



LAMDA

LAMDA Limited
(A company limited by guarantee)

**Annual Report & Financial
Statements**

**For the year ended
31 July 2019**

Company number 364456
Charity number 312821

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Legal and administrative information

For the year ending 31 July 2019

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 Resolution on 21 June 2018).

Board of Trustees/Directors

All members of the Board served throughout the year and to the date of this report and are considered to be independent and non-executive (except as otherwise noted).

Chairman Rt. Hon. Shaun Woodward (4)
Shamez Alibhai (2)
Matt Applewhite (1)
Olga Basirov (2)
Tom Chandos (Vice Chair) (1, 2 & 4)
Mark Cornell
Prof Mohammed Dastbaz (1) (appointed 28 February 2019)
Sarah Habberfield (Vice Chair) (3 & 4)
Joanne Hirst (1)
Patricia Hodge OBE (4)
Richard Johnston (resigned 1st March 2019)
Prof Anne-Marie Kilday (resigned 17th October 2018)
Thomas Laing-Baker (3 & 4)
Prof April McMahon (appointed 28 February 2019)
Robert Noble (2) (resigned 28th February 2019)
John Owen CMG MBE DL (3)
Jemma Redgrave (appointed 24th October 2019)
Prof Sir Peter Scott (resigned 17th October 2018)
Sam Stafford (Trustee who is also a student)
Prof Carol-Anne Upton (3) (appointed 28 February 2019)
Helen Wright (2)

Clerk to the Board of Trustees Justine Stephenson

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: ⁽¹⁾Examinations ⁽²⁾Finance ⁽³⁾Audit and Risk ⁽⁴⁾Nominations, Remuneration & Human Resources

Registered with the Charities Commission (registration number 312821)

Legal and administrative information

For the year ending 31 July 2019

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

Principal	Joanna Read (resigned January 2019)
Chief Operating Officer	Peter Holliday (Acting Principal January-November 2019)
Director of Commercial Development	Georgina Firmin (Acting Head of Exams January-July 2019)
Director of Development & Alumni Relations	Lyndel Harrison
Head of Drama School	Rodney Cottier
Head of Technical Training	Rob Young
Head of Academic Services	Ian Warren
Project Manager HEI	Sue Rivers
Head of Marketing & Communications	Richard Scandrett
Head of Examinations	John Lawton (resigned January 2019), Andy Pitts (appointed July 2019)
Head of Finance	Peter Nickals (resigned February 2019) John Garnham (appointed February 2019)

Website:	www.lamda.ac.uk
Twitter:	@LAMDA drama
Facebook:	www.facebook.com/LAMDA drama
YouTube:	www.youtube.com/LAMDA channel
Instagram:	www.instagram.com/lamdadrama/

Chairman's Introduction

This has been a challenging yet ultimately successful year for LAMDA and one in which we made significant progress towards our vision of establishing ourselves as an independent drama school with degree awarding powers, diverse and engaged 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.

Another year of dedication and attention to the needs of our students in the Drama School and Technical Training resulted in 24 public productions of excellent quality produced in our three theatres at Talgarth Road and on a successful tour production to Bowness and Bury St Edmunds. Former LAMDA students once again achieved numerous industry honours and awards. Success in the field of screen and audio was particularly gratifying and reflective of investment in this area over a number of years. LAMDA Examinations continued to expand, delivering a record number of examinations to children and young people across 34 countries. In the UK and overseas our partners continue to tell us of the major boost a course of study resulting in achievement of a LAMDA examination grade can give to the confidence and ambition of children and young people, regardless of whether or not they aspire to a career in the creative arts.

The Academy was successfully approved as a Higher Education Provider during the course of the year we made arrangements for the next stage in our journey to full independence; eventually parting from the Conservatoire for Dance and Drama by mutual agreement on 31st July 2019 and ending a fruitful partnership with the CDD and its constituent academies. Our formal application for Degree Awarding Powers (DAPs) was made to the Office for Students (OfS) and subsequently referred to the Quality Assurance Agency (QAA) to conduct a full DAPs review of LAMDA in academic year 2019/20 and LAMDA remains on track to welcome its first students onto LAMDA degree courses in September 2020.

Financial performance dipped during the year. It was established very early on that the initial budget, predicated as it was on good final quarter performance in 2017/18 and major growth in Examinations, faced significant headwinds. Lower than expected growth in the number of LAMDA examinations and a modest fall in student fee income, combined with the need to further invest in IT and facilities resulted in a net deficit for the year. Tight control of costs, detailed reforecasting and realistic budget setting have produced revised forecasts that have the confidence of our Bank, which, in the light of revised projections, has removed one of three loan covenants which had linked EBITDA and interest repayment ratios. We ended the year with a financial performance which is a significant milestone on the return to full surplus accounts within the next three years.

I am grateful for the continuing work and support of our Board. Philip Carne MBE retired in October. Philip has been a tremendous and loyal advocate of LAMDA for many years and we have been very fortunate to have had the relentlessly generous support of both Philip and Christine, and indeed all of The Carne Trust, from which many LAMDA and other students have benefitted through Carne Scholarships. The Board marked Phillip's retirement with a dinner and Fellowship in October. At the same dinner a LAMDA Fellowship was presented to Timothy West CBE for his long and distinguished service as President. I am delighted to record that Tim also received an Honorary Doctorate from our awarding body, the University of Kent.

We were sad to say farewell to Professor Sir Peter Scott and Professor Anne-Marie Kilday who both had to step back from the Board prematurely for personal reasons. We also bade farewell to Richard Johnston and Robert Noble during the year. I am thankful to all retiring and current Trustees for their generous contribution of time and expertise at Board meetings and in committee work. I am delighted that we have seen a net gain in the number of trustees with experience of HE being replenished with the recruitment of Professor Mohammad Dastbaz (Deputy Vice Chancellor at the University of Suffolk), Professor April McMahon (Deputy Vice Chancellor at the University of Kent when she joined the Board and now Vice-President for Teaching, Learning and Students at the University of Manchester) and Professor Carole-Anne Upton (Pro Vice Chancellor and Executive Dean of the Faculty of Arts and Creative Industries at Middlesex University). We were especially pleased that the year saw Sam Stafford take his place on the Board as our first Trustee who is also a current LAMDA student, playing an invaluable role by representing the student voice in our discussions.

LAMDA Limited (Limited by guarantee)

and subsidiary company

Chairman's introduction

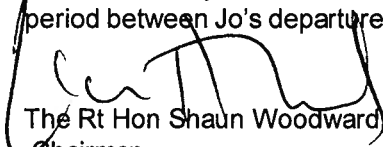
For the year ending 31 July 2019

Robin Graham, Clerk to the Board, departed during the year to be replaced by Justine Stephenson. Justine, a lawyer with a long experience of governance in HE, has taken on the work of continuous improvement to our governance through our Governance Development Plan which has seen the creation of two new committees; the Education Committee to oversee LAMDA Higher Education, and the Development Committee, which acts as a focus for our fundraising.

Benedict Cumberbatch CBE and Dame Janet Suzman DBE have continued to show outstanding support and commitment to LAMDA. They, the Trustees, and LAMDA staff and students as a whole came together at the end of the year to produce a staggeringly successful inaugural biennial LAMDA Gala, raising over £240,000 for the Academy.

I wish to express our thanks to the many individuals, trusts and foundations who continue to support LAMDA, especially through contributions to supporting students through scholarships and bursaries. This remains a critical part of LAMDA's commitment to ensure our training is accessible to everybody regardless of financial circumstances. Notable donors who have contributed this year to our continuing work to broaden participation include the Genesis Foundation, the John Lyons Foundation and the Esmée Fairbairn Foundation. We are especially pleased this year to see our partnership with Audible go from strength to strength, supporting exciting new work and enabling our talented graduates to make successful transitions to careers in the Industry. Our patrons and friends continue to support the core work of LAMDA, to enable our mission to train exceptional artists of every generation to be fulfilled.

The year saw Joanna Read depart LAMDA after eight years of remarkable leadership which included the realisation of our new building and the commencement of LAMDA's journey towards independence and achievement of DAPs. We are delighted that Sarah Frankcom, a stand-out director on the British stage in recent years and currently Creative Director at the Manchester Royal Exchange Theatre, will join LAMDA as our new Director from November 2019. Meanwhile, the Board and I are grateful to the Senior Management Team, and to Peter Holliday, LAMDA's Chief Operating Officer, for providing leadership as Acting Principal during the critical period between Jo's departure and Sarah's arrival.



The Rt Hon Shaun Woodward
Chairman

Acting Principal's Report

2018-19 was a year of transition for LAMDA. It was the first year in which we appeared on the Office for Students' (OfS) Register of Higher Education Providers; with LAMDA an independent provider in our own right, directly accountable to the regulator. Meanwhile it was also our final year as a constituent of the Conservatoire for Dance and Drama (CDD) which we ceased membership of on 31st July 2019. These milestones were further progression towards our goal of gaining Degree Awarding Powers (DAPs). In December 2018 we formally applied for such powers and our application was referred to the Quality Assurance Agency (QAA) for full review. At time of writing the review is in full swing and we remain on track to be able to welcome our first students on LAMDA awarded HE courses from autumn 2020.

Whilst LAMDA has continued its progression to further independence, so the OfS too has been changing, with full powers granted to the Regulator from 1st August 2019. Like other institutions, LAMDA has been required to revise a number of key strategies as the OfS has called for institutional plans to meet its emergent policies. A new PREVENT action plan has been put in place and a five-year Access and Participation Plan written and agreed with the OfS. We commenced submission of data returns to the Higher Education Statistics Agency (HESA) direct, rather than through the CDD, and made a first Teaching Excellence Framework (TEF) submission based solely on LAMDA data over the last five years, and which resulted in conferment of a TEF Gold award.

The support of our outstanding and committed Board of Trustees through this demanding year has been consistent and invaluable. Trustees have worked tirelessly in committees, Board meetings and less formally at LAMDA events and discussions, often behind the scenes. I am enormously grateful for the encouragement and scrutiny the Board has provided to the Executive during the year. Whilst most evident in the stunning success of our LAMDA Gala, the rigorous and imaginative governance, and collaborative leadership Trustees have provided has been fundamental to successful in a year that produced more than its fair share of challenge.

Whilst changes in our regulatory environment have required adjustment and investment, we have remained focused on maintaining and enhancing the quality of what we do in the studio, classroom and theatre. The achievements of students and graduates are continued testimony to the high standards of our training and the dedication of our staff. In the BBC Carlton Hobbs Awards LAMDA students were commended in almost every category with Scarlett Courtney (Foundation Degree) one of just five from 78 entries awarded a Carlton Hobbs bursary whilst at the same awards Ell Potter (Foundation Degree) received the offer of a freelance engagement in a BBC radio production.

In December 2018 our Board of Trustees approved a five year framework for strategic development in the form of a 2018-2023 strategy map, replacing the previous strategic plan. In line with the strategy the first year of the MFA course was successfully delivered to plan with a first cohort of 26 students. As part of burgeoning research and scholarly activity in the Academy the Virtual Conservatoire Project was delivered; seeing 'real time' remote collaboration between institutions using the latest audio and video technology. A final performance of new work linking casts in Bristol and London marked the culmination of this ground-breaking collaboration between LAMDA and several other drama schools and music academies.

A commitment to work on 'Decolonisation of the Curriculum' has resulted in review of anthologies and texts in both the Drama School and LAMDA Examinations and consideration of a wide range of issues related to providing improved support at LAMDA for students from low representation groups of all kinds. We have made good progress with a LAMDA-wide Mental Health and Wellbeing plan; training mental health first aiders and putting in a place 'Big White Wall'; an online resource to help promote better mental health for students and staff. Academic Board and its sub-committees continued to meet through a year which saw the embedding of quality assurance and enhancement. Reflective practice is evident in the operation of our committees, in teaching observations and has been underpinned by the rising number of teachers qualified as Fellow or Senior Fellows under the Higher Education Academy scheme for enhanced practice. The Equality Diversity and Inclusion group is now an officially recognised committee of Academic Board and an important forum as LAMDA improves its student learning and student support systems for a more diverse student body. An important development has been the co-creation by students and staff of a LAMDA 'Ensemble Commitment' setting out the legitimate expectations of everyone training at LAMDA and routes for remediation should our values and standards not be observed. The Ensemble Commitment is in use and displayed in all studios.

We have made investment in ICT infrastructure, substantially upgrading our physical and virtual computing environment and making the latest Microsoft 365 environment and suite of application available to students and staff on any device, at LAMDA, or worldwide via a new remote desk-top facility. The ExamTrack Project successfully completed configuration of the system to be able to support LAMDA private examination centres and a roll-out of Celcat timetabling software enhancement has made timetabling information accessible to all students and staff via any device.

Facilities and services have continued to improve with considerable progress made in reducing a maintenance backlog in the older part of the estate and contracts retendered to ensure value for money. Our new West Wing building has performed well in its second full year of operation. We were delighted to see further commendations for the West Wing building with presentation of an RIBA Regional Award to Architects Niall McLaughlin.

LAMDA Examinations expanded to deliver record volumes. However, the growth fell short of expectations resulting in a need for in-year savings. This, plus slightly lower than expected student fee income resulted in significant in-year cost restraint and reforecasting. As anticipated, income was also affected by the loss of Institution Specific Teaching Allowance (ISTA), whilst this reduced income in 2018/19 the loss of ISTA has been more than offset for 2019/20 onwards with confirmation of a significantly enhanced Higher Education Innovation Fund (HEIF) allocation, reflecting LAMDA's excellent business and community engagement in recent years, particularly through the activity of LAMDA Examinations. We consulted with the Bank over both a projected in-year deficit and a budget deficit for 2019/20. LAMDA's strategy and in-year cost controls were explained and in a demonstration of confidence in the re-worked projections the Bank helpfully removed an EBITDA/interest payable covenant, removing the possibility of covenant breach and potential costs.

Joanna Read received a fond farewell from trustees, staff and students in January and I had the privilege of becoming Acting Principal until the arrival in post of LAMDA's new Director. Sarah Frankcom was confirmed as The Board of Trustees' choice as the new Director at a special meeting of the Board of Trustees at the end of February and over the course of summer has spent time at LAMDA as part of an extended handover which will culminate in Sarah's formal start on 4th November 2019. The appointment of such an exciting artist and director has been universally well received at LAMDA and we look forward to the next exciting phase of the Academy's development under Sarah's leadership.

Peter Holliday
Acting Principal



Trustees' report
for the year ended 31 July 2019

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 2019.

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 seven 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.

In 2018/19 LAMDA was an associate member of the Conservatoire for Dance and Drama (The Conservatoire) and received funding through the Conservatoire from the Office for Students and, in 2017-18, the Higher Education Funding Council for England. On 31st July 2019 the agreement with the Conservatoire terminated and for 2019-20, LAMDA will receive direct funding from the Office for Students and Research England.

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.

For 2018/19, the trustees agreed the following strategies to deliver LAMDA's charitable objects:

- Registration with the Office for Students and becoming an approved provider of Higher Education.
- Review of the business development opportunities and international activities within LAMDA Examinations.
- Offer funded tickets to schools, and reduced-price tickets to Hammersmith & Fulham residents and community organisations to foster and promote participation in the performing arts.
- Increase the number of the audition/ interview fee waivers available to applicants from low income backgrounds.
- Increase the number of scholarship awards to students.
- Through the Pathways Programmed, both locally and nationally, use LAMDA's reputation, expertise and facilities to remove the barriers that prevent hard-to-reach young people from accessing performance arts training, employment or activity.
- Throughout the year LAMDA alumni and, through them, the wider arts community, benefit from the work of the charity through the provision of rehearsal, performance and technical facilities as well as research, mentoring and professional development support, particularly in the early years of our graduates' careers.

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 low-income backgrounds, new to higher education or from a Black, Asian and Minority Ethnicities (BAME) background.

These initiatives include regional auditions, audition-fee waivers, bursaries for the Foundation Diploma and our summer short courses and an extensive scholarship programme. In addition, we deliver targeted workshops and activities across London and the UK through LAMDA's Pathways programme.

LAMDA Scholarships & Bursaries Scheme

To support students from low-income households, as well as the diversity of LAMDA's training and the creative industries, LAMDA has an extensive Scholarships & Bursaries Scheme funded solely through our own fundraising programme. During the year, £416,284 was received in restricted scholarship income, including £22,500 for our Fulbright Scholar via the American Friends of LAMDA. From this and grants made in previous years £427,250 was awarded as follows:

- 55 students received support through LAMDA's Scholarships & Bursaries Scheme, including the General Bursary Fund and Student Hardship Fund.
- One in three of the student body on the three undergraduate courses received support, some receiving more than one award. Overall, one in five students receive support across all courses.
- Some students received multiple awards, making 56 the total number of scholarships & bursaries awarded. 18 awards (totalling £192,000) were made at point of entry, 12 (£70,000) were awarded to students in the middle of their training, and 25 (£156,000) were awarded to final-year students. Two awards were made through the General Bursary Fund (£9,250) and 8 awards through the Student Hardship Fund (£5,746.90).
- The average scholarship value in 2018/19 was £7,600 (not including General Bursary and Student Hardship awards).
- The average scholarship value in 2018/19 was £7,600 (not including General Bursary and Student Hardship awards).

Throughout the training, all students are offered a high level of support, including pastoral care and access to a counsellor, physiotherapist, dyslexia specialists, voice support and a student hardship-fund.

Summer Short Course Bursaries

As in previous years, we provided summer short course bursaries for applicants who showed potential in the audition but who were unsuccessful in gaining the Foundation Diploma Bursary.

The Stavros Niarchos Foundation funded two short course places for Greek students in 2018; one student undertook study on the two-week Introduction to Screen Acting course and the other was able to study and complete the Semester Programme in Classical Acting. Both received full tuition fee waivers as well as living expenses.

Access and Widening Participation

LAMDA's Access and Widening Participation Programme connects with and supports people and communities who are under-represented in higher education and the arts through a series of targeted outreach programmes and activities. Key target groups include those who are:

- Schools and colleges with a high number of students eligible for Pupil Premium
- People who live in areas of relative deprivation where participation in higher education or the arts is low
- People who are Black, Asian and Minority Ethnicities
- Young people who are care leavers or not in employment, education or training (NEET)
- Young people living with a disability

Most of the work carried out was targeted at young people aged 14 - 25 who are under-represented in Higher Education and in the arts. During the year, the department has expanded delivery across England and Wales reaching over 900 young people in 2018-19. Looking forward, we are hoping to engage in more strategic and sustainable partnership activity and to improve project monitoring and evaluation processes.

LAMDA Shakespeare in Schools Tour

In December 2018, the second-year students on the Foundation Degree Professional Acting course took part in LAMDA's annual, week-long tour of Shakespeare plays to local secondary schools. They toured two plays; Othello and A Midsummer Nights Dream, to eight London secondary schools in West London. This year we were pleased to achieve a high take up from local schools with six shows performed in Hammersmith and Fulham schools, one in Westminster and one in Kensington and Chelsea.

All the schools we visited serve many students from disadvantaged areas with above average numbers of pupils eligible for the pupil premium, as well as a high proportion of students who are Black, Asian and Minority Ethnicities. The shows were performed to a total of 542 students from across key stages 3 - 5. Six of the eight school performances were followed by a Q&A with the cast.

'Yet again, another fantastic performance from LAMDA. Our students absolutely loved it.' - **Drama Teacher – Pimlico Academy**

Additionally, due to funding received in memory of David & Barbara Allison given to support increased and deeper engagement with local schools as they study Shakespeare, we were able to deliver workshops to 4 local schools reaching over 230 young people surrounding the touring production giving a deeper understanding and relationship with Shakespearean texts both as literature as well as performative works.

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 hard-to-reach young people from accessing performance arts training, employment or activity. The programme is supported by John Lyon's Charity in London and the Esmée Fairbairn Foundation regionally.

Pathways creates long term sustainable partnerships with selected schools, colleges and youth arts organisations in London and in key cities where LAMDA holds auditions, and where there are high levels of social disadvantage and low rates of participation in Higher Education.

Regional

This year, we've expanded our regional delivery work interacting with over 120 young people through youth art organisations : 20 Stories High (Liverpool), Contact (Manchester), Prime Theatre (Swindon), Travelling Light Theatre Company (Bristol), National Youth Arts Trust (Ely and Hull), Lightpost (Birmingham) and Open Door (Midlands).

20 Stories High - This year with 20 Stories High, we worked with over 50 young people with tutors and graduates delivering workshops that focused on Introduction to Drama School, Movement, Voice, Audition Preparation and a visit to see a performance we assisted with. This Autumn, we are looking to co-ordinate a lengthier project with a smaller cohort across 6 weeks with their Young Actors Programme.

National Youth Arts Trust - This spring, we delivered multiple workshops in both Hull and Ely with the National Youth Arts Trust working with over 20 young people on Mask, Movement and Audition Technique. We also hosted a visit from the Hull cohort who came to see The River and The Mountain with a tour of the building and a post-show Q+A, this is an interaction we are looking to have with other regional partners next year.

Lightpost (Birmingham Repertory Theatre) - We began an exciting partnership this year with Lightpost, based at Birmingham REP, introducing them to stage combat and assisting with incorporating elements of the teaching into their summer performance. This model of assisting a partner with one of LAMDA's specialist skills is something we are hoping to utilise more in partnerships over the next few years.

Regional Schools and Colleges

We also continued our regional Pathways delivery with colleges with whom we have established relationships and who engage with a large number of young people from our target groups and have begun to forge new partnerships with schools/ colleges from government identified 'opportunity areas'.

We delivered taster workshops on performance, conservatoire training and career pathways in the arts for a total of 99 students aged 14 - 18 at the following FE colleges: Dudley College, Scarborough TEC, Loreto College (Manchester) and Dixons Allerton Academy (Bradford).

From the data we received, at least:

- 28.3% of participants were BAME
- 4% of participants were care leavers
- 21.6% of participants were from families with no prior experience of HE
- 8.1% of participants declared a disability
- 47.3% of participants were from low income households
- 26.3% of participants were from POLAR 4 Quintile 1-2 postcodes

Welsh Pathways Delivery

Due to receiving funding from Ashley Family Foundation and the Darkley Trust, we were able to deliver three workshop days in Wales this year with over 60 students from Bridgend College, Coleg Sir Gar and Gower College covering Introduction to Drama School, Audition preparation, Stage Combat and Movement. Next year, we are hoping to continue a hub for our Welsh outreach work linking with a further college in the area.

From the data we received, at least:

- 1.3% of participants were BAME
- 3.9% of participants were care leavers
- 15.2% of participants were from families with no prior experience of HE
- 6.6% of participants declared a disability
- 46% of participants were from low income households
- 15.2% of participants were from POLAR 4 Quintile 1 & 2 postcodes

Local Pathways Delivery

The funding we received from John Lyons allowed us to work more closely with local schools and the Primary Shakespeare Company. We also were able to assist Fulham Boys School and Sacred Heart High School with their school plays, sending recent LAMDA Directing graduates in to specialist support during the rehearsal processes.

Hurlingham Academy - This year, we closely assisted Hurlingham with their production of Macbeth, with a directing graduate overseeing the performances offering specialist skills such as Acting for Screen and Stage Combat to improve the production's quality. We have also delivered Shakespeare workshops within the English curriculum at Hurlingham and we are working to look at how this partnership can continue to thrive over the next academic year, with further digital documentation of what has been achieved.

Primary Shakespeare Company - This year, we've continued working with the Primary Shakespeare Company, with three local schools having the opportunity to perform in our Sainsbury Theatre. We were also able to host all three schools for an Introduction to Technical Theatre at LAMDA on a separate occasion.

Additionally, locally, LAMDA Alumni (as part of their work with the AWP Dept) were able to design and deliver a series of eight workshops with the Earls Court Youth Club. The workshops were aimed at giving young people a taste of drama school training and the creative careers associated with those skills. Workshops included Stage Combat, Movement, Acting for Radio, and Acting for Screen.

We have continued to support a range of groups based in the London area including Open Door, Intermission Youth Theatre and NYT Playing Up, who work with young people from our target groups to access employment or training in performing arts and technical theatre. Through these sessions, over 70 participants have received a workshop with LAMDA or a presentation on our training covering skills such as Voice, Movement, Working with Classical Text, Improvisation; access to audition fee waivers and the organisations have had the opportunity to nominate a member of their group for LAMDA's Foundation Diploma Bursary as well as funded tickets for LAMDA productions and the opportunity to attend post show Q&A's.

Funded tickets

Throughout the year, funded tickets for LAMDA productions were offered regularly to Pathways partner schools & youth arts groups. Over 200 tickets were provided with numerous groups taking part in tours of LAMDA and post-show Q&A's with students from both casts and crews.

Foundation Diploma Bursary

Each year, LAMDA awards a minimum of two fully funded bursary places, currently worth £13,007 (£13,397 in 2019/20) each on the (non-HE credited) Foundation Diploma in Acting. The Foundation Diploma Bursary scheme directly targets young people from low income backgrounds and is a key instrument for LAMDA in encouraging and supporting students from low income backgrounds to access either the 3 year Acting BA at LAMDA or a comparable course at another HEI.

One of the bursaries is awarded to an individual who has made their own way to and through the audition process. The second bursary is awarded to a young person who has come through LAMDA's targeted Pathways programme. The bursaries are only aimed at and awarded to individuals who have a low-income background as a minimum marker of disadvantage. Of the two 2018-19 bursary recipients, one progressed on to the BA (Hons) Professional Acting at LAMDA and one began a BA Acting course elsewhere.

Audition Fee Waivers

In the 2018-19 audition cycle LAMDA offered a total of 142 application/audition fee waivers. Of these, 92 were administered by LAMDA Admissions, and resulted in 19 individuals reaching the second round, 12 being

Trustees' report

for the year ended 31 July 2019

recalled, and ultimately one enrolment on the BA (Hons) Professional Acting. 50 application fee waivers were operated via our partnership with Open Door, and this resulted in three enrolments on BA (Hons) Professional Acting – a great return on investment. Despite significant promotion, only nine recall candidates applied for and received bursaries to cover their travel to a recall audition.

Applications and student numbers

Applications and student numbers

LAMDA is committed to finding the best students, regardless of social or financial circumstances or educational qualifications. To achieve this, LAMDA auditions or interviews every applicant, giving each candidate the opportunity to demonstrate first-hand their talent and affinity for the training we offer.

Applications for entry during 2018-19

- Total applicant numbers were up 1% on the previous cycle, with the admissions team processing 5,157 individuals.
- Undergraduate applications were down very slightly overall, as we received 3% fewer applications for the BA (Hons) Professional Acting. Nevertheless, 3,513 applicants competed for the 30 available places.
- There was pleasing 11% growth in interest for the FdA Production and Technical Arts, possibly due to using UCAS to recruit to this course on a trial basis this year, but only 28 of the 30 available places were filled. This was offset by an increase in interest for the BA (Hons) Production and Technical Art top-up year, which will have a record 11 enrolments in 2019-20, 38% higher than in 2018-19.
- Postgraduate applicant numbers were up, driven again by interest in the MFA Professional Acting, which saw 19% more applications, with 761 applicants for the 30 places. This was offset by a drop in interest for the MA Classical Acting for the Professional Theatre, for which 148 applications were received (down 22%) and 27 offers accepted. Application numbers for the MA Directing were up very fractionally, apparently unaffected by its trial inclusion with UCAS. 79 applications were received for the 6 available places.
- For shorter and non-HE courses, significant additional marketing efforts resulted in 11% growth in applications, totalling 567 altogether. In particular, the 8-week Shakespeare Summer School (HE) and the 4-week Shakespeare at LAMDA (non-HE) both saw significant growth in applicant numbers, resulting in extremely challenging enrolment targets being missed by only a handful. Of the two Semester programmes, the autumn programme remains slightly harder to fill, but numbers remain healthy with 90 students across spring and autumn semesters, against a stretching target of 96.
- The Foundation Diploma auditioned 119 people for the available 32 places.

Student cohort breakdown :

- The UG intake in 2019 will be 55% female / 45% male. 28% identify as Black, Asian or Minority Ethnic (BAME), and 22% report a disability.
- The PG intake in 2019 will be 54% female / 43% male / 3% other. 16% identify as BAME, and 4% report a disability.

Academic and vocational success

- Undergraduate degree results were exceptional in 2018-19. On the BA (Hons) Professional Acting, 76% of graduates were awarded a 1st class degree, with the remainder all receiving 2:1s. For the final cohort of graduates from the FdA Professional Acting, 67% received a Distinction, with the remainder receiving a Merit. The first set of graduates to complete the FdA Production and Technical Arts (Stage & Screen) saw 46% achieve a Distinction, with the remainder receiving a Merit. On the BA (Hons) Production and Technical Arts top-up, 88% of graduates received a 1st.
- Postgraduate results were equally good. Half of the MA Directing cohort passed with a Distinction, with

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the remainder receiving a Merit. On the MA Classical Acting, 36% of graduates earned a Distinction, with all the remainder receiving a Merit.

- In all cases, our external examiners' reports were extremely encouraging, and endorse the high level of student achievement.
- 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 worse return than in previous years.

Many students gained work during their final term or just after graduating, including:

Ell Potter - Audible's thriller of the year *Winter Dark* and the sequel *Winter Rising*, *Hotter* Soho Theatre

Scarlett Courtney – Joined the BBC Radio Drama Company

Liam King – Duchess of Malfi Citizens Theatre

Stuart Thompson – *A Taste of Honey* UK Tour

Awards

BBC Audio Drama Awards 2019

Best Adaptation

Nominated: **Claudine Toutoungi**, for *Based on a True Story* by Delphine de Vigan, BBC Radio Drama London

Best Scripted Comedy

Nominated: **Katherine Jakeways** for *Ability*, co-written with Lee Ridley

Best Debut Performance

Nominated: **Salvatore D'Aquilla**, *Operation Crucible*, director Toby Swift, BBC Radio Drama London

British Academy Television Awards 2019

Best Actress in a Leading Role

Nominated: **Ruth Wilson** for *Mrs Wilson*

Best Actor in a Leading Role

Winner: **Benedict Cumberbatch** for *Patrick Melrose*

Cannes Film Festival Awards

Best Actress

Winner: **Emily Beecham** for *Little Joe*

Pro Sound Awards 2018

Breakthrough FOH Engineer

Winner: **Heather Knott**

Nominated: **Peter West**

Drama Desk Awards 2019

Oustanding Featured Actress in a Play

Nominated: **Ruth Wilson** for *King Lear*

Drama League Awards 2019

Outstanding featured actress in a play

Nominated: **Ruth Wilson** for *King Lear*

Emmy Awards 2019

Outstanding Supporting Actress in a Comedy Series

Nominated: **Sarah Goldberg** for *Barry*, HBO

Ian Charleson Awards 2018

Commendations:

Aaron Pierre for *Othello* at Shakespeare's Globe

Olivier Awards 2019

Best actor in a supporting role in a musical

Nominated: **Clive Carter** for *Come From Away* at Phoenix Theatre

Best actress in a play

Nominated: **Katherine Parkinson** for *Home, I'm Darling* at Dorfman, National Theatre and Duke of York's Theatre

Best director

Nominated: **Rebecca Frecknall** for *Summer and Smoke* at Almeida Theatre and Duke of York's Theatre

Special Recognition Award

Winner: **Bendy Ashfield** (PTASS)

Tony Awards 2019

Best Featured actress in a play

Nominated: **Ruth Wilson** for *King Lear*

WhatsOnStage Awards

Winner: **Katherine Parkinson** for *Home, I'm Darling* at Dorfman, National Theatre and Duke of York's Theatre

Stage Productions 2018-2019

Season	Production	Director	Author	Venue
	Out of Love	Elizabeth Benbow	Elinor Cook	Carne Studio Theatre
	The Cut	Jorge Robinet**	Mark Ravenhill	Carne Studio Theatre
	The Straights	Sibylla Archdale Kalid**	Gregory Burke	Carne Studio Theatre
	To See Ourselves	Laura Jayne Bateman**	Elizabeth Monica Delafield	Carne Studio Theatre
	Yellow Moon	Woolim Kim**	David Greig	Linbury Studio Theatre
	Love Steals Us From Loneliness	Noa Wagner**	Gary Owen	Linbury Studio Theatre
	Troilus and Cressida	Robert Price	William Shakespeare	Sainsbury Theatre
	Richard II	Marieke Audsley	William Shakespeare	Sainsbury Theatre

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Autumn	Three Days in the Country	Mary Papadima	Patrick Marber / after Turgenev	Sainsbury Theatre
	The Treatment	Tinuke Craig	Martin Crimp	Sainsbury Theatre
	Design for Living	Sarah Esdaile	Noël Coward	Sainsbury Theatre
	Three Days in the Country	Mary Papadima	Patrick Marber / after Turgenev	The Old Laundry Theatre
	The Treatment	Tinuke Craig	Martin Crimp	The Old Laundry Theatre
	Design for Living	Sarah Esdaile	Noël Coward	The Old Laundry Theatre
	Pericles	Rodney Cottier	William Shakespeare	Sainsbury Theatre
	The Two Gentlemen of Verona	Joanna Read	William Shakespeare	Sainsbury Theatre
Shakespeare in Schools	Othello	Joshua Higgott	William Shakespeare	Carne Studio Theatre
	A Midsummer Night's Dream	Vik Sivalingam	William Shakespeare	Carne Studio Theatre
Spring	Bare: A Pop Opera	John Baxter	Book by Jon Hartmere and Damon Intrabartolo. Music by Damon Intrabartolo. Lyrics by Jon Hartmere	Sainsbury Theatre
	Don Carlos	Philip Franks	Friedrich Schiller, in a new version by Mike Poulton	Carne Studio Theatre
	New England	Penny Cherns	Richard Nelson	Linbury Studio Theatre
	Love Steals Us From Loneliness	Iqbal Khan	Gary Owen	Carne Studio Theatre
	So Here We Are	Caroline Leslie	Luke Norris	Carne Studio Theatre
	Pomona	Tess Seddon	Alistair McDowall	Linbury Studio Theatre
	She Stoops to Conquer	Richard Beecham	Oliver Goldsmith	Sainsbury Theatre
	The Cherry Orchard	Fiona Buffini	Anton Chekov in a new version by Simon Stephens	Sainsbury Theatre
	She Stoops to Conquer	Richard Beecham	Oliver Goldsmith	Theatre Royal Bury St Edmunds
	The Cherry Orchard	Fiona Buffini	Anton Chekov in a new version by Simon Stephens	Theatre Royal Bury St Edmunds
Summer	Serious Money	Emily Jenkins	Caryl Churchill	Sainsbury Theatre
	The River and the Mountain*	Amelia Sears	Robert Alan Evans	Sainsbury Theatre
	In Arabia We'd All Be Kings	Vik Sivalingam	Stephen Adly Guirgis	Carne Studio Theatre
	Blood Wedding*	Alice Hamilton	Federico Garcia Lorca retold by Barney Norris	Linbury Studio Theatre
	Ofsted Massacre*	Joe Murphy	Phil Porter	Sainsbury Theatre
	The Lights	Philip Wilson	Howard Korder	Sainsbury Theatre

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	My Children! My Africa!	Debbie Seymour	Athol Fugard	Carne Studio Theatre
	Merrily We Roll Along	Caroline Leslie	Book by George Furth. Music and Lyrics by Stephen Sondheim	Linbury Studio Theatre
	Plaque and Tangles	Gwenda Hughes	Nicola Wilson	Carne Studio Theatre

* World première, originally workshopped and developed at LAMDA.

** Student director on the MA in Directing.

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 1st and 2nd year students. Lighting is designed by a 2nd or 3rd year student, and then rigged, focussed and operated by 1st 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. The graduate employment rate is currently 95%.

LAMDA Exams

The Examinations department had a solid financial year growing the Examinations income by 12.3%, Examining over 120,927 Learners worldwide, through 5,298 Examining Days.

Growth across the 32 UK Public venues was noted, with significant growth at London Public, which hosted examinations for 10,927 Learners and generated £532,625 alone. Work has commenced to secure another Public venue within the South East to alleviate some of the pressure on London Public and support growing demand.

Internationally, LAMDA Exams continued to expand its network of countries from 33 to 35, delivering 63 tours across these, and assessing 13,766 Learners.

This year LAMDA Exams has focused international growth on China and India, with the appointment of new International Representatives in Beijing and New Delhi which led to the first LSCC & LSPC teacher workshop being delivered internationally, at two schools in New Delhi. The International Representative in Beijing has been active within the region securing presentations at a number of prestigious events leading to six new centre registrations.

This year, LAMDA Exams revised four syllabi; Communication, Performance, Introductory and Group which cover 12 subjects and 86 individual examinations. These were made available to purchase from 01 April 2019, ready for first assessment from 01 August 2019. The new Syllabi and supporting anthologies went on sale in April 2019, selling over 12,600 publications generating over £119,000.

Following customer feedback and insight, LAMDA Exams revised the Learner Examination Report to provide a more simplified version, which provides a stand-a-lone feed forward comment to Learners on their performance.

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The new Learner Examinations Report launched 1 August 2019. Training sessions were held for all Examiners on the new Learner Examination Report.

There has been an ongoing investment within the department's systems and processes to ensure that it can provide a leading class service to customers.

The new examinations processing systems; ExamTrack launched in May 2018, with continued investment being made to automate and enhance the system to support overall performance. ExamTrack has proved to be a valuable investment, providing real time data on Examinations for the department to work from, ensure more efficient and robust operations and examinations processing, and has received positive feedback from customers as they have greater control and visibility of examination schedules.

The department is now focused on the next phase of development, to transition Exams to a digitally enabled marking system, replacing the manual paper-based system in August 2020.

As with previous year's, LAMDA instructed an independent internal audit of the department in preparation for the three statement of compliance for each of the regulators; Ofqual, CCEA and Qualification Wales, all of which were submitted in August 2019.

LAMDA Exams continue to make positive progress in its quality assurance, with the appointment of the Head of Examinations in June 2019, who brings a wealth of operational experience. The Head of Exams will focus on reviewing operational processes and procedures, ensuring these are robust and efficient, developing people and systems and ensuring we meet all regulatory requirements.

LAMDA Exams is held in high regard and continues to make a positive impact on the lives and futures of people of all ages across the world, through empowering confidence in speech and drama.

Knowledge Exchange

As a world leading institution and innovator with a mission to seek out and train the exceptional dramatic artists and technicians, LAMDA has a key objective to share its knowledge and expertise across the world.

LAMDA has an active knowledge exchange programme, achieved through its research programme, touring lecture series, satellite short courses with international partners, LAMDA Examinations and its widening access and participation programme.

To ensure that LAMDA has a robust and effective knowledge share strategy with measurable deliverables, which benefits students, learners and staff, LAMDA has formed a Knowledge Exchange Working Group. The group is working to devise a new strategy to submit to Research England in January 2020.

Fundraising

Fundraising approach and performance

LAMDA acknowledges gratefully the generous financial contributions from charitable trusts, individuals and organizations towards its scholarship programmes, activity and capital developments. When a donor makes a commitment to LAMDA will :

- be honest, truthful, transparent and professional in our dealings.
- acknowledge gifts swiftly, handle them responsibly and apply them to the purpose for which we requested them.
- respond to any donor concerns swiftly and efficiently.
- respect the privacy of donors and will only release details of gifts with consent or if disclosure is required by law.
- keep donors informed about the project they are supporting in an honest and accessible manner.
- comply with all domestic and international legislation, including Tax legislation, the Data Protection Act 1998 and the Proceeds of Crime Act 2002.
- not encourage donors in any way to change an existing charitable donation to another fundraising organisation.

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LAMDA adheres to the Institute of Fundraising's current Code of Fundraising Practice (and acknowledges this will be updated October 2019) and to Charity Commission guidelines.

2018-19 saw the consolidation of the new Development team and strong achievements in all areas of fundraising and, in particular, the successful delivery of LAMDA's first fundraising Gala.

Individuals

The inaugural fundraising Gala on 23 June 2019 proved to be a great success and will be a biennial event on LAMDA's calendar. It was a great example of the whole of LAMDA pulling together – staff, alumni, students and the trustees led by the Chairman. The added benefit of the Gala is that close to 150 people who have been newly introduced to LAMDA with one guest messaging; *'Congratulations on the terrific event. It is wonderful to have been introduced to LAMDA and I would love to stay involved, so please can you keep me on your list.'*

The new Membership and Patrons scheme suffered from a change of staff running the programme and the Principal, Joanna Read, leaving, but it is slowly gaining strength.

New writing programme support - a campaign to grow support in this area from individuals and trusts resulted in £5,000 of support from individuals.

A campaign to name a room after former Principal, Joanna Read, elicited £80,000 of funds by year end with £20,000 pledged for 2019/20, reaching the £100,000 target.

Trusts & Foundations

We received a second tranche of funding from the Esmée Fairbairn Foundation for our Pathways Programme, delivered with regional partners, to support pathways into education and training as well as the creative industries.

The Ashley Family Foundation have provided a grant to cover Pathways work in Wales and two years of scholarship support for one Welsh student.

The Old Possum's Practical Trust has come on board with a three-year grant to support New Writing at LAMDA. The Carne Trust began a new commitment to support the MA Directing Programme.

The Garfield Weston Foundation provided significant support towards capacity building as LAMDA leaves the CDD and obtains Degree Awarding Powers.

LAMDA also received over £330,000 from Trusts to support the scholarship programme, as referenced in the Scholarships & Bursaries section of these accounts.

Corporate

Audible has continued to grow their partnership including support of the Hardship Fund for students; providing LAMDA with two places on the London Marathon to support fundraising; equipment support; providing a full scholarship and pledging a further one for 2019/20; creative collaboration support developing plays specifically written for a younger audience with younger voices for LAMDA students to record, these will be available to the public from Autumn 2019.

A new partnership with Nick Hern Books delivered support for LAMDA programmes.

Legacy Giving

The Shakespeare in School Access and Widening Participation programme received £10,000 for development and £10,000 was also received from a former pupil's estate. The total income received from legacies during the year was £30,000.

Scholarships and Bursaries

These funds amounting to circa £400k are raised from individuals and trusts and foundations by the Development department and the relationships between student and donor are stewarded by the team. Figures on this can be seen earlier in the document.

Alumni Giving

A regular giving programme was established this year and while it has a slow uptake it should develop over time.

AFLAMDA

LAMDA's affiliate charity organisation in the US, The American Friends of LAMDA (AFLAMDA), is an independent, not-for-profit 501 (c) (3) organisation that supports the work of LAMDA. The Chair is The Rt Hon Shaun Woodward and he is supported by a Board of Trustees and an Advisory Board assists with fundraising in the US.

In 2018-19, a Patrons programme was launched on both the west and east coasts and continues to attract new members.

During the year, contributions from AFLAMDA were received and allocated to the bursary fund to award scholarships to students from the USE and to support the Shakespeare in Schools programme.

Staffing

Staff numbers (excluding hourly-paid teaching staff on fixed-term appointments), grew from 103 to 130 during the year. New appointments were made in the Marketing and Communications, Examinations, Development departments and in the technical staff. New posts created included that of the Scheduling Team Leader, Senior Tutor – Acting Projects, Studio Theatres Manager, Alumni & Events Manager, Deputy Chief Examiner, Screening & Audio Production Technician, Dramaturge & Writing Tutor, Press & Media Manager, Assistant Registrar (data and records) and Access and Widening Participation Officer.

Estates and Operations

The year saw the new 'West Wing' building complete its second full year of operation and continuing to perform well. Contractors Volkers continued to work with the Academy to resolve 'snagging issues', the great majority of which are complete. The building is a huge success and it was gratifying to see it recognised with an RIBA Regional Award.

Meanwhile attention turned to driving further value for money into the newly configured estate (including the West Wing), addressing backlog maintenance issues and retendering supply and service contracts. Over 60 new fire doors were installed and electrical and plan maintenance schedules addressed. A new Facilities Manager was appointed and the Facilities Management Team (which includes Reception) has made significant progress in terms of its own service provision and customer (student and staff) satisfaction.

There has been major investment in IT, with provision being outsourced to a managed service provider; Aura Technology in January 2019. New physical infrastructure has been deployed (computers, thin clients, new backup storage) whilst the virtual environment has been entirely re-configured. Licensing requirements have been fully reviewed and updated and a new desk top environment with storage made available to staff and students worldwide, via any device. The net result is a step change in LAMDA's IT security, service, capacity and reliability.

The next stage of the ICT strategy has commenced with the upgrade of existing systems and the scoping of future priority deployment of new systems. ExamTrack (LAMDA Examinations automated system), Celcat (timetabling) and Quercus (student records) systems were all developed further during the year. A major project

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to update the website was commenced. At time of writing the first tranche of new web pages have been successfully deployed.

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.

Future Plans

Whilst the arrival of LAMDA's new Director, Sarah Frankcom, in November 2019 is eagerly awaited, the absence of a permanent head of institution has not meant that there has been a pause in development or delivery of LAMDA's strategy. Since the announcement of her appointment (28th February 2019) Sarah has been in regular touch with the Executive and made several visits to speak with students and staff, including week-long stays in June and August 2019. This has meant Sarah has had plenty of time to learn more about LAMDA before joining and also allowed time and space joint working on future plans. We therefore anticipate an early commencement of activity to progress the institution in line with Sarah's vision from very early on in her tenure.

Plans for the coming year include:

- Conferment and implementation of Degree Awarding Powers (DAP).
- Continuation of the 'Decolonisation of the curriculum'.
- Changes to recruitment and auditions
- Planning for a more streamlined academic year (with common term dates)
- Changes to student and learning support processes as LAMDA moves to deliver on its Access and Participation Plan
- Increasing the diversity of the teaching staff.
- Increasing the amount of scholarship support available to students and the number of students awarded scholarships.
- Review of the business development opportunities and international activities within LAMDA Examinations and in collaboration with the Drama Schools as part of a new Knowledge Exchange Strategy

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 five times during the year.

The Board of Trustees is responsible for the employment of the Principal who in turn is supported by the senior management team. Executive management of LAMDA is delegated on a day-to-day basis to the Principal. In December 2018 the Principal, Joanne Read, resigned and the Board of Trustees appointed Mr Peter Holliday to act as Principal until such time as a suitable replacement had been employed. In February 2019, Sarah Frankcom was appointed as Principal and will take up the post in November 2019. Peter Holliday will remain as acting Principal until this time and will as Chief Operating Officer.

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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 4 sub committees -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 Principal/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 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 Professional Acting [final intake graduated July 2019]
- 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,

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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 2018-19, internal audits were carried out on the control frameworks for accounts receivable, management information and reporting, consumer protection compliance, student data quality and governance arrangements and concluded that the frameworks provided satisfactory assurance that associated risks material to the achievement of LAMDA's objectives were adequately managed and controlled. The internal audit report was received by the Audit & risk Committee.

During this year there was increased risk of breach of regulatory compliance in respect of LAMDA Examinations, mainly due to the introduction of a new IT system, ExamTrack, giving rise to procedural errors in the handling of examination scripts and marks. This gave rise to a range of corrective actions including the allocation of additional resource, third party review and report to the Board and procedural improvements. Whilst these improvements have resulted in a significant reduction in reportable events, Ofqual, the regulatory body, wrote to LAMDA in May 2019 to impose a Special Condition to monitor LAMDA's activity during the processing and issuing of results and certificates over its peak period of issuing results and issuing certificates. This monitoring was by way of detailed monthly reports submitted by LAMDA July-September 2019 and is now complete with a decision awaited from Ofqual.

Board and committee meetings

The Board of Trustees met five times during the year.

Much of the Board's detailed work is delegated to LAMDA's four sub-committees, namely: 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:

Examinations	reviewing and accepting regulatory compliance/self-assessment reports and advising on business strategy and development of LAMDA's qualifications syllabus.
Finance	reviewing the quarterly and annual results and presenting the annual budget for Board approval
Audit & Risk	ensuring that LAMDA operates under an appropriate and robust risk-management regime and has adequate arrangements for ensuring economy, efficiency and effectiveness
Nominations, Remuneration HR	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.

Financial Review 2018-19

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

	2019		2018	
	Unrestricted £000s	Restricted £000s	Unrestricted £000s	Restricted £000s
Income	12,273	629	11,218	833
Expenditure	(12,687)	(473)	(11,774)	(402)
Surplus/(Deficit) for the Year	(414)	156	(556)	431
Reserves at year-end (after transfers)	25,471	374	25,785	318

* Unrestricted includes
designated

Overall, LAMDA's consolidated deficit for 2018-19 was £258K compared with a deficit of £125K in 2017-18.

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 2018-19 with comparisons to 2017-18.

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for the year ended 31 July 2019

The unrestricted deficit in 2018-19 was £414K comprising a restricted surplus of £233K and a designated deficit of £647K. In 2017-18, the unrestricted deficit totalled £556K (restricted deficit of £9K and designated deficit of £547K).

Although LAMDA experienced its second consecutive unrestricted deficit in 2018-19, the performance in certain areas such as tuition fees and examinations was very encouraging and these will be considered in more detail later in this review. There was a one-off item in 2018-19 relating to a claim for recovery of Value Added Tax which had been previously paid by LAMDA in respect of major construction works to build new theatres and offices on LAMDA's freehold property in Barons Court, London. As explained in Notes 3 and 7, the claim was settled and paid to LAMDA in March 2019 for £444K. LAMDA had accrued income in the financial years up to 2016-17 of £784K which resulted in a loss of £341K in 2018-19. This was partially offset by having to reverse previously accrued professional expenses of tax advisers who were paid on a contingency fee basis. The credit to professional fees in 2018-19 was £102K. Consequently, the net impact on the deficit was £239K but the cash flow increased by £301K, comprising the claim of £444K less professional fees paid of £133K.

Income

Unrestricted income in 2018-19 was £12,273K compared with £11,218K in 2017-18, an increase of 9.4%.

Donations and legacies

Fundraising activities in the five years prior to 2018-19 were concentrated on helping to fund the capital costs of the new building. However, the focus on these activities in 2018-19 swung towards operational activities and the fundraising generated £545K of unrestricted income compared with only £90K in the preceding year. LAMDA held its first Gala Dinner in June 2018 which raised more than £230K and it is planned to make this a bi-annual event.

The restricted income in 2018-19 was also focussed on operational activities and was targeted towards funding more scholarships and hardship support to widen LAMDA's access to all students, irrespective of their financial circumstances. Restricted income in 2019 totalled £629K compared with £833K in 2018.

However, the total fundraising (restricted and unrestricted) in 2019 was £1,180K, an increase of £267K (or 29%) over the previous year.

Income from Charitable Activities – Drama School

Core funding which is paid to LAMDA by the Conservatoire of Dance and Drama was slightly down by £15K on the previous year.

Course and related fees totalled £5.1 million in 2018-19 compared with £4.8 million in the previous year. There has been concern expressed by the Office for Students (OfS) on the forecasts of student fee income against the demographics of applicants over the next few years. LAMDA has a different model to most other higher education institutions and is highly selective in offering places on its courses. The undergraduate programmes are always heavily over-subscribed and it is only in the short courses held each summer that there is any risk of a shortage of applicants. An income risk remains on the mix of students (ie Home/EU and Overseas) but the risk on student numbers is minimal. The following table shows the movement in student numbers and fee income over the past three years:

	2016-17	2017-18	2018-19
Student Headcount	672.0	652.0	664.0
Student FTE	321.7	321.0	331.4
Student Fee Income (£000s)	£4,346	£4,568	£4,824

Note: Audition fees are not included

Trustees' report

for the year ended 31 July 2019

Income from Charitable Activities – Examinations

In 2018-19, the Examinations income rose to £5.4 million compared with £4.9 million in the previous year, an increase of 10%. Approximately 30% of this increase related to price increases but the remainder was the direct result of wider global penetration and a concerted sales effort in the United Kingdom. Lamda's growth in overseas income is low risk; the examination activities are directed from the UK and overhead costs are minimal because of the use of agents in each territory.

Other Trading Activities

Income from other trading activities was £336K compared to £132K in 2017-18, an increase of £204K. The main reasons were:

- a) All the syllabi for examinations were revised in 2018-19 and were sold in both hard and soft copy formats. Demand was considerable and far exceeded expectations resulting in sales of £119K in 2018-19, an increase of £77K on the previous year.
- b) Miscellaneous income increased by £96K due mainly to a write back in 2017-18 of liquidated and ascertained damages deducted by LAMDA in 2016-17. This write back was not repeated in 2018-19.

Other Income

In 2018-19, Other income was *negative* £87K comprising VAT recoverable of *negative* £334K and student accommodation income of £247K. The reason for the negative VAT recovery has been analysed on the previous page of this financial review and an explanation is also given in Note 3 to the financial statements. Student accommodation income and expenditure were netted off in previous years but management has decided to gross-up the income and expenditure for 2019 as explained in Notes 3 and 5 to the financial statements. The grossing up required a restatement of the income and expenditure in the previous year (2017-18).

Expenditure

Unrestricted expenditure in 2019 totalled £12,687K compared with £11,774K in the previous year, an increase of 7.7%.

As explained in Note 7 of the financial statements, there was a one-off credit of £102K in 2019 for professional fees in respect of the successful claim for recovery of Value Added Tax.

The full-time staff equivalent (FTE) numbered 122 against 115. The FTE in Examinations increased by 4 compared with the prior year in order to support the increased turnover and to ensure regulatory requirements were fulfilled.

Staff costs totalled £5,227K compared with £4,853K in 2018, representing an increase of 7.7%. Staff increases during the year averaged 2% and employer contributions to the pension scheme increased by 1% in April 2019 which added 0.3% to staff costs.

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.

Support costs (as detailed in Note 5 to the financial statements) were £4,093K in 2019 compared with £3,667K in 2018, an increase of 11.6%. This significant increase was due to greater higher expenditure in Premises, Information Technology and Marketing. Governance costs fell from £209K in 2018 to £146K in 2019 arising from the Chief Operating Officer acting as the Principal on a temporary basis from January 2019. (The new Principal commences employment in November 2019 and the job title will change to Director.)

Balance Sheet

The key changes on the balance sheet are:

- a) LAMDA Limited's unconsolidated working capital position (current assets less current liabilities) at 31 July 2019 was *negative* £174K compared with a *negative* £989K in 2018, representing a significant improvement of £815K.
- b) Within current assets, the bank position on 31 July 2019 was £1,352K compared with £646K in 2018, an increase of £706K.
- c) LAMDA has met all the covenants of the bank loan as at 31 July 2019, the terms of which are detailed in Note 15 to the financial statements.

Future Outlook

The Board has agreed a deficit budget for 2019-20 and smaller deficits for both 2020-21 and 2021-22 before returning to an unrestricted surplus in 2022-23. These projections have been shared with LAMDA's bankers. For a relatively small higher education institution, LAMDA has a large annual depreciation charge of £1.2M mainly arising from the recent construction of offices and theatres at its freehold property in Barons Court, London. The projections of EBITDA for the same five-year period all show surpluses.

Cash generated from its activities is expected to increase over the same five-year period and LAMDA continues its policy to pay its service providers promptly.

2019-20 will be the first year that LAMDA receives grants from OfS and Research England. Previously all grants were paid via the Conservatoire of Dance & Drama. The grant total will be significantly higher in 2019-20 mainly through increased funding from the Higher Education Innovation Funding (HEIF).

For reasons explained earlier in this review, the risk of falling student numbers will continue to remain low.

The impact of BREXIT remains an uncertainty until the UK government and the EU reach an agreement. Whilst tuition fees and caps for EU students will remain the same as for UK students for the next two financial years (2019-20 and 2020-21), it is impossible to predict for how long this will continue. LAMDA's EU students comprise just over 7% of the students based on FTE.

The Auger Review recommendations have not yet been implemented. They included a reduction in the fee cap from £9,250 to £7,500 for undergraduate full-time courses and clearly this would have an impact. However, the proposal is meant to take place in 2021-22 and, over the course of 2019-20, plans will be developed to accommodate any reduction in the fee cap.

Approved by the Board on 24th October 2019 and signed on its behalf by:



The Rt Hon Shaun Woodward
Chairman



Peter Holliday
Acting Principal & Chief Operating Officer



Lord Tom Chandos
Director

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 Charities 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 2019 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 2019 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.

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.

Report on matters prescribed by the Office for Students

The Office for Students ('OfS') requires us to report the following matters to you in Regulatory advice 9: Accounts direction. In our opinion, in all material respects, based on the work undertaken in the course of the audit:

- 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 HEFCE, the OfS and by Research England have been applied in accordance with the relevant terms and conditions;
- The requirements of OfS's accounts direction have been met.

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

..... 31 October 2019

10 Queen Street Place
London
EC4R 1AG

**Group Statement of Financial Activities (including income and expenditure account)
For the year ended 31 July 2019**

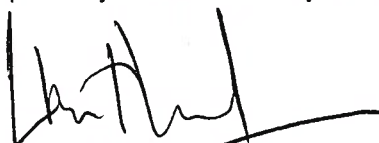
	Notes	[General Funds]			Total funds 2019	Total funds 2018 (as restated)
		Unrestricted funds	Designated funds	Restricted funds		
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	2	550,600	-	628,990	1,179,590	912,956
<i>Charitable activities:</i>						
Drama School	1	6,074,500	-	-	6,074,500	5,886,063
Examinations	1	5,397,861	-	-	5,397,861	4,870,062
Other trading activities	2	333,509	-	-	333,509	132,058
Investments	4	3,280	-	-	3,280	508
Other Income	3	(86,548)	-	-	(86,548)	248,915
Total income		12,273,202	-	628,990	12,902,192	12,050,562
Expenditure on:						
Raising Funds		481,234	6,471	-	487,705	332,900
Trading Activities		212,747	3,236	-	215,983	189,740
<i>Charitable activities:</i>						
Drama School		6,722,832	595,391	472,867	7,791,090	7,508,528
Examinations		4,623,524	42,066	-	4,665,590	4,144,856
Total expenditure	5	12,040,337	647,164	472,867	13,160,368	12,176,024
Net (losses) on investments		-	-	-	-	-
Net Surplus/(Deficit)	18	232,865	(647,164)	156,123	(258,176)	(125,462)
Transfers between funds	18	(547,164)	647,164	(100,000)	-	-
Net movement in funds		(314,299)	-	56,123	(258,176)	(125,462)
Fund balances brought forward at 1 August		465,255	25,320,193	317,678	26,103,126	26,228,588
Fund balances carried forward at 31 July	18	150,956	25,320,193	373,801	25,844,950	26,103,126


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.
The net result of LAMDA Ltd as a single entity was a deficit of £258,294 (2018: deficit of £132,120).

LAMDA Limited (Limited by guarantee)
and subsidiary company
Group Balance Sheet
For the year ending 31 July 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	8		684,823		592,012
Tangible assets	9		30,743,967		31,476,866
Investments	10		46		46
			<u>31,428,836</u>		<u>32,068,924</u>
Current assets					
Stock	12	36,249		32,529	
Debtors	13	957,893		1,555,787	
Short term deposits and cash in hand	21	1,404,816		652,538	
		<u>2,398,958</u>		<u>2,240,854</u>	
Current liabilities					
Creditors: amount falling due within one year	14	(2,566,177)		(3,223,319)	
Net current liabilities			<u>(167,219)</u>		<u>(982,465)</u>
Total assets less current liabilities			<u>31,261,617</u>		<u>31,086,459</u>
Creditors: amounts falling due after more than one year	15		(5,416,667)		(4,983,333)
Net assets			<u>25,844,950</u>		<u>26,103,126</u>
Funds					
Restricted funds	18		373,801		317,678
Designated funds					
Property fund	18		25,320,193		25,320,193
General unrestricted funds	18		150,956		465,255
Total Charity Funds			<u>25,844,950</u>		<u>26,103,126</u>

Approved by the Board on *24th October* 2019 and signed on its behalf by:


The Rt Hon Shaun Woodward
Chairman


Peter Holliday
Acting Principal & Chief Operating Officer


Lord Tom Chandos
Director

Balance Sheet

For the year ending 31 July 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	8		684,823		592,012
Tangible assets	9		30,743,967		31,476,866
Investments	10		346		346
			<u>31,429,136</u>		<u>32,069,224</u>
Current assets					
Stock	12	29,854		24,724	
Debtors	13	992,565		1,555,154	
Short term deposits and cash in hand		1,351,732		646,495	
		<u>2,374,151</u>		<u>2,226,373</u>	
Current liabilities					
Creditors: amount falling due within one year	14	(2,548,446)		(3,215,796)	
			<u>(174,295)</u>		<u>(989,423)</u>
Total assets less current liabilities			31,254,841		31,079,801
Creditors: amounts falling due after more than one year	15		(5,416,667)		(4,983,333)
			<u>25,838,174</u>		<u>26,096,468</u>
Net assets			25,838,174		26,096,468
Funds					
Restricted funds	18		373,801		317,678
Designated funds					
Property fund	18		25,320,193		25,320,193
General unrestricted funds	18		144,180		458,597
			<u>25,838,174</u>		<u>26,096,468</u>

Approved by the Board on

24th

October 2019 and signed on its behalf by:

The Rt Hon Shaun Woodward
Chairman

Peter Holliday
Acting Principal and Chief Operating Officer

Lord Tom Chandos
Director

LAMDA Limited (Limited by guarantee)
and subsidiary company
Cashflow statement
For the year ended 31 July 2019

	Notes	2019 £	2018 £
Cash flows from operating activities	21	<u>1,297,855</u>	<u>2,046,502</u>
Cash flows from investing activities			
Interest income		3,280	508
Payment to acquire tangible and intangible fixed assets		(548,857)	(2,207,904)
Cash (used in) investing activities		<u>(545,577)</u>	<u>(2,207,396)</u>
Increase/(decrease) in cash and cash equivalents in the year		752,278	(160,894)
Cash and cash equivalents at the beginning of the year		652,538	813,432
Total cash and cash equivalents at the end of the year		<u>1,404,816</u>	<u>652,538</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 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 2019 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 2018-19 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.

- Conservatoire grants are recognised when the charity has been notified of the grant and any conditions for receipt have been met,
- 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.

Notes to the financial statements

For the year ended 31 July 2019

1 Income from charitable activities

	Unrestricted funds £	Restricted funds £	2019 £
Core funding	654,291	-	654,291
Course and related fees	5,089,922	-	5,089,922
Examination fees	5,397,861	-	5,397,861
Theatre Tax Relief	130,774	-	130,774
Other grants	199,513	-	199,513
	<u>11,472,361</u>	<u>-</u>	<u>11,472,361</u>

analysed as follows:

Drama school	6,074,500	-	6,074,500
Examinations	5,397,861	-	5,397,861
	<u>11,472,361</u>	<u>-</u>	<u>11,472,361</u>

Prior Year

	Unrestricted funds £	Restricted funds £	2018 £
Core funding	669,050	-	669,050
Course and related fees	4,838,797	-	4,838,797
Examination fees	4,870,062	-	4,870,062
Capital grant from HEFCE	-	9,633	9,633
Theatre Tax Relief	180,019	-	180,019
Other grants	188,564	-	188,564
	<u>10,746,492</u>	<u>9,633</u>	<u>10,756,125</u>

analysed as follows:

Drama school	5,876,430	9,633	5,886,063
Examinations	4,870,062	-	4,870,062
	<u>10,746,492</u>	<u>9,633</u>	<u>10,756,125</u>

2 Income from donations, legacies and trading activities

	Unrestricted funds £	Restricted funds £	2019 £
Voluntary income			
Donations	520,600	628,990	1,149,590
Legacies	30,000	-	30,000
	<u>550,600</u>	<u>628,990</u>	<u>1,179,590</u>

Other trading activities

Trading activities, events and functions	265,030	-	265,030
Miscellaneous income	35,311	-	35,311
Land and rental income	33,168	-	33,168
	<u>333,509</u>	<u>-</u>	<u>333,509</u>

Prior Year (as restated)

	Unrestricted funds £	Restricted funds £	2018 £
Voluntary income			
Donations	89,741	823,215	912,956
Legacies	-	-	-
	<u>89,741</u>	<u>823,215</u>	<u>912,956</u>

Other trading activities

Trading activities, events and functions	171,074	-	171,074
Miscellaneous income (restated)	(60,360)	-	(60,360)
Land and rental income	21,344	-	21,344
	<u>132,058</u>	<u>-</u>	<u>132,058</u>

Restatement of 2018 income relates to the grossing up of accommodation for students on short courses which, prior to 2018, were netted off against the expenditure

3. Other income

	Unrestricted funds £	Restricted funds £	2019 £
VAT recoverable	(333,518)	-	(333,518)
Student accommodation income	246,970	-	246,970
	<u>(86,548)</u>	<u>-</u>	<u>(86,548)</u>

A claim for recovery of Value Added Tax (VAT) previously paid by the company in respect of major construction works to build new theatres and offices on the company's freehold property in Baron's Court, London was submitted to Her Majesty's Revenue and Customs (HMRC) in 2015. Up to 31 July 2017, income was accrued totalling £784,972. After lengthy negotiations between HMRC and LAMDA's tax advisers, the claim was finally settling in March 2019 for £444,085. The income difference of £340,887 has been shown as negative income in 2019 (2018: nil)

3. Other income (continued)

Prior year (as restated)	Unrestricted funds £	Restricted funds £	2018 £
Student accommodation income	248,915	-	248,915
	<u>248,915</u>	<u>-</u>	<u>248,915</u>

Restatement of 2018 income relates to the grossing up of accommodation for students on short courses which, prior to 2018, were netted off against the expenditure

4 Investment income

	Unrestricted funds £	Restricted funds £	Designated fund £	2019 £
Bank interest receivable	<u>3,280</u>	<u>-</u>	<u>-</u>	<u>3,280</u>

Prior Year	Unrestricted funds £	Restricted funds £	Designated fund £	2018 £
Bank interest receivable	<u>508</u>	<u>-</u>	<u>-</u>	<u>508</u>

Notes to the financial statements

For the year ended 31 July 2019

5 Analysis of total expenditure

	Allocation method	Drama school	Examinations	Fundraising	Trading Activities	Total 2019
		£	£	£	£	£
Costs directly allocated to activities						
Staff costs	Direct	2,644,274	1,040,792	260,360	102,673	4,048,099
Productions	Direct	543,606	-	-	-	543,606
Payments to examiners	Direct	-	1,200,869	-	-	1,200,869
Student bursaries, fee waivers & hardship	Direct	500,208	-	-	-	500,208
Student accommodation	Direct	240,997	-	-	-	240,997
Administration	Direct	926,884	1,331,973	116,850	11,643	2,387,350
Trading expenses	Direct	-	81,600	-	51,863	133,463
Depreciation	Direct	12,328	-	-	-	12,328
Total		4,868,297	3,655,234	377,210	166,179	9,066,920
Support costs allocated to activities						
Premises	Floor area	830,433	58,673	9,027	4,513	902,646
Administration	Total exp	778,061	584,187	60,285	26,559	1,449,092
Marketing	Total exp	224,745	168,744	17,414	7,672	418,575
Depreciation	Floor area/ total exp	1,011,077	139,830	17,688	8,381	1,176,976
Governance	Total exp	78,477	58,922	6,081	2,679	146,159
Total allocated support costs		2,922,793	1,010,356	110,495	49,804	4,093,448
Total expenditure		7,791,090	4,665,590	487,705	215,983	13,160,368

Support costs relating to central services (including human resources, IT, finance and management and administration) have been allocated over the service areas in relation to direct expenditure and floor area. Governance costs are re-allocations based on a portion of salary costs of senior staff plus the cost of audit services and accounting fees.

Prior Year (as restated)

	Allocation method	Drama school	Examinations	Fundraising	Trading Activities	Total 2018
		£	£	£	£	£
Costs directly allocated to activities						
Staff costs	Direct	2,512,698	958,338	174,599	94,052	3,739,687
Productions	Direct	554,800	-	-	-	554,800
Payments to examiners	Direct	-	1,156,054	-	-	1,156,054
Student bursaries, fee waivers & hardship	Direct	436,579	-	-	-	436,579
Student accommodation	Direct	243,563	-	-	-	243,563
Administration	Direct	1,069,047	1,116,661	81,552	9,295	2,276,555
Trading expenses	Direct	-	43,156	-	43,647	86,803
Depreciation	Direct	15,211	-	-	-	15,211
Total		4,831,898	3,274,209	256,151	146,994	8,509,252
Support costs allocated to activities						
Premises	Floor area	697,405	49,273	7,580	3,790	758,048
Administration	Total exp	681,941	486,629	38,070	21,847	1,228,487
Marketing	Total exp	188,803	134,729	10,540	6,049	340,121
Depreciation	Floor area/ total exp	992,554	117,291	14,087	7,346	1,131,278
Governance	Total exp	115,927	82,725	6,472	3,714	208,838
Total allocated support costs		2,676,630	870,647	76,749	42,746	3,666,772
Total expenditure		7,508,528	4,144,856	332,900	189,740	12,176,024

Restatement of 2018 expenditure relates to the grossing-up of accommodation for students on short courses which, prior to 2018, were netted off against the income.

6 Staff costs and employees

	2019	2018
	No. FTE	No. FTE
Drama School	52	50
Examinations	36	32
Fundraising	5	4
Trading Activities	5	4
Management and administration	24	25
	122	115

The average number of employees (full and part-time) during the year was as follows:

No.	No.
210	196

	2019	2018
	£	£
Staff costs for the above persons are analysed as follows:		
Wages and salaries	4,596,697	4,272,778
Social Security	439,665	412,211
Pension costs	143,114	118,658
Redundancy and compensation payments	47,101	44,356
Holiday accrual	197	4,976
	5,226,774	4,852,979

Staff costs (for the above persons) are analysed as follows:

Drama School	2,644,274	2,512,698
Examinations	1,040,792	958,338
Fundraising	260,360	174,599
Trading Activities	102,673	94,052
Management and administration	1,178,675	1,113,292
	5,226,774	4,852,979

In 2019, no employee received basic pay in excess of £100,000. In 2018, one employee received basic pay between £110,000 and £114,999.

To comply with the Charities: Statement of Recommended Practice, the number of higher paid employees in salary bands of £10,000 above £60,000 were:

	2019	2018
	No.	No.
Between £60,001 - £70,000	4	2
Between £70,001 - £80,000	2	2
Between £90,001 - £100,000	1	-
Between £110,001 - £120,000	-	1
	£	£
Employer pension costs for the above employees are:	25,246	18,142

6 Staff costs and employees (continued)

	2019	2018
	£	£
Remuneration of the Principal from August 2018 to January 2019 was as follows:		
Basic Pay	59,570	112,200
Pension contributions	2,780	5,610
	<u>62,350</u>	<u>117,810</u>

Remuneration of the Principal was for the full 12 months in 2018.

Remuneration of the Acting Principal from January 2019 to July 2019 was:

Basic Pay	55,417	-
Pension contributions	2,770	-
	<u>58,187</u>	<u>-</u>

The Principal and Acting Principal's basic salaries combined was 3.1 times the median of staff basic pay (2018: 3.0 times) and their total remuneration combined was 3.1 times the median of staff total remuneration (2018: 3.0 times).

The remuneration of the Principal and Acting Principal 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:

- Principal
- Chief Operating Officer
- 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 Academic Services
- Head of Technical Training
- Project Manager HEI

	2019	2018
	£	£
The total remuneration and pensions paid to them in the year was:		
Salaries	725,050	652,234
Employer national insurance contributions	90,504	79,377
Employer pension contributions	32,853	28,550
Compensation payment	18,571	32,055
Legal expenses	-	500
	<u>866,978</u>	<u>792,716</u>
Average annual salary of key management personnel	87,133	72,065

The compensation payment related to one person.

7 Movement in net income for the year

	2019 £	2018 £
After Charging:		
Depreciation	1,188,945	1,146,488
Loss on disposal of fixed assets	-	7,176
Operating leases - land and buildings	-	100,988
Operating leases - other	312	7,385
Auditors remuneration		
Audit	22,000	18,650
Other Services	8,900	6,700
Expenses reimbursed to trustees	<u>2,267</u>	<u>7,063</u>

Expenses were reimbursed to 18 trustees in the current year for £2,267 (2018: £7,063). No Trustee received remuneration in the current or prior year.

After Crediting:

Professional fees relating to tax claim	<u>102,266</u>	<u>-</u>
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A claim for recovery of Value Added Tax (VAT) was settled during the year, as detailed in Note 3. 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 were £133,225. The difference of £102,266 has been credited to professional fees in 2019 (2018: nil).

8 Intangible assets

<i>Group and Company</i>	Examinations and student record systems	OfS Registration Development Costs	Website Development	Degree- Awarding Powers Costs	Total
	£	£	£	£	£
Cost or valuation					
At 01 August 2018	529,967	143,371	-	-	673,338
Additions	87,210	-	51,039	70,428	208,677
At 31 July 2019	<u>617,177</u>	<u>143,371</u>	<u>51,039</u>	<u>70,428</u>	<u>882,015</u>
Depreciation					
At 01 August 2018	81,326	-	-	-	81,326
Charge for the year	115,866	-	-	-	115,866
At 31 July 2019	<u>197,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,192</u>
Net book value					
At 31 July 2019	419,985	143,371	51,039	70,428	684,823
At 01 August 2018	448,641	143,371	-	-	592,012

9 Tangible assets

Group and Company

	Freehold land and buildings	Plant & Machinery	Office, studio, & production equipment	IT equipment	Total
	£	£	£	£	£
Cost or valuation					
At 01 August 2018	29,846,895	2,755,200	798,535	468,807	33,869,437
Additions	185,890	6,416	8,583	139,291	340,180
Disposals	(33,012)	-	(108,177)	(352,834)	(494,023)
At 31 July 2019	29,999,773	2,761,616	698,941	255,264	33,715,594
Depreciation					
At 01 August 2018	1,387,010	413,280	203,753	388,528	2,392,571
Charge for the year	647,164	275,782	79,079	71,054	1,073,079
Disposals	(33,012)	-	(108,177)	(352,834)	(494,023)
At 31 July 2019	2,001,162	689,062	174,655	106,748	2,971,627
Net book value					
At 31 July 2019	27,998,611	2,072,554	524,286	148,516	30,743,967
At 01 August 2018	28,459,885	2,341,920	594,782	80,279	31,476,866

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	
	2019 £	2018 £	2019 £	2018 £
Listed securities at cost	46	46	46	46
Less: provision for impairment in value	-	-	-	-
	46	46	46	46
Unlisted subsidiary at cost	-	-	300	300
Cost or valuation at 31 July	46	46	346	346

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.

	2019 £	2018 £
Turnover	178,406	144,793
Net operating expenses	(160,474)	(138,135)
Operating profit	17,932	6,658
Payment under gift aid	(17,815)	-
Profit on ordinary activities after taxation	117	6,658
Profit brought forward	6,658	-
Retained profit carried forward	6,775	6,658
The profit brought into the consolidated accounts all relates to external trading.		
The share capital of LAMDA Enterprises is held by LAMDA Limited	300	300

12 Stock

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Examinations Stock	29,854	24,725	29,854	24,725
Bar Stock	6,395	7,805	-	-
	36,249	32,530	29,854	24,725

13 Debtors

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	28,671	53,475	27,610	52,842
Other debtors	79,038	40,148	79,038	40,148
Other taxation and social security	312,442	1,140,992	312,442	1,140,992
Prepayments and accrued income	537,742	321,172	537,742	321,172
Amount owed by subsidiary	-	-	35,733	-
	957,893	1,555,787	992,565	1,555,154

Notes to the financial statements

For the year ended 31 July 2019

14 CREDITORS: amounts falling due within one year

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Deferred income	1,316,381	1,337,709	1,313,624	1,337,419
Trade creditors	379,598	612,220	376,910	607,868
Accruals	288,712	860,152	282,256	852,211
Taxation and social security	130,525	132,562	124,695	126,697
Other creditors	117,628	64,009	117,628	63,509
Amount owed to subsidiary	-	-	-	11,425
Loan repayable (note 15)	333,333	216,667	333,333	216,667
	2,566,177	3,223,319	2,548,446	3,215,796

Analysis of Deferred Income

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
At 01 August	1,337,709	1,346,229	1,337,419	1,346,229
Acquired	1,316,381	1,337,344	1,313,624	1,337,344
Released	(1,337,709)	(1,346,154)	(1,337,419)	(1,346,154)
At 31 July	1,316,381	1,337,419	1,313,624	1,337,419

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	
	2019 £	2018 £	2019 £	2018 £
Barclays Bank plc	5,416,667	4,983,333	5,416,667	4,983,333

The bank loan is for ten years maturing in September 2028 which may be renewed for a further ten 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%.

Loan details: repayable as follows:	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Within one year (note 14)	333,333	216,667	333,333	216,667
Within two to five years	1,666,667	1,155,555	1,666,667	1,155,555
Over 5 years	3,750,000	3,827,778	3,750,000	3,827,778
	5,750,000	5,200,000	5,750,000	5,200,000

Notes to the financial statements

For the year ended 31 July 2019

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	
	2019 £	2018 £	2019 £	2018 £
Within one year	-	-	89,178	91,448
Within two to five years	-	-	89,736	91,903
	<u>-</u>	<u>-</u>	<u>178,914</u>	<u>183,351</u>

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 2019 there were 18 members (2018: 18), who were all trustees.

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

Notes to the financial statements

For the year ended 31 July 2019

18 Reconciliation of funds and movements on reserves

Group

	Balance at 01 August 2018	Income	Expenditure	Net income/ expenditure	Transfers	Net movement in funds	Balance at 31 July 2019
	£	£	£	£	£	£	£
Restricted funds							
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	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
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
	<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>
Unrestricted funds							
General fund	465,255	12,273,202	(12,040,337)	232,865	(547,164)	(314,299)	150,956
Designated fund							
Property fund	25,320,193	-	(647,164)	(647,164)	647,164	-	25,320,193
Total funds	<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
	£	£	£	£	£	£	£
Restricted funds							
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	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
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
	<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>
Unrestricted funds							
General fund	458,597	12,214,931	(11,982,184)	232,747	(547,164)	(314,417)	144,180
Designated fund							
Property fund	25,320,193	-	(647,164)	(647,164)	647,164	-	25,320,193
Total funds	<u>26,096,468</u>	<u>12,843,921</u>	<u>(13,102,215)</u>	<u>(258,294)</u>	<u>-</u>	<u>(258,294)</u>	<u>25,838,174</u>

Notes to the financial statements

For the year ended 31 July 2019

Reconciliation of funds and movements on reserves (continued)

Prior Year

Group

	Balance at 01 August 2017	Income	Expenditure	Net income/ expenditure	Transfers	Net movement in funds	Balance at 31 July 2018
	£	£	£	£	£	£	£
Restricted funds							
Act Now! Fund	-	123,646	-	123,646	(123,646)	-	-
Bursary fund	209,172	277,269	(325,283)	(48,014)	-	(48,014)	161,158
Hardship	40,180	4,898	(3,730)	1,168	-	1,168	41,348
AFLAMDA	-	28,753	(25,164)	3,589	-	3,589	3,589
Production programme support	-	3,000	-	3,000	-	3,000	3,000
Poetry award	100	-	-	-	(100)	(100)	-
Brian Tilston award	4,900	-	-	-	-	-	4,900
Pathways	38,000	67,463	(21,446)	46,017	-	46,017	84,017
LAMDA Genesis Network	18,000	28,186	(26,520)	1,666	-	1,666	19,666
Capital repairs & renewals	-	299,633	-	299,633	(299,633)	-	-
	<u>310,352</u>	<u>832,848</u>	<u>(402,143)</u>	<u>430,705</u>	<u>(423,379)</u>	<u>7,326</u>	<u>317,678</u>
Unrestricted funds							
General fund	598,043	10,974,151	(10,983,503)	(9,352)	(123,436)	(132,788)	465,255
Designated fund							
Property fund	25,320,193	-	(546,815)	(546,815)	546,815	-	25,320,193
Total funds	<u>26,228,588</u>	<u>11,806,999</u>	<u>(11,932,461)</u>	<u>(125,462)</u>	<u>-</u>	<u>(125,462)</u>	<u>26,103,126</u>

Company

	Balance at 01 August 2017	Income	Expenditure	Net Income/ expenditure	Transfers	Net movement in funds	Balance at 31 July 2018
	£	£	£	£	£	£	£
Restricted funds							
Act Now! Fund	-	123,646	-	123,646	(123,646)	-	-
Bursary fund	209,172	277,269	(325,283)	(48,014)	-	(48,014)	161,158
Hardship	40,180	4,898	(3,730)	1,168	-	1,168	41,348
AFLAMDA	-	28,753	(25,164)	3,589	-	3,589	3,589
Production programme support	-	3,000	-	3,000	-	3,000	3,000
Poetry award	100	-	-	-	(100)	(100)	-
Brian Tilston award	4,900	-	-	-	-	-	4,900
Pathways	38,000	67,463	(21,446)	46,017	-	46,017	84,017
LAMDA Genesis Network	18,000	28,186	(26,520)	1,666	-	1,666	19,666
Capital repairs & renewals	-	299,633	-	299,633	(299,633)	-	-
	<u>310,352</u>	<u>832,848</u>	<u>(402,143)</u>	<u>430,705</u>	<u>(423,379)</u>	<u>7,326</u>	<u>317,678</u>
Unrestricted funds							
General fund	598,043	10,937,506	(10,953,516)	(16,010)	(123,436)	(139,446)	458,597
Designated fund							
Property fund	25,320,193	-	(546,815)	(546,815)	546,815	-	25,320,193
Total funds	<u>26,228,588</u>	<u>11,770,354</u>	<u>(11,902,474)</u>	<u>(132,120)</u>	<u>-</u>	<u>(132,120)</u>	<u>26,096,468</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.

19 Analysis of net assets between funds

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

Company

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

Prior Year

	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
Group					
Restricted funds	-	-	317,678	-	317,678
Designated fund	25,320,193	-	-	-	25,320,193
Unrestricted funds	6,748,685	46	(1,300,143)	(4,983,333)	465,255
	<u>32,068,878</u>	<u>46</u>	<u>(982,465)</u>	<u>(4,983,333)</u>	<u>26,103,126</u>

Company

Restricted funds	-	-	317,678	-	317,678
Designated fund	25,320,193	-	-	-	25,320,193
Unrestricted funds	6,748,685	346	(1,307,101)	(4,983,333)	458,597
	<u>32,068,878</u>	<u>346</u>	<u>(989,423)</u>	<u>(4,983,333)</u>	<u>26,096,468</u>

20 Taxation

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

Notes to the financial statements

For the year ended 31 July 2019

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

	2019	2018
	£	£
Net expenditure) for the year	(258,176)	(125,462)
Add back depreciation charge	1,188,945	1,146,488
Deduct interest income shown in investing activities	(3,280)	(508)
(Increase) in stock	(3,720)	(4,144)
Decrease in debtors	597,894	237,290
(Decrease) increase in creditors	(657,142)	602,329
Increase (decrease) in long term creditors	433,334	183,333
Loss on disposals of fixed assets	-	7,176
Net cash used in operating activities	<u>1,297,855</u>	<u>2,046,502</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).

Tom Chandos is a trustee of the Esmée Fairburn Foundation which donated £44,550 in 2019.

No donations were received from trustees personally in 2019 (2018: nil), but many supported LAMDA's Gala Dinner by submitting bids in the auction.

23 Financial instruments

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Financial assets				
Financial assets measured at fair value through profit or loss	<u>1,433,487</u>	<u>706,013</u>	<u>1,379,342</u>	<u>699,042</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>379,598</u>	<u>612,220</u>	<u>376,910</u>	<u>607,868</u>

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

Other financial liabilities measured at fair value through profit or loss comprise trade creditors.