737</b>	-
	<u>3,606,135</u>	<u>-</u>	<u><b>3,606,135</b></u>	<u>6,041,567</u>

**4 Investment income**

	Unrestricted funds	Restricted funds	Designated fund	<b>2020</b>	2019
	£	£	£	£	£
Bank interest receivable	<u>5,842</u>	<u>-</u>	<u>-</u>	<u><b>5,842</b></u>	<u>3,280</u>
<b>Prior Year</b>					
	Unrestricted funds	Restricted funds	Designated fund	<b>2019</b>	2018
	£	£	£	£	£
Bank interest receivable	<u>3,280</u>	<u>-</u>	<u>-</u>	<u><b>3,280</b></u>	<u>2,534</u>

**5 Staff costs and employees**

	<b>2020</b>	2019
	<b>No. FTE</b>	No. FTE
Drama School	<b>52</b>	52
Examinations	<b>33</b>	36
Fundraising	<b>5</b>	5
Trading Activities	<b>1</b>	5
Management and administration	<b>29</b>	24
	<b><u>121</u></b>	<u>122</u>

	<b>2020</b>	2019
The average number of employees (full and part-time) during the year was as follows:	<b>196</b>	210

	<b>2020</b>	2019
	<b>£</b>	£
Staff costs for the above persons are analysed as follows:		

Wages and salaries	<b>4,936,091</b>	4,596,697
Social Security	<b>474,835</b>	439,665
Pension costs	<b>171,174</b>	143,114
Redundancy payments	<b>200,000</b>	47,101
Holiday Accrual	<b>43,203</b>	197
	<b><u>5,825,303</u></b>	<u>5,226,774</u>

The redundancy cost of £200,000 in 2019-20 is a provision for costs of a restructuring proposal agreed by the Board of Trustees on July 23 2020.

	<b>2020</b>	2019
	<b>£</b>	£
Staff costs (for the above persons) are analysed as follows:		

Drama School	<b>2,958,376</b>	2,644,274
Examinations	<b>1,046,174</b>	1,040,792
Fundraising	<b>259,902</b>	260,360
Trading Activities	<b>89,864</b>	102,673
Management and administration	<b>1,470,987</b>	1,178,675
	<b><u>5,825,303</u></b>	<u>5,226,774</u>

In 2019 and 2020, no employee received basic pay in excess of £100,000.

## 5 Staff costs and employees (continued)

	2020 £	2019 £
Remuneration of the Acting Principal from August 1 2019 to November 5 2019 was as follows:		
	<b>Aug-Nov 2019</b>	Jan-July 2019
Basic Pay	<b>23,987</b>	55,417
Pension contributions	<b>1,313</b>	2,770
	<b><u>25,300</u></b>	<u>58,187</u>

	Nov 19- Jul 2020	
Remuneration of the Director from 6 November 2019 to July 31 2020 was as follows:		
Basic Pay	<b>85,852</b>	-
Pension contributions	<b>3,000</b>	-
	<b><u>88,852</u></b>	<u>-</u>

The Director and Acting Principal's basic salaries combined were £109,840. This was 2.7 times the median of staff basic pay (2019: 3.0 times) and their total remuneration combined (£114,152) was 2.7 times the median of staff total remuneration (2019: 3.1 times).

The remuneration of the Director and Acting Principal was and is determined by the Board of Directors acting on recommendations from its Nominations and Remuneration Committee.

The key management personnel comprises the senior management team and is made up of the following positions within the organisation:

- Director
- Executive Director
- Director of Commercial Development
- Head of Marketing & Communications
- Head of Drama School
- Head of Examinations
- Head of Finance
- Director of Development & Alumni Relations
- Head of Student and Academic Services
- Head of Technical Training
- Project Manager HEI

	2020 £	2019 £
The total remuneration and pensions paid to them in the year was:		
Salaries	<b>786,848</b>	725,050
Employer national insurance contributions	<b>97,859</b>	90,504
Employer pension contributions	<b>35,148</b>	32,853
Compensation payment	-	18,571
Legal expenses	-	-
	<b><u>919,855</u></b>	<u>866,978</u>
<b>Average annual salary of key management personnel (headcount)</b>	<b>71,532</b>	87,133

The compensation payment in 2019 related to one person.

## 6 Other Operating Expenses

	Unrestricted funds £	Restricted funds £	2020 £	2019 £
Examinations	1,055,962	-	<b>1,055,962</b>	2,210,218
Drama school	987,178	21,930	<b>1,009,108</b>	1,218,430
Student support	178,643	681,503	<b>860,146</b>	632,808
Commercial activities	309,805	-	<b>309,805</b>	504,463
IT and facilities	1,052,408	-	<b>1,052,408</b>	1,021,703
Central costs	762,475	-	<b>762,475</b>	967,377
	<u>4,346,470</u>	<u>703,433</u>	<u><b>5,049,903</b></u>	<u>6,554,998</u>

The figures for 2019-20 include the following expenditure to support students in financial hardship, and to encourage the widest pool of applications to LAMDA:

	Disabled students £	Non disabled students £	Total £
Bursaries and scholarships	-	454,815	454,815
Welfare and medical support	71,887	16,345	88,232
Outreach	-	143,050	143,050
Audition fee waivers	-	5,692	5,692
Capital expenditure to enhance physical accessibility	3,421	-	3,421
Central costs to deliver access and participation	-	32,320	32,320
	<u>75,308</u>	<u>652,222</u>	<u>727,530</u>

## 7 Movement in net income for the year

	2020 £	2019 £
After Charging:		
Depreciation	<b>1,232,443</b>	1,188,944
Loss on disposal of fixed assets	-	-
Operating leases - land and buildings	-	-
Operating leases - other	-	312
Auditors remuneration		
Audit	<b>24,290</b>	22,000
Other Services	<b>3,960</b>	8,900
Expenses reimbursed to trustees	<u>-</u>	<u>2,267</u>

No expenses were reimbursed to trustees in the current year (2018: £2,267). No Trustee received remuneration in the current or prior year.

	2020 £	2019 £
After Crediting:		
Professional fees relating to tax claim	<u>-</u>	<u>102,266</u>

A claim for recovery of Value Added Tax (VAT) was settled during 2018-19. LAMDA received professional advice on the negotiations with Her Majesty's Revenue & Customs and the advisers agreed to be paid on a contingency basis upon settlement of the claim. Up to 31 July 2017, total fees accrued were £235,492. The fees paid to the advisers when the claim was settled in March 2019 was £133,225. The difference of £102,266 has been credited to professional fees in 2019 (2020: nil).

**8 Intangible assets**  
*Group and Company*

	<b>Examinations &amp; Student Record Systems £</b>	<b>OfS Registration Development Costs £</b>	<b>Website Development £</b>	<b>Degree- Awarding Powers Costs £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 01 August 2019	617,177	143,371	51,039	70,428	882,015
Additions	107,412	-	29,575	117,307	254,294
Disposals	-	-	-	-	-
<b>At 31 July 2020</b>	<b>724,589</b>	<b>143,371</b>	<b>80,614</b>	<b>187,735</b>	<b>1,136,309</b>
<b>Depreciation</b>					
At 01 August 2019	197,192	-	-	-	197,192
Charge for the year	142,512	28,674	14,644	-	185,830
Disposals	-	-	-	-	-
<b>At 31 July 2020</b>	<b>339,704</b>	<b>28,674</b>	<b>14,644</b>	<b>-</b>	<b>383,022</b>
<b>Net book value</b>					
<b>At 31 July 2020</b>	<b>384,885</b>	<b>114,697</b>	<b>65,970</b>	<b>187,735</b>	<b>753,287</b>
At 01 August 2019	419,985	143,371	51,039	70,428	684,823

**9 Tangible assets**  
*Group and Company*

	<b>Freehold land and buildings £</b>	<b>Plant &amp; Machinery £</b>	<b>Office, studio, &amp; production equipment £</b>	<b>IT equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 01 August 2019	29,999,773	2,761,616	698,941	255,264	33,715,594
Additions	41,492	4,435	-	72,628	118,555
Reclassification	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 July 2020</b>	<b>30,041,265</b>	<b>2,766,051</b>	<b>698,941</b>	<b>327,892</b>	<b>33,834,149</b>
<b>Depreciation</b>					
At 01 August 2019	2,001,162	689,062	174,655	106,748	2,971,627
Charge for the year	597,975	276,271	76,598	95,769	1,046,613
Reclassification	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 July 2020</b>	<b>2,599,137</b>	<b>965,333</b>	<b>251,253</b>	<b>202,517</b>	<b>4,018,240</b>
<b>Net book value</b>					
<b>At 31 July 2020</b>	<b>27,442,127</b>	<b>1,800,718</b>	<b>447,689</b>	<b>125,376</b>	<b>29,815,911</b>
At 01 August 2019	27,998,611	2,072,554	524,286	148,516	30,743,967

An independent valuation by Jones Lang Lasalle IP Inc (commissioned by Barclays Bank) provided a market value of the freehold property in Talgarth Road, London of £29.8 million as at 25 July 2017.

## 10 Investments

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Listed securities at cost	46	46	46	46
Less: provision for impairment in value	-	-	-	-
	<u>46</u>	<u>46</u>	<u>46</u>	<u>46</u>
Unlisted subsidiary at cost			300	300
Cost or valuation at 31 July	<u>46</u>	<u>46</u>	<u>346</u>	<u>346</u>

## 11 Net Income from Trading Activities of LAMDA Enterprises Limited

LAMDA Limited owns the whole of the issued share capital of LAMDA Enterprises Limited. The company is registered in England and gifts its taxable profits to LAMDA Limited via gift aid. From January 2017, the company has resumed trading, and therefore the results and balance sheet of the company has been consolidated with LAMDA Limited.

	2020 £	2019 £
Turnover	127,662	178,406
Net operating expenses	(113,382)	(160,474)
Operating profit	14,280	17,932
Payment under gift aid	(13,380)	(17,815)
Profit on ordinary activities after taxation	900	117
Profit brought forward	6,775	6,658
Retained profit carried forward	<u>7,675</u>	<u>6,775</u>

The profit brought into the consolidated accounts all relates to external trading.

The share capital of LAMDA Enterprises is held by LAMDA Limited

	2020	2019
	<u>300</u>	<u>300</u>

## 12 Stock

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Examinations Stock	29,853	29,854	29,853	29,854
Bar Stock	6,216	6,395	-	-
	<u>36,069</u>	<u>36,249</u>	<u>29,853</u>	<u>29,854</u>

## 13 Debtors

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	36,846	28,671	35,676	27,610
Other debtors	124,120	79,038	124,120	79,038
Other taxation and social security	284,516	312,442	284,516	312,442
Prepayments and accrued income	319,115	537,742	319,115	537,742
Amount owed by subsidiary	-	-	54,876	35,733
	<u>764,597</u>	<u>957,893</u>	<u>818,303</u>	<u>992,565</u>

14 CREDITORS: amounts falling due within one year	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Deferred income	963,727	1,316,381	963,220	1,313,624
Trade creditors	242,484	379,598	242,484	376,910
Accruals	477,901	288,712	474,901	282,256
Taxation and social security	138,076	130,525	138,391	124,695
Other creditors	137,818	117,628	134,505	117,628
Amount owed to subsidiary	-	-	-	-
Loan repayable (note 14)	333,333	333,333	333,333	333,333
	<b>2,293,338</b>	<b>2,566,177</b>	<b>2,286,834</b>	<b>2,548,446</b>

Analysis of Deferred Income	Group		Company	
	2020 £	2019 £	2020 £	2019 £
At 01 August	1,316,381	1,337,709	1,313,624	1,337,419
Acquired	963,727	1,316,381	963,220	1,313,624
Released	(1,316,381)	(1,337,709)	(1,313,624)	(1,337,419)
<b>At 31 July</b>	<b>963,727</b>	<b>1,316,381</b>	<b>963,220</b>	<b>1,313,624</b>

Deferred income includes course fees, exam income and hoardings income received in advance.

15 CREDITORS: amounts falling due after more than one year	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Barclays Bank plc	5,250,000	5,416,667	5,250,000	5,416,667

The bank loan is for ten years maturing in December 2026 which may be renewed for a further eight years. The repayment profile of the loan capital has been calculated on an eighteen year amortisation profile of £333,333 payable on a quarterly basis. Interest is also payable quarterly and is on a floating rate basis with a current margin of 2.05% above 3 month LIBOR. The margin up to December 2018 was 2.25%. From December 2019 the rate was fixed at 2.945%. Barclays have a charge against the property held by LAMDA as security for this loan.

Loan details: repayable as follows:

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Within one year (note 14)	333,333	333,333	333,333	333,333
Within two to five years	1,666,667	1,666,667	1,666,667	1,666,667
Over 5 years	3,583,333	3,750,000	3,583,333	3,750,000
	<b>5,583,333</b>	<b>5,750,000</b>	<b>5,583,333</b>	<b>5,750,000</b>

## 16 Operating lease commitments

At the year-end, the charity was committed to make the following payments in total in respect of operating leases.

	Equipment		Land and Buildings	
	2020 £	2019 £	2020 £	2019 £
Within one year	-	-	89,178	83,152
Within two to five years	-	-	89,736	89,178
	<b>-</b>	<b>-</b>	<b>178,914</b>	<b>172,330</b>

The land and buildings relate to Druid Street, Bermondsey and 2 railway arches at Stamford Brook.

## 17 Capital and Reserves

The company is limited by guarantee and does not have share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 July 2020 there were 17 members (2019: 18), who were all trustees.

No reconciliation of movements in shareholders' funds has been prepared as the company has no shareholders.

LAMDA Limited (Limited by guarantee)  
and subsidiary company  
**Notes to the financial statements**  
For the year ended 31 July 2020

**18 Reconciliation of funds and movements on reserves**

<i>Group</i>	<b>Balance at 01 August 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Net income/ expenditure</b>	<b>Transfers</b>	<b>Net movement in funds</b>	<b>Balance at 31 July 2020</b>
	£	£	£	£	£	£	£
<b>Restricted funds</b>							
Act Now! fund	-	-	-	-	-	-	-
Bursary fund	184,811	380,103	(454,815)	(74,712)	-	(74,712)	<b>110,099</b>
Hardship	60,524	36,429	(22,959)	13,470	-	13,470	<b>73,994</b>
AFLAMDA (The American Friends of the London Academy of Music and Dramatic Art (LAMDA), Inc)	-	12,692	(7,724)	4,968	-	4,968	<b>4,968</b>
Production programme support	1,000	39,533	(21,930)	17,603	-	17,603	<b>18,603</b>
Brian Tilston award	4,900	-	(4,900)	(4,900)	-	(4,900)	-
Pathways	97,110	50,500	(123,605)	(73,105)	-	(73,105)	<b>24,005</b>
LAMDA Genesis Network	25,456	25,000	(19,445)	5,555	-	5,555	<b>31,011</b>
Capital repairs and renewals	-	133,340	(48,055)	85,285	-	85,285	<b>85,285</b>
	<u>373,801</u>	<u>677,597</u>	<u>(703,433)</u>	<u>(25,836)</u>	<u>-</u>	<u>(25,836)</u>	<u><b>347,965</b></u>
<b>Unrestricted funds</b>							
General fund	150,955	9,788,448	(11,090,928)	(1,302,481)	2,906,714	1,604,233	<b>1,755,188</b>
<b>Designated fund</b>							
Property fund	25,320,193	-	(457,561)	(457,561)	(2,906,714)	(3,364,275)	<b>21,955,918</b>
<b>Total funds</b>	<u>25,844,950</u>	<u>10,466,045</u>	<u>(12,251,922)</u>	<u>(1,785,878)</u>	<u>-</u>	<u>(1,785,878)</u>	<u><b>24,059,071</b></u>
<i>Company</i>							
	<b>Balance at 01 August 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Net income/ expenditure</b>	<b>Transfers</b>	<b>Net movement in funds</b>	<b>Balance at 31 July 2020</b>
	£	£	£	£	£	£	£
<b>Restricted funds</b>							
Act Now! fund	-	-	-	-	-	-	-
Bursary fund	184,811	380,103	(454,815)	(74,712)	-	(74,712)	<b>110,099</b>
Hardship	60,524	36,429	(22,959)	13,470	-	13,470	<b>73,994</b>
AFLAMDA (The American Friends of the London Academy of Music and Dramatic Art (LAMDA), Inc)	-	12,692	(7,724)	4,968	-	4,968	<b>4,968</b>
Production programme support	1,000	39,533	(21,930)	17,603	-	17,603	<b>18,603</b>
Brian Tilston award	4,900	-	(4,900)	(4,900)	-	(4,900)	-
Pathways	97,110	50,500	(123,605)	(73,105)	-	(73,105)	<b>24,005</b>
LAMDA Genesis Network	25,456	25,000	(19,445)	5,555	-	5,555	<b>31,011</b>
Capital repairs and renewals	-	133,340	(48,055)	85,285	-	85,285	<b>85,285</b>
	<u>373,801</u>	<u>677,597</u>	<u>(703,433)</u>	<u>(25,836)</u>	<u>-</u>	<u>(25,836)</u>	<u><b>347,965</b></u>
<b>Unrestricted funds</b>							
General fund	144,180	9,749,309	(11,051,790)	(1,302,481)	2,906,714	1,604,233	<b>1,748,413</b>
<b>Designated fund</b>							
Property fund	25,320,193	-	(457,561)	(457,561)	(2,906,714)	(3,364,275)	<b>21,955,918</b>
<b>Total funds</b>	<u>25,838,174</u>	<u>10,426,906</u>	<u>(12,212,784)</u>	<u>(1,785,878)</u>	<u>-</u>	<u>(1,785,878)</u>	<u><b>24,052,296</b></u>

LAMDA Limited (Limited by guarantee)  
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**Notes to the financial statements**  
For the year ended 31 July 2020

**18 Reconciliation of funds and movements on reserves (continued)**

**Prior Year**

**Group**

	Balance at 01 August 2018	Income	Expenditure	Net income/ expenditure	Transfers	Net movement in funds	Balance at 31 July 2019
	£	£	£	£	£	£	£
<b>Restricted funds</b>							
Act Now! fund	-	100,000	-	100,000	(100,000)	-	-
Bursary fund	161,158	449,036	(425,383)	23,653	-	23,653	184,811
Hardship	41,348	25,546	(6,370)	19,176	-	19,176	60,524
AFLAMDA (The American Friends of the London Academy of Music and Dramatic Art (LAMDA), Inc)	3,589	(28,753)	25,164	(3,589)	-	(3,589)	-
Production programme support	3,000	-	(2,000)	(2,000)	-	(2,000)	1,000
Brian Tilston award	4,900	-	-	-	-	-	4,900
Poetry Award	-	-	-	-	-	-	-
Pathways	84,017	58,161	(45,068)	13,093	-	13,093	97,110
LAMDA Genesis Network	19,666	25,000	(19,210)	5,790	-	5,790	25,456
Capital repairs and renewals	-	-	-	-	-	-	-
	<u>317,678</u>	<u>628,990</u>	<u>(472,867)</u>	<u>156,123</u>	<u>(100,000)</u>	<u>56,123</u>	<u>373,801</u>
<b>Unrestricted funds</b>							
General fund	465,255	12,273,202	(12,040,337)	232,865	(547,164)	(314,299)	150,956
<b>Designated fund</b>							
Property fund	25,320,193	-	(647,164)	(647,164)	647,164	-	25,320,193
<b>Total funds</b>	<u>26,103,126</u>	<u>12,902,192</u>	<u>(13,160,368)</u>	<u>(258,176)</u>	<u>-</u>	<u>(258,176)</u>	<u>25,844,950</u>

**Company**

	Balance at 01 August 2018	Income	Expenditure	Net income/ expenditure	Transfers	Net movement in funds	Balance at 31 July 2019
	£	£	£	£	£	£	£
<b>Restricted funds</b>							
Act Now! fund	-	100,000	-	100,000	(100,000)	-	-
Bursary fund	161,158	449,036	(425,383)	23,653	-	23,653	184,811
Hardship	41,348	25,546	(6,370)	19,176	-	19,176	60,524
AFLAMDA (The American Friends of the London Academy of Music and Dramatic Art (LAMDA), Inc)	3,589	(28,753)	25,164	(3,589)	-	(3,589)	-
Production programme support	3,000	-	(2,000)	(2,000)	-	(2,000)	1,000
Brian Tilston award	4,900	-	-	-	-	-	4,900
Poetry Award	-	-	-	-	-	-	-
Pathways	84,017	58,161	(45,068)	13,093	-	13,093	97,110
LAMDA Genesis Network	19,666	25,000	(19,210)	5,790	-	5,790	25,456
Capital repairs and renewals	-	-	-	-	-	-	-
	<u>317,678</u>	<u>628,990</u>	<u>(472,867)</u>	<u>156,123</u>	<u>(100,000)</u>	<u>56,123</u>	<u>373,801</u>
<b>Unrestricted funds</b>							
General fund	458,597	12,214,930	(11,982,183)	232,747	(547,164)	(314,417)	144,180
<b>Designated fund</b>							
Property fund	25,320,193	-	(647,164)	(647,164)	647,164	-	25,320,193
<b>Total funds</b>	<u>26,096,468</u>	<u>12,843,920</u>	<u>(13,102,214)</u>	<u>(258,294)</u>	<u>-</u>	<u>(258,294)</u>	<u>25,838,174</u>

### **Restricted funds**

The restricted funds are held for the following purposes:

Act Now! fund	Income generated by a dedicated fundraising campaign to provide funds for the redevelopment of 155 Talgarth Road.
Bursary fund	Funds given to help students with fees and living expenses.
Hardship	An emergency fund to support students who suffer unexpected, short term financial difficulties. This fund cannot be used for fee payments.
AFLAMDA	Funds raised to provide bursaries to students studying at the Academy. Shaun Woodward is the director of AFLAMDA.
Production programme support	Funds for sponsorship and programme development in furtherance of the learning experiences of LAMDA students.
Brian Tilston award	Annual award for highest scoring candidate passing the gold award for speaking verse and prose.
Pathways	Funds from John Lyon's Charity for outreach into the local community targeting young people from diverse backgrounds with a view to pursuing training and employment in the creative industries over 2 years.
Genesis LAMDA Network	Funds from Eranda Rothschild to support LAMDA graduates find gainful employment.

### **Designated fund**

Property fund	Net book value of freehold land and buildings at 155 Talgarth Road less loans taken out against these assets.
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## 19 Analysis of net assets between funds

	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
<b>Group</b>					
Restricted funds			347,965		<b>347,965</b>
Designated fund	21,955,919				<b>21,955,919</b>
Unrestricted funds	8,613,279	46	(1,608,137)	(5,250,000)	<b>1,755,188</b>
	<u>30,569,198</u>	<u>46</u>	<u>(1,260,172)</u>	<u>(5,250,000)</u>	<u><b>24,059,072</b></u>

### Company

Restricted funds	-	-	347,965	-	<b>347,965</b>
Designated fund	21,955,918	-		-	<b>21,955,918</b>
Unrestricted funds	8,613,280	346	(1,615,213)	(5,250,000)	<b>1,748,413</b>
	<u>30,569,198</u>	<u>346</u>	<u>(1,267,248)</u>	<u>(5,250,000)</u>	<u><b>24,052,296</b></u>

### Prior Year

	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
<b>Group</b>					
Restricted funds	-	-	373,801	-	<b>373,801</b>
Designated fund	25,320,193	-	-	-	<b>25,320,193</b>
Unrestricted funds	6,108,597	46	(541,020)	(5,416,667)	<b>150,956</b>
	<u>31,428,790</u>	<u>46</u>	<u>(167,219)</u>	<u>(5,416,667)</u>	<u><b>25,844,950</b></u>

### Company

Restricted funds	-	-	373,801	-	<b>373,801</b>
Designated fund	25,320,193	-	-	-	<b>25,320,193</b>
Unrestricted funds	6,108,597	346	(548,096)	(5,416,667)	<b>144,180</b>
	<u>31,428,790</u>	<u>346</u>	<u>(174,295)</u>	<u>(5,416,667)</u>	<u><b>25,838,174</b></u>

## 20 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

## 21 Reconciliation of net income to net cash inflow from operating activities

	2020 £	2019 £
<b>Net income / (expenditure) for the year</b>	(1,785,877)	(258,178)
Add back depreciation charge	1,232,443	1,188,944
Deduct interest income shown in investing activities	(5,842)	(3,280)
Include interest paid for long term loan	144,273	189,292
(Increase) decrease in stock	180	(3,719)
(Increase) decrease in debtors	193,295	597,895
(Decrease) increase in creditors	(272,839)	(657,142)
Increase (decrease) in long term creditors excluding loan repayments	-	-
Loss (Gain) on disposals of fixed assets	-	-
Loss (Gain) on investments	-	-
<b>Net cash used in operating activities</b>	<u>(494,367)</u>	<u>1,053,812</u>

## 22 Related Parties

Under FRS102 section 33, LAMDA has taken advantage of the exemption not to disclose transactions with wholly owned subsidiaries.

Shaun Woodward is a director of American Friends of LAMDA (AFLAMDA). John Owen is a Trustee of Fidelity UK Foundation.

£5,600 donations were received from trustees personally in 2020 (2019: £16,525).

## 23 Financial instruments

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	<u>269,346</u>	<u>1,433,487</u>	<u>207,106</u>	<u>1,379,342</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>242,484</u>	<u>379,598</u>	<u>242,484</u>	<u>376,910</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and trade debtors.

Other financial liabilities measured at amortised cost comprise trade creditors.

## 24 Income and Expenditure breakdown - unrestricted income and expenditure

	2020	Group	2019
	£		£
<b>Tuition Fees and education contracts</b>			
Income from Higher Education	3,425,108		3,311,929
Income from short courses	1,127,809		1,512,022
	<u>4,552,917</u>		<u>4,823,951</u>
<b>Funding Body Grants</b>			
Teaching Grant	149,604		654,291
Other grants	1,350,119		199,512
	<u>1,499,723</u>		<u>853,803</u>
<b>Other income</b>			
Job retention scheme	395,737		0
Exam fee income	2,523,201		5,353,656
Other exam income	6,945		44,205
Audition fee income	111,995		265,971
Student accommodation	193,424		246,970
Commercial income	180,016		265,030
Lettings	39,737		33,168
Theatre Tax Relief income	118,340		130,774
Writeback	6,576		(333,518)
Other earned	30,164		35,311
	<u>3,606,135</u>		<u>6,041,566</u>
<b>Donations and Endowments</b>			0
Trusts and Foundations	20,333		84,374
Patrons schemes	26,188		30,430
Individual donors and alumni	26,895		105,102
Legacy donations	0		30,000
Events and performances, miscellaneous	2,225		232,729
Gift Aid	22,470		42,966
Corporate giving	25,720		25,000
Miscellaneous donations	0		0
	<u>123,831</u>		<u>550,600</u>
Bank interest received	5,842		3,280
<b>Total Income</b>	<b>9,788,448</b>		<b>12,273,202</b>

## 24 Income and Expenditure - unrestricted (continued)

<b>Expenditure</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Permanent staff wages and salaries	3,474,233	3,505,109
Permanent staff National Insurance	375,202	376,092
Permanent staff Pension costs	131,733	120,431
	<u><b>3,981,168</b></u>	<u><b>4,001,632</b></u>
Teaching Staff wages and salaries	926,072	897,893
Teaching staff National Insurance	73,583	63,573
Teaching staff pension costs	27,989	22,684
	<u><b>1,027,644</b></u>	<u><b>984,150</b></u>
Casual staff	183,913	240,993
Furlough staff wages and salaries	395,076	0
Furlough staff National Insurance	26,050	0
Furlough staff Pension costs	11,452	0
	<u><b>432,578</b></u>	<u><b>0</b></u>
Redundancy costs provision	200,000	0
Total staff costs	<u><b>5,825,303</b></u>	<u><b>5,226,775</b></u>
<b>Non-pay costs</b>		
<b>Other operating costs</b>		
<b>Exam costs</b>		
Examiners	593,271	1,109,622
Exam costs	462,691	1,100,595
	<u><b>1,055,962</b></u>	<u><b>2,210,218</b></u>
<b>Drama School and student costs</b>		
Productions	564,298	681,614
Rent of workshops and rehearsal spaces	50,654	52,167
Academic and curriculum costs	163,133	220,350
Teaching fees	21,423	23,302
Accommodation expenditure	187,670	240,997
	<u><b>987,178</b></u>	<u><b>1,218,430</b></u>
<b>Student support costs</b>		
Bursaries and scholarships	88,645	93,878
Student support and access	89,998	66,063
	<u><b>178,643</b></u>	<u><b>159,941</b></u>

**24 Income and Expenditure - unrestricted (continued)**

**Income generation**

Cost of sales	52,075	130,544
Marketing and recruitment	196,187	219,142
Development activities	<u>61,542</u>	<u>154,777</u>
	<b>309,805</b>	<b>504,463</b>

**IT and facilities**

IT	451,923	370,362
Telephone and Internet	11,850	17,519
Cleaning and waste	162,606	193,528
Rates and utilities	174,023	183,899
Equipment and maintenance	204,487	207,175
Premises costs	<u>47,520</u>	<u>49,219</u>
	<b>1,052,408</b>	<b>1,021,703</b>

**Central costs**

Printing and postage	66,859	104,695
Insurance	78,652	92,732
Legal and consultancy	114,182	106,498
Subscriptions	50,148	30,869
Travel and subsistence	16,681	43,856
Governance and regulation	54,784	(47,266)
Employee support and training	4,250	4,427
bad and doubtful debts	29,385	54,481
Finance costs	54,095	68,383
Irrecoverable VAT	276,761	310,395
Agency and casual staff	98,397	163,054
Other staff costs	51,832	147,271
Miscellaneous	12,999	10,729
Internal costs transfers	<u>(146,550)</u>	<u>(122,745)</u>
	<b>762,475</b>	<b>967,377</b>

Depreciation	1,232,443	1,189,304
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