

THE OXFORD SCHOOL OF DRAMA TRUST
ACCOUNTS FOR THE YEAR ENDED
31 AUGUST 2022

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Company No. 3638842

Registered Charity No. 1072770

THE OXFORD SCHOOL OF DRAMA TRUST**GROUP TRUSTEES' REPORT**

This is the Twenty-third report of The Oxford School of Drama Trustees and covers the twelve months to 31 August 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Company number 3638842

Charity number 1072770

Registered Office

Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP.

Bankers

National Westminster Bank PLC, Oxford

Auditors

Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford, OX1 2EP

Principal address

Sansomes Farm Studios, Woodstock, Oxford, OX20 1ER

Trustees/Directors

The trustees of the Charity are also the company's directors for the purposes of the Companies Act.

The Trustees, who served throughout the year unless otherwise stated, were:

N Macaluso
A Millman
B A Cessay (resigned 7 April 2022)
E Fuller
D Lincoln (resigned 5 December 2022)
S Stephens
F Feehan
T Baldwin
A Byam
C A Bradley
F Murray-Fuentes
M Neild

Principal

Edward Hicks

THE OXFORD SCHOOL OF DRAMA TRUST

GROUP TRUSTEES' REPORT (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is governed by the provisions of its memorandum and articles of association and the accounts comply with current statutory requirements and the Trust's governing document.

The Trustees have the power to appoint additional people as Trustee but any Trustees such appointed shall only hold office until the following Annual General Meeting, where they can seek re-election.

New Trustees are provided with a comprehensive pack of information about The Oxford School of Drama Trust, the content of which conforms to the recommendations of The Charity Commission. This includes: Charity Commission booklet CC3 The Essential Trustee: What you need to know; information on the responsibilities of Trustees; memorandum and articles of association; accounts for last three years incorporating Trustees' reports; minutes of last three board meetings; brief history of the School and chronology of significant events; organisational chart; current school prospectus; schedule of dates for further meetings; biographies of Trustees and dates of appointment; details of contractual obligations; summary of Trust's insurance policies including trustees' liability insurance; details of any litigation presently being undertaken either by or against the Trust; details of charity's professional advisers, including solicitors, bankers, external auditors; policy documents, including Risk Management information, Health and Safety Policy, Equal Opportunities Policy, Disability Equality Policy, Safeguarding Policy, Data Policy, Environmental Policy, ICT Policy, Disciplinary Policy, Grievance Policy.

The Trustees are in overall control of the Trust and consider strategic issues. Day to day management of the Trust is delegated to the Principal.

Key Management Personnel Remuneration

The pay and remuneration of the charity's key management personnel is re-evaluated annually. Every 3-5 years the Trustees undertake a comparative analysis of the pay and remuneration of the key management personnel in similar organisations as a benchmark.

OBJECTIVES AND ACTIVITIES

The Oxford School of Drama Trust was founded in 1998 as a Company Limited by Guarantee and a registered charity to train students for the acting profession. The School's strategy is to offer an education, as well as vocational training, to students from a wide range of social and educational backgrounds. For this reason it has a policy of limiting the intake of students to the School to ensure a high and constant level of support, both during and after training. The total intake in September 2021 was 38 students. The Trust has committed and highly qualified teaching and administrative staff. The School employs six full-time and two part-time staff and has up to thirty freelance tutors. The School is deemed Grade 1 'outstanding' by Ofsted and 'exemplary' by Trinity College London.

The Trust provides the following courses:

- One Year Diploma in Acting Course
- Three Year Diploma in Acting course

THE OXFORD SCHOOL OF DRAMA TRUST

GROUP TRUSTEES' REPORT (CONTINUED)

Public Benefit

The Trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The School aim is to ensure that its courses are open to all regardless of their background through its participation in the Government's Dance and Drama Awards (DaDA) Scheme. The Scheme enables talented students to access financial assistance to attend courses at the School, provided that they are under the age of 24 and from households with a gross income of less than £90,000. The amount of financial assistance students receive depends on their household income. Those in greatest need (with a household income of less than £21,000) pay nothing towards their course fees and can access a grant to help with their living costs. Those whose household income is £85,000 - £90,000 pay £7,175 for their course fees, a reduction of £8,500 on the published rate. There is a sliding scale of support for students between these two income figures.

Students aged over 18 years who have some fees to pay for their course can also access an Advanced Learning Loan of up to £7,395 towards the course fees.

The school also slashed its audition fees to help remove financial barriers experienced by some applicants and increased the available audition waivers.

In addition to these schemes the School has its own Bursaries for students and a Hardship Fund for those students experiencing financial difficulties.

The school outreach work was seriously undermined by Covid in recent years and some outreach work remained online but we were able to run workshops and Q&A's both online and in person in the form of workshops targeted at under-represented groups. This work is undertaken in partnership with staff, students and graduate actors. It included live sessions that ranged from, the FDS Training Fair (Leeds) 500+, to NYT-Playing Up (London) 50+. Several smaller activities were also organised both online and in person in the form of presentations at schools and colleges, careers events, Drama groups, open days and workshops for those interested in drama training. We also expanded our partnership with the National Saturday club offering free weekly drama classes to local children from low income families. Then as part of a tour to local schools we offered workshops on Shakespeare. Public performances took place at venues including The North Wall (Oxford), The New Diorama (London), Southwark Playhouse (London), Leicester Square Theatre (London), the local Oxfordshire community and a number of outdoor locations. We played to a total public audience of 2,800.

ACHIEVEMENTS AND PERFORMANCE

The graduates from the School have continued to have a successful year despite the knock on effects of Covid. Working for a range of companies, theatre credits include the Gielgud Theatre (West End), The Globe (London), The King's Head (London), St Martin's (West End), Duke of York (West End), The National Theatre, and The RSC amongst others. On the small screen they could be seen as regular or lead characters in Netflix's Bridgerton, Sex Education, Shadow and Bone, Umbrella Factory, The Witcher: Blood Origin; BBC's Call the Midwife, Casualty, Killing Eve; ITV's Grantchester, Emmerdale, No Return; Sky's Britannia, Frayed, Temple, Wolfe; HBO's Gangs of London, Landscapers. In Film Infinite, Living, Seize Them, The Electrical Life of Louis Wain.

Students and graduates winning or nominated for awards this year include:

Freddy Carter selected as one of Decider's 11 Rising Stars to Watch For in 2022

Nicola Coughlan wins IFTA Rising Star Award

Clare Foy wins Emmy for best guest actress in a drama series

Maimuna Memon wins The Stage Edinburgh Award

Aimee Lou Wood wins BAFTA for best female comedy performance and wins the Ian Charleson award

Luca Kamleh Chapman (Third year) is cast in a Royal Court production before graduating.

Kieran Andrew and Bethany O' Halloran (third year students) finalists in BBC Carleton Hobbs Award

Vicky Wyant (Third Year student) finalist in the Student Spotlight awards

THE OXFORD SCHOOL OF DRAMA TRUST

GROUP TRUSTEES' REPORT (CONTINUED)

Activities

The School's Student Hardship Fund continued to support those in financial difficulty. The number of students needing support continues to increase. During the Autumn term and Spring term twenty seven awards were made totalling £7,700.

The School's New Initiatives Fund supports graduates in creating new work, forming industry partnerships and presenting their work to an audience both nationally and internationally. The School invites applications to the Fund from recent graduates with some experience in the industry. The award was suspended during Covid and as it makes awards from the Fund every other year it did not run this year.

Plans for the future

Much of this year has involved the development of a new Five year plan and following the appointment of a Head of Acting the continuation of an in-depth review of the curriculum. Changes that were implemented over the year were focussed around Diversifying, Safety, the Student Experience and Curriculum. This included the appointment of new trustees, the appointment of new co-chairs, the creation of various new subcommittees, a new student support service, the updating of various policies, the appointment of new teaching staff (including an emphasis on developing new tutors of colour), the creation of new online short courses, increasing the number of performance opportunities and refreshing elements of the curriculum. Moving forward it's hoped other areas will begin to be addressed around fundraising, further improved student support, improved communication for staff and students, building awareness, expanding outreach and short courses, and making the school more accessible to more people regardless of background. Through this work the school can build on its reputation by setting new priorities that allow the Trust to continue to provide an outstanding training for a small number of students from diverse backgrounds.

FINANCIAL REVIEW

The charity achieved a surplus of £70,521 on unrestricted funds in the year. As in previous years the majority of the income came from course fees. £70,521 is £85,771 (detailed page) less £15,250 transfer from restricted for bursairies.

Reserves

As at 31 August 2022, the charity's total funds were £1,419,937 of which, £44,643 was represented by restricted funds and £253,298 by designated funds (equal to the net book value of the charity's leasehold buildings), leaving a balance of £1,121,996 on general funds.

The Trustees consider that reserves ideally need to be sufficient to cover expenditure for a period of six months. This would equate to approximately £500,000.

As at 31 August 2022, after having designated funds to represent the investment in the new Theatre and Library/Office Development and for the Barn Development works, there was a balance of £1,121,996 on general funds. £500,000 of this was represented by the investment in Oxford School of Drama Limited leaving a balance of free reserves of £621,996.

THE OXFORD SCHOOL OF DRAMA TRUST

TRUSTEES' REPORT (CONTINUED)

Risk Management Statement

The Trust maintains risk management and other policies as listed in the Annual Return. The Trustees consider the principal risks and uncertainties affecting the charity are:

- Potential future changes in DADA (Dance and Drama Awards) and ALL (Advanced Learner Loan) funding arrangements;
- Recruitment and retention of good quality staff and tutors;
- Issues that may harm's the Charity reputation.

The risk management policy has been expanded to cover the areas of risk recommended by the Charity Commission: governance and management, operational, financial, environment and external, law and regulation compliance. In addition, specific policies cover complaints handling and conflicts of interests. The Company keeps risk management under continual review, and conducts a formal risk review once a year, which is discussed and approved by the Trustees. Major risks are reviewed and assessed, and control systems are established to manage those risks.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

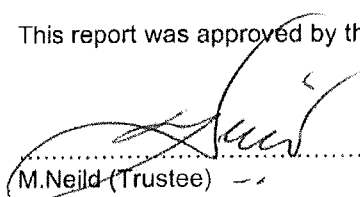
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2006.

This report was approved by the Trustees on.....04/04/2023.....


.....
M. Neild (Trustee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE OXFORD SCHOOL OF DRAMA TRUST**

Opinion

We have audited the financial statements of The Oxford School of Drama Trust (the "Charity") for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, the Statements of Cash Flows, and 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 and Charity's affairs as at 31 August 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OXFORD SCHOOL OF DRAMA TRUST (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OXFORD SCHOOL OF DRAMA TRUST (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE OXFORD SCHOOL OF DRAMA TRUST (CONTINUED)**

- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland
Senior Statutory Auditor
for and on behalf of Critchleys Audit LLP
Statutory Auditor
Beaver House, 23-38 Hythe Bridge Street,
Oxford, OX1 2EP

5/5/2023

THE OXFORD SCHOOL OF DRAMA TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME FROM:					
Donations and Legacies		-	48,250	48,250	51,329
Charitable activities					
Drama School	2	1,370,885	-	1,370,885	1,300,114
Investments – interest receivable		<u>655</u>	<u>-</u>	<u>655</u>	<u>500</u>
Total income		<u>1,371,540</u>	<u>48,250</u>	<u>1,419,790</u>	<u>1,351,943</u>
EXPENDITURE ON;					
Charitable activities:					
Drama School	3	<u>1,368,432</u>	<u>63,976</u>	<u>1,432,408</u>	<u>1,310,314</u>
Total expenditure		<u>1,368,432</u>	<u>63,976</u>	<u>1,426,613</u>	<u>1,310,314</u>
Net income/(expenditure)		3,108	(15,726)	(12,618)	41,629
Transfers between funds	15	<u>15,250</u>	<u>(15,250)</u>	<u>-</u>	<u>-</u>
Net movement on funds		18,358	(30,976)	(12,618)	41,629
Reconciliation of funds;					
Total funds brought forward		<u>1,194,880</u>	<u>75,619</u>	<u>1,270,499</u>	<u>1,228,870</u>
Total funds carried forward		<u>1,213,238</u>	<u>44,643</u>	<u>1,257,881</u>	<u>1,270,499</u>

THE OXFORD SCHOOL OF DRAMA TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2021 (comparatives)

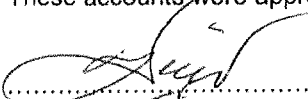
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
INCOME FROM:				
Donations and Legacies		-	51,329	51,329
Charitable activities				
Drama School	2	1,300,114	-	1,300,114
Investments – interest receivable		<u>500</u>	<u>-</u>	<u>500</u>
Total income		<u>1,300,614</u>	<u>51,329</u>	<u>1,351,943</u>
EXPENDITURE ON;				
Charitable activities:				
Drama School	3	<u>1,251,740</u>	<u>58,574</u>	<u>1,310,314</u>
Total expenditure		<u>1,251,740</u>	<u>58,574</u>	<u>1,310,314</u>
Net expenditure		48,874	(7,245)	41,629
Transfers between funds	15	<u>22,000</u>	<u>(22,000)</u>	<u>-</u>
Net movement on funds		70,874	(29,245)	41,629
Reconciliation of funds;				
Total funds brought forward		<u>1,124,006</u>	<u>104,864</u>	<u>1,228,870</u>
Total funds carried forward		<u>1,194,880</u>	<u>75,619</u>	<u>1,270,499</u>

THE OXFORD SCHOOL OF DRAMA TRUST
(company no: 3638842)

BALANCE SHEETS
AS AT 31 AUGUST 2022

	Note	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
FIXED ASSETS					
Intangible assets	6	302,935	-	346,212	-
Investments	7	-	500,000	-	500,000
Tangible assets	8	<u>263,220</u>	<u>258,073</u>	<u>286,781</u>	<u>280,639</u>
		566,155	758,073	632,993	780,639
CURRENT ASSETS					
Debtors	9	52,863	203,436	45,591	67,332
Cash at bank and in hand	10	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>
		1,532,629	1,462,173	1,636,997	1,270,160
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(840,903)</u>	<u>(800,309)</u>	<u>(939,673)</u>	<u>(620,045)</u>
NET CURRENT ASSETS		691,726	661,864	697,506	650,297
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	12	<u>-</u>	<u>-</u>	<u>(60,000)</u>	<u>(60,000)</u>
NET ASSETS		<u>1,257,881</u>	<u>1,419,937</u>	<u>1,270,499</u>	<u>1,370,936</u>
Funds:					
Unrestricted funds:					
General funds		959,940	1,121,996	920,474	1,020,911
Designated funds	14	253,298	253,298	274,406	274,406
Restricted funds	15	<u>44,643</u>	<u>44,643</u>	<u>75,619</u>	<u>75,619</u>
		<u>1,257,881</u>	<u>1,419,937</u>	<u>1,270,499</u>	<u>1,370,936</u>

These accounts were approved and authorised for issue by the Trustees on 04/04/2023


.....
M. NEILD (TRUSTEE)

THE OXFORD SCHOOL OF DRAMA TRUST

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Group 2022	Trust 2022	Group 2021	Trust 2021
	£	£	£	£
Net cash (used in)/provided by operating activities	(50,602)	116,947	348,627	60,792
Cash flows from investing activities				
Purchase of tangible fixed assets	(1,220)	(1,220)	(18,444)	(13,653)
Purchase of subsidiary	(60,000)	(60,000)	(20,000)	(20,000)
Cash generated by/(used in) investing activities	(61,220)	(61,220)	(38,444)	(33,653)
(Decrease)/increase in cash and cash equivalents in the year	(111,822)	55,727	310,183	27,139
Cash and cash equivalents at the beginning of the year	<u>1,591,588</u>	<u>1,203,010</u>	<u>1,281,405</u>	<u>1,175,871</u>
Cash and cash equivalents at the end of the year	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>
Cash provided by operating activities:				
Net movement in funds	(12,618)	49,000	41,629	73,994
Depreciation	24,781	23,787	23,791	22,823
Amortisation	43,276	-	43,276	-
(Increase)/decrease in debtors	(7,272)	(136,104)	(13,301)	(9,535)
Increase/(decrease) in creditors	<u>(98,698)</u>	<u>180,264</u>	<u>253,232</u>	<u>(26,490)</u>
Net cash (used in)/provided by operating activities	<u>(50,602)</u>	<u>116,947</u>	<u>348,627</u>	<u>60,792</u>
Cash and cash equivalents consist of:				
Cash in hand	1,391,955	1,170,926	1,503,947	1,115,369
Notice deposits (less than 1 year)	<u>87,811</u>	<u>87,811</u>	<u>87,641</u>	<u>87,641</u>
	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES

a) General Information

This Company is a Charitable Company Limited by guarantee incorporated in United Kingdom. Oxford School of Drama Trust is a public benefit entity, operating from Sansomes Farm Studios, Woodstock, Oxford, OX20 1ER.

b) Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Charities (Accounts and Reports) Regulations and Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102) and the Companies Act 2006. These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The financial Reporting Standard applicable in the UK and Republic of Ireland.

There are no uncertainties about the charity's ability to continue as a going concern.

The consolidated accounts included the result of the Trust and its subsidiary The Oxford School of Drama Limited from the date of acquisition.

No parent company Statement of Financial Activities is presented as permitted by s408 of the Companies Act 2006. The net movement in funds attributable to the parent company is £54,796 (2021: £73,994).

c) Income

Income includes fees for courses organised by the Trust, associated fees, and deposit interest. Income is included in the income and expenditure account in the year to which the income relates.

Income received in the year relating to terms starting after the year end is deferred and included as income in the accounts covering the period to which it relates.

d) Expenditure

Expenditure is recognised when a liability is incurred.

Charitable activities include expenditure associated with the running of the courses provided. This includes both the direct costs and support costs relating to this activity.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central function. All of these have been allocated to the principal activity of the charity.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

e) Funds structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The Trustees have set up the designated funds for the purpose of funding a new theatre, the library/office development and barn development works.

f) Intangible assets and amortisation

Intangible assets are originally recognised as the value of goodwill upon their purchase.

Amortisation is provided to write off the goodwill over its expected useful economic life of 10 years.

g) Fixed Asset Investments

Investments are held at cost less any impairment in value.

h) Tangible fixed assets and depreciation

Depreciation is provided to write off the cost of tangible fixed assets over their expected useful lives at the following rates.

Office equipment	- 25%
Leasehold improvements	- Length of lease

i) Operating leases

Rentals due under operating leases are charged to the Statement of Financial Activities on an accruals basis.

j) Pension Costs

The charity operates a defined contribution pension scheme. Contributions are recognised as an expense when they fall due.

k) Cash and cash equivalents

Cash and cash equivalents includes notice accounts with a maturity of less than one year.

2 INCOME - OPERATION OF DRAMA SCHOOL

	Trust £	Limited £	2022 £	2021 £
Course fees	944,935	351,500	1,296,435	1,232,795
Less: bursaries awarded	(15,250)	(8,750)	(24,000)	(22,000)
Audition fees	15,669	4,703	20,372	27,760
Box office sales	9,660	-	9,660	10,943
Student transport	26,135	16,138	42,273	20,785
Other income	<u>24,664</u>	<u>1,481</u>	<u>26,145</u>	<u>26,631</u>
	<u>1,005,813</u>	<u>365,072</u>	<u>1,370,885</u>	<u>1,300,114</u>

THE OXFORD SCHOOL OF DRAMA TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

3 CHARITABLE ACTIVITIES

	Trust £	Limited £	2022 £	2021 £
Activity: Operation of drama school				
Staff	291,447	104,002	395,449	356,750
Depreciation	23,787	994	24,781	23,791
Amortisation	43,276	-	43,276	43,276
Direct Costs	526,364	122,958	649,322	636,132
Support Costs	<u>221,341</u>	<u>98,239</u>	<u>319,580</u>	<u>250,365</u>
	<u>1,106,215</u>	<u>326,193</u>	<u>1,432,408</u>	<u>1,310,314</u>

4 SUPPORT COSTS

	Trust £	Limited £	2022 £	2021 £
Legal and other fees	14,045	11,612	25,657	12,921
Finance	2,181	742	2,923	2,762
General office	24,599	935	25,534	29,140
Premises	173,386	82,385	255,771	197,470
Governance costs – auditors' remuneration	<u>7,130</u>	<u>2,565</u>	<u>9,695</u>	<u>8,072</u>
	<u>221,341</u>	<u>98,239</u>	<u>319,580</u>	<u>250,365</u>

In addition the auditors received £2,691 (2021: £2,200) for other services.

5 STAFF COSTS (EXCLUDING TUTORS)

	2022 £	2021 £
Salaries and wages	345,864	314,396
Employers national insurance	33,175	30,917
Pension costs	<u>10,377</u>	<u>9,616</u>
	<u>389,416</u>	<u>354,929</u>

The average number of employees during the year was 9 (2021: 8).

	2022 No	2021 No
Number of higher paid employees in bands of:		
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

The charity's key management personnel remuneration in the year (including employer's national insurance and pension costs) was £156,684 (2021: £153,066).

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

6 INTANGIBLE ASSETS

	Goodwill on consolidation
Cost or valuation	£
At 1 September 2021	<u>432,764</u>
At 31 August 2022	<u>432,764</u>
Amortisation	
At 1 September 2021	86,552
Provided in year	43,276
Disposals	<u>-</u>
At 31 August 2022	<u>129,828</u>
Net book amount	
At 31 August 2022	<u>302,936</u>
At 31 August 2021	<u>346,212</u>

100% of shares in Oxford School of Drama Limited (OSD) were purchased on 13 September 2019 for £360,000 in cash and deferred consideration of £140,000.

The goodwill was calculated as consideration (£500,000) less net assets of OSD at the date of acquisition.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

7 INVESTMENTS

Shares in subsidiary undertaking	£
At 1 September 2021	500,000
Additions	-
Disposals	<u>-</u>
At 31 August 2022	<u>500,000</u>

The Oxford School of Drama Limited (OSD) is a wholly owned subsidiary (company number: 1973452).

OSD's registered office is:
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

OSD undertook the foundation course for Oxford School of Drama during the year ended 31 August 2022.

A summary of its trading results and net assets for the year is shown below.

	2022 £	2021 £
Profit and loss account		
Turnover	365,072	343,795
Cost of sales	<u>(124,879)</u>	<u>(119,411)</u>
Gross profit	240,193	224,384
Administrative expenses	(197,159)	(163,255)
Other interest receivable and similar income	114	29
Taxation	<u>(4,156)</u>	<u>(5,246)</u>
Net income for the year	<u>38,992</u>	<u>55,912</u>
Balance Sheet		
Fixed assets	5,147	6,141
Current assets	226,216	403,384
Current liabilities	<u>(196,354)</u>	<u>(356,173)</u>
Net assets	<u>35,009</u>	<u>53,352</u>

All income and expenditure for the subsidiary during the year is included within the consolidated statement of financial activities.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

8 TANGIBLE FIXED ASSETS

	Group Short Leasehold Improvements £	Group Fixtures & Equipment £	Group Total £	Trust Short Leasehold Improvements £	Trust Fixtures & Equipment £	Trust Total £
Cost						
At 1 September 2021	1,006,569	44,526	1,051,095	1,001,953	41,622	1,043,575
Additions	-	1,220	1,220	-	1,220	1,220
At 31 August 2022	<u>1,006,569</u>	<u>45,746</u>	<u>1,052,315</u>	<u>1,001,953</u>	<u>42,842</u>	<u>1,044,795</u>
Depreciation						
At 1 September 2021	727,942	36,372	764,314	727,547	35,389	762,936
Charge for the year	<u>21,430</u>	<u>3,351</u>	<u>24,780</u>	<u>21,108</u>	<u>2,679</u>	<u>23,787</u>
At 31 August 2022	<u>749,372</u>	<u>39,723</u>	<u>789,095</u>	<u>748,655</u>	<u>38,068</u>	<u>786,722</u>
Net book value						
At 31 August 2022	<u>257,197</u>	<u>6,023</u>	<u>263,220</u>	<u>253,298</u>	<u>4,774</u>	<u>258,073</u>
As 31 August 2021	<u>278,627</u>	<u>8,154</u>	<u>286,781</u>	<u>274,406</u>	<u>6,233</u>	<u>280,639</u>

All fixed assets are used in the direct furtherance of the Trust's charitable objects.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**9 DEBTORS**

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Trade debtors	23,755	20,380	14,839	14,839
Prepayments and accrued income	27,296	27,296	30,752	15,947
Amounts owed by group undertakings	-	155,760	-	36,546
Other Debtors	<u>1,812</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>52,863</u>	<u>203,436</u>	<u>45,591</u>	<u>67,332</u>

10 CASH AT BANK AND IN HAND

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Current Account	127,029	108,966	143,880	120,540
Deposits & Cash	<u>1,352,737</u>	<u>1,149,771</u>	<u>1,447,708</u>	<u>1,082,470</u>
	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Trade creditors	13,363	7,811	44,413	28,553
Other creditors	105,704	101,600	137,119	137,119
Other taxation and social security	10,625	10,625	76,095	11,387
Accruals and deferred income	651,211	620,273	622,046	382,986
Deferred Consideration	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
	<u>840,903</u>	<u>800,309</u>	<u>939,673</u>	<u>620,045</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Deferred Consideration	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>

13 DEFERRED INCOME

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Balance as at 1 September 2021	568,910	337,126	400,941	375,441
Amount released to income	(568,910)	(337,126)	(400,941)	(375,441)
Amount deferred in year	<u>608,157</u>	<u>577,219</u>	<u>568,910</u>	<u>337,126</u>
Balance as at 31 August 2022	<u>608,157</u>	<u>577,219</u>	<u>568,910</u>	<u>337,126</u>

Deferred income comprises income in advance for the following year's fees.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

14 DESIGNATED FUNDS

	Leasehold improvements £	Total £
Group		
As at 1 September 2020	285,782	285,782
Net expenditure	(19,984)	(19,984)
Transfer from general funds	<u>8,608</u>	<u>8,608</u>
As at 1 September 2021	274,406	274,406
Net expenditure	(21,108)	(21,108)
Transfer from general funds	<u>-</u>	<u>-</u>
As at 31 August 2022	<u>253,298</u>	<u>253,298</u>
	Leasehold improvements £	Total £
Trust		
As at 1 September 2020	285,782	285,782
Net expenditure	(19,984)	(19,984)
Transfer from general funds	<u>8,608</u>	<u>8,608</u>
As at 1 September 2021	247,406	247,406
Net expenditure	(21,108)	(21,108)
Transfer from general funds	<u>-</u>	<u>-</u>
As at 31 August 2022	<u>253,298</u>	<u>253,298</u>

This represents the net book value of the leasehold improvements capitalised as fixed assets in the Trust.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

15 RESTRICTED FUNDS

Current year

	As at September 2021 £	Income £	Expenditure £	Transfer £	As at August 2022 £
Student Hardship Bursaries	68,187	15,340	(21,962)	600	62,165
Mhairi Armstrong Bursary Fund	2,383	-	-	-	2,383
A.L.L Bursaries	(10,201)	32,910	(42,014)	(600)	(19,905)
Garfield Weston Foundation	<u>15,250</u>	<u>-</u>	<u>-</u>	<u>(15,250)</u>	<u>-</u>
Total	<u>75,619</u>	<u>48,250</u>	<u>(63,976)</u>	<u>(15,250)</u>	<u>44,643</u>

Previous year

	As at September 2020 £	Income £	Expenditure £	Transfer £	As at August 2021 £
Student Hardship Bursaries	64,628	13,707	(9,502)	(646)	68,187
Mhairi Armstrong Bursary Fund	7,253	-	(4,870)	-	2,383
A.L.L Bursaries	(4,267)	37,622	(44,202)	646	(10,201)
Garfield Weston Foundation	<u>37,250</u>	<u>-</u>	<u>-</u>	<u>(22,000)</u>	<u>15,250</u>
Total	<u>104,864</u>	<u>51,329</u>	<u>(58,574)</u>	<u>(22,000)</u>	<u>75,619</u>

Mhairi Armstrong Bursary fund is monies received to be used for student hardship.

The Hardship Fund is monies received to be used for student hardship.

Advanced Learner Loans – Bursary funds available to those students who have Advanced Learner Loans.

The Garfield Weston Foundation fund is for talented students facing substantial financial hardship.

16 MEMBERS' LIABILITY

The Trust is limited by guarantee and does not have a share capital. The members have undertaken to contribute a sum, not exceeding £1 each, to the assets of the trust in the event of it being wound up.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

17 ANALYSIS OF FUNDS BALANCES BETWEEN THE NET ASSETS

<i>Current year</i>	Designated £	General £	Restricted £	Total 2022 £
Group				
Fixed assets	253,298	312,857	-	566,155
Net current assets	-	647,083	44,643	691,726
Creditors: amounts due over 1 year	-	-	-	-
Total	<u>253,298</u>	<u>959,940</u>	<u>44,643</u>	<u>1,257,881</u>
Trust				
Fixed assets	253,298	504,775	-	758,073
Net current assets	-	617,221	44,643	661,864
Creditors: amounts due over 1 year	-	-	-	-
Total	<u>253,298</u>	<u>1,121,996</u>	<u>44,643</u>	<u>1,419,937</u>
 <i>Prior year</i>	 Designated £	 General £	 Restricted £	 Total 2021 £
Group				
Fixed assets	274,406	358,587	-	632,993
Net current assets	-	621,887	75,619	697,506
Creditors: amounts due over 1 year	-	(60,000)	-	(60,000)
Total	<u>274,406</u>	<u>920,474</u>	<u>75,619</u>	<u>1,270,499</u>
 Trust	 Designated £	 General £	 Restricted £	 Total 2021 £
Fixed assets	274,406	506,233	-	780,639
Net current assets	-	574,678	75,619	650,297
Creditors: amounts due over 1 year	-	(60,000)	-	(60,000)
Total	<u>274,406</u>	<u>1,020,911</u>	<u>75,619</u>	<u>1,370,936</u>

18 TRANSACTIONS WITH RELATED PARTIES

During the year ended 31 August 2020, the Trust purchased Oxford School of Drama Limited (OSD). This was a related party transaction as one of the Trust's previous Trustees (P Wilson-Smith) was one of the former shareholders. At the year ended 31 August 2022, £60,000 (2021: £120,000) of the deferred consideration (within creditors) was owed to P Wilson-Smith. P Wilson-Smith resigned as a Trustee of Oxford School of Drama Trust on 23 June 2021.

As at 31 August 2022, OSD owed the Trust £155,760 (2021: £36,546).

No trustees received any remuneration or reimbursement of expenses in either year.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 August 2022 the total of the future minimum lease payments under non-cancellable operating leases is as follows:

	2022 Land/Building £	2021 Land/Building £
Not later than one year	194,608	179,121
More than one year and less than five	390,759	537,363
Over five years	<u>-</u>	<u>-</u>
Total	<u>585,367</u>	<u>716,484</u>

Amounts paid in the year by the group under the leases totalled £180,454 (2021: £140,621).

THE OXFORD SCHOOL OF DRAMA TRUST

DETAILED UNRESTRICTED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2022

	2022	2021
	£	£
INCOME		
Course fees	944,935	905,395
Audition fees	15,669	20,661
Box office sales	9,660	10,943
Student transport	26,135	12,135
Gift-aid donation from subsidiary	57,335	45,000
Other income	24,664	29,185
Interest received	<u>541</u>	<u>471</u>
	<u>1,078,939</u>	<u>1,023,790</u>
EXPENDITURE		
Charitable activities		
Tutors	215,352	173,204
Audition costs	16,560	27,537
Student travel	53,349	46,729
Venue hire	13,940	30,260
Production costs	86,799	86,854
Film and TV tuition	-	(60)
Production marketing	14,417	9,780
Staff costs	291,447	283,359
Rent, rates and insurance	134,225	107,959
Heating and lighting	8,088	4,695
Marketing	9,007	4,507
Staff training	10,781	12,643
Staff travel	1,770	614
Entertaining	1,205	19
Repairs and maintenance	13,613	15,066
Cleaning and housekeeping	20,081	16,716
Bursary costs	5,000	3,200
Subscription	5,667	6,405
Bank charges	2,181	1,962
Short course programmes	3,859	-
Trinity college registration	15,533	16,100
Depreciation	23,787	22,823
Miscellaneous office costs	11,655	14,607
Legal and professional	14,045	5,532
Other accountancy fees	18,266	16,909
Outreach costs	(1,262)	7,835
General expenses	2,468	-
Governance costs (audit & accountancy fee)	<u>7,130</u>	<u>5,297</u>
	<u>998,963</u>	<u>920,552</u>
Net movement on unrestricted funds	<u>79,976</u>	<u>103,238</u>

THE OXFORD SCHOOL OF DRAMA TRUST
ACCOUNTS FOR THE YEAR ENDED
31 AUGUST 2022

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Company No. 3638842

Registered Charity No. 1072770

THE OXFORD SCHOOL OF DRAMA TRUST**GROUP TRUSTEES' REPORT**

This is the Twenty-third report of The Oxford School of Drama Trustees and covers the twelve months to 31 August 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Company number 3638842

Charity number 1072770

Registered Office

Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP.

Bankers

National Westminster Bank PLC, Oxford

Auditors

Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford, OX1 2EP

Principal address

Sansomes Farm Studios, Woodstock, Oxford, OX20 1ER

Trustees/Directors

The trustees of the Charity are also the company's directors for the purposes of the Companies Act.

The Trustees, who served throughout the year unless otherwise stated, were:

N Macaluso
A Millman
B A Cessay (resigned 7 April 2022)
E Fuller
D Lincoln (resigned 5 December 2022)
S Stephens
F Feehan
T Baldwin
A Byam
C A Bradley
F Murray-Fuentes
M Neild

Principal

Edward Hicks

THE OXFORD SCHOOL OF DRAMA TRUST

GROUP TRUSTEES' REPORT (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is governed by the provisions of its memorandum and articles of association and the accounts comply with current statutory requirements and the Trust's governing document.

The Trustees have the power to appoint additional people as Trustee but any Trustees such appointed shall only hold office until the following Annual General Meeting, where they can seek re-election.

New Trustees are provided with a comprehensive pack of information about The Oxford School of Drama Trust, the content of which conforms to the recommendations of The Charity Commission. This includes: Charity Commission booklet CC3 The Essential Trustee: What you need to know; information on the responsibilities of Trustees; memorandum and articles of association; accounts for last three years incorporating Trustees' reports; minutes of last three board meetings; brief history of the School and chronology of significant events; organisational chart; current school prospectus; schedule of dates for further meetings; biographies of Trustees and dates of appointment; details of contractual obligations; summary of Trust's insurance policies including trustees' liability insurance; details of any litigation presently being undertaken either by or against the Trust; details of charity's professional advisers, including solicitors, bankers, external auditors; policy documents, including Risk Management information, Health and Safety Policy, Equal Opportunities Policy, Disability Equality Policy, Safeguarding Policy, Data Policy, Environmental Policy, ICT Policy, Disciplinary Policy, Grievance Policy.

The Trustees are in overall control of the Trust and consider strategic issues. Day to day management of the Trust is delegated to the Principal.

Key Management Personnel Remuneration

The pay and remuneration of the charity's key management personnel is re-evaluated annually. Every 3-5 years the Trustees undertake a comparative analysis of the pay and remuneration of the key management personnel in similar organisations as a benchmark.

OBJECTIVES AND ACTIVITIES

The Oxford School of Drama Trust was founded in 1998 as a Company Limited by Guarantee and a registered charity to train students for the acting profession. The School's strategy is to offer an education, as well as vocational training, to students from a wide range of social and educational backgrounds. For this reason it has a policy of limiting the intake of students to the School to ensure a high and constant level of support, both during and after training. The total intake in September 2021 was 38 students. The Trust has committed and highly qualified teaching and administrative staff. The School employs six full-time and two part-time staff and has up to thirty freelance tutors. The School is deemed Grade 1 'outstanding' by Ofsted and 'exemplary' by Trinity College London.

The Trust provides the following courses:

- One Year Diploma in Acting Course
- Three Year Diploma in Acting course

THE OXFORD SCHOOL OF DRAMA TRUST

GROUP TRUSTEES' REPORT (CONTINUED)

Public Benefit

The Trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The School aim is to ensure that its courses are open to all regardless of their background through its participation in the Government's Dance and Drama Awards (DaDA) Scheme. The Scheme enables talented students to access financial assistance to attend courses at the School, provided that they are under the age of 24 and from households with a gross income of less than £90,000. The amount of financial assistance students receive depends on their household income. Those in greatest need (with a household income of less than £21,000) pay nothing towards their course fees and can access a grant to help with their living costs. Those whose household income is £85,000 - £90,000 pay £7,175 for their course fees, a reduction of £8,500 on the published rate. There is a sliding scale of support for students between these two income figures.

Students aged over 18 years who have some fees to pay for their course can also access an Advanced Learning Loan of up to £7,395 towards the course fees.

The school also slashed its audition fees to help remove financial barriers experienced by some applicants and increased the available audition waivers.

In addition to these schemes the School has its own Bursaries for students and a Hardship Fund for those students experiencing financial difficulties.

The school outreach work was seriously undermined by Covid in recent years and some outreach work remained online but we were able to run workshops and Q&A's both online and in person in the form of workshops targeted at under-represented groups. This work is undertaken in partnership with staff, students and graduate actors. It included live sessions that ranged from, the FDS Training Fair (Leeds) 500+, to NYT-Playing Up (London) 50+. Several smaller activities were also organised both online and in person in the form of presentations at schools and colleges, careers events, Drama groups, open days and workshops for those interested in drama training. We also expanded our partnership with the National Saturday club offering free weekly drama classes to local children from low income families. Then as part of a tour to local schools we offered workshops on Shakespeare. Public performances took place at venues including The North Wall (Oxford), The New Diorama (London), Southwark Playhouse (London), Leicester Square Theatre (London), the local Oxfordshire community and a number of outdoor locations. We played to a total public audience of 2,800.

ACHIEVEMENTS AND PERFORMANCE

The graduates from the School have continued to have a successful year despite the knock on effects of Covid. Working for a range of companies, theatre credits include the Gielgud Theatre (West End), The Globe (London), The King's Head (London), St Martin's (West End), Duke of York (West End), The National Theatre, and The RSC amongst others. On the small screen they could be seen as regular or lead characters in Netflix's Bridgerton, Sex Education, Shadow and Bone, Umbrella Factory, The Witcher: Blood Origin; BBC's Call the Midwife, Casualty, Killing Eve; ITV's Grantchester, Emmerdale, No Return; Sky's Britannia, Frayed, Temple, Wolfe; HBO's Gangs of London, Landscapers. In Film Infinite, Living, Seize Them, The Electrical Life of Louis Wain.

Students and graduates winning or nominated for awards this year include:

Freddy Carter selected as one of Decider's 11 Rising Stars to Watch For in 2022

Nicola Coughlan wins IFTA Rising Star Award

Clare Foy wins Emmy for best guest actress in a drama series

Maimuna Memon wins The Stage Edinburgh Award

Aimee Lou Wood wins BAFTA for best female comedy performance and wins the Ian Charleson award

Luca Kamleh Chapman (Third year) is cast in a Royal Court production before graduating.

Kieran Andrew and Bethany O' Halloran (third year students) finalists in BBC Carleton Hobbs Award

Vicky Wyant (Third Year student) finalist in the Student Spotlight awards

THE OXFORD SCHOOL OF DRAMA TRUST

GROUP TRUSTEES' REPORT (CONTINUED)

Activities

The School's Student Hardship Fund continued to support those in financial difficulty. The number of students needing support continues to increase. During the Autumn term and Spring term twenty seven awards were made totalling £7,700.

The School's New Initiatives Fund supports graduates in creating new work, forming industry partnerships and presenting their work to an audience both nationally and internationally. The School invites applications to the Fund from recent graduates with some experience in the industry. The award was suspended during Covid and as it makes awards from the Fund every other year it did not run this year.

Plans for the future

Much of this year has involved the development of a new Five year plan and following the appointment of a Head of Acting the continuation of an in-depth review of the curriculum. Changes that were implemented over the year were focussed around Diversifying, Safety, the Student Experience and Curriculum. This included the appointment of new trustees, the appointment of new co-chairs, the creation of various new subcommittees, a new student support service, the updating of various policies, the appointment of new teaching staff (including an emphasis on developing new tutors of colour), the creation of new online short courses, increasing the number of performance opportunities and refreshing elements of the curriculum. Moving forward it's hoped other areas will begin to be addressed around fundraising, further improved student support, improved communication for staff and students, building awareness, expanding outreach and short courses, and making the school more accessible to more people regardless of background. Through this work the school can build on its reputation by setting new priorities that allow the Trust to continue to provide an outstanding training for a small number of students from diverse backgrounds.

FINANCIAL REVIEW

The charity achieved a surplus of £70,521 on unrestricted funds in the year. As in previous years the majority of the income came from course fees. £70,521 is £85,771 (detailed page) less £15,250 transfer from restricted for bursairies.

Reserves

As at 31 August 2022, the charity's total funds were £1,419,937 of which, £44,643 was represented by restricted funds and £253,298 by designated funds (equal to the net book value of the charity's leasehold buildings), leaving a balance of £1,121,996 on general funds.

The Trustees consider that reserves ideally need to be sufficient to cover expenditure for a period of six months. This would equate to approximately £500,000.

As at 31 August 2022, after having designated funds to represent the investment in the new Theatre and Library/Office Development and for the Barn Development works, there was a balance of £1,121,996 on general funds. £500,000 of this was represented by the investment in Oxford School of Drama Limited leaving a balance of free reserves of £621,996.

THE OXFORD SCHOOL OF DRAMA TRUST

TRUSTEES' REPORT (CONTINUED)

Risk Management Statement

The Trust maintains risk management and other policies as listed in the Annual Return. The Trustees consider the principal risks and uncertainties affecting the charity are:

- Potential future changes in DADA (Dance and Drama Awards) and ALL (Advanced Learner Loan) funding arrangements;
- Recruitment and retention of good quality staff and tutors;
- Issues that may harm's the Charity reputation.

The risk management policy has been expanded to cover the areas of risk recommended by the Charity Commission: governance and management, operational, financial, environment and external, law and regulation compliance. In addition, specific policies cover complaints handling and conflicts of interests. The Company keeps risk management under continual review, and conducts a formal risk review once a year, which is discussed and approved by the Trustees. Major risks are reviewed and assessed, and control systems are established to manage those risks.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

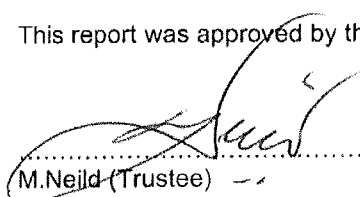
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2006.

This report was approved by the Trustees on.....04/04/2023


.....
M. Neild (Trustee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE OXFORD SCHOOL OF DRAMA TRUST**

Opinion

We have audited the financial statements of The Oxford School of Drama Trust (the "Charity") for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, Balance Sheets, the Statements of Cash Flows, and 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 and Charity's affairs as at 31 August 2022 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OXFORD SCHOOL OF DRAMA TRUST (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OXFORD SCHOOL OF DRAMA TRUST (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE OXFORD SCHOOL OF DRAMA TRUST (CONTINUED)**

- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing relevant correspondence.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Kirtland
Senior Statutory Auditor
for and on behalf of Critchleys Audit LLP
Statutory Auditor
Beaver House, 23-38 Hythe Bridge Street,
Oxford, OX1 2EP

5/5/2023

THE OXFORD SCHOOL OF DRAMA TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME FROM:					
Donations and Legacies		-	48,250	48,250	51,329
Charitable activities					
Drama School	2	1,370,885	-	1,370,885	1,300,114
Investments – interest receivable		<u>655</u>	<u>-</u>	<u>655</u>	<u>500</u>
Total income		<u>1,371,540</u>	<u>48,250</u>	<u>1,419,790</u>	<u>1,351,943</u>
EXPENDITURE ON;					
Charitable activities:					
Drama School	3	<u>1,368,432</u>	<u>63,976</u>	<u>1,432,408</u>	<u>1,310,314</u>
Total expenditure		<u>1,368,432</u>	<u>63,976</u>	<u>1,426,613</u>	<u>1,310,314</u>
Net income/(expenditure)		3,108	(15,726)	(12,618)	41,629
Transfers between funds	15	<u>15,250</u>	<u>(15,250)</u>	<u>-</u>	<u>-</u>
Net movement on funds		18,358	(30,976)	(12,618)	41,629
Reconciliation of funds;					
Total funds brought forward		<u>1,194,880</u>	<u>75,619</u>	<u>1,270,499</u>	<u>1,228,870</u>
Total funds carried forward		<u>1,213,238</u>	<u>44,643</u>	<u>1,257,881</u>	<u>1,270,499</u>

THE OXFORD SCHOOL OF DRAMA TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2021 (comparatives)

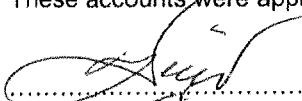
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
INCOME FROM:				
Donations and Legacies		-	51,329	51,329
Charitable activities				
Drama School	2	1,300,114	-	1,300,114
Investments – interest receivable		<u>500</u>	<u>-</u>	<u>500</u>
Total income		<u>1,300,614</u>	<u>51,329</u>	<u>1,351,943</u>
EXPENDITURE ON;				
Charitable activities:				
Drama School	3	<u>1,251,740</u>	<u>58,574</u>	<u>1,310,314</u>
Total expenditure		<u>1,251,740</u>	<u>58,574</u>	<u>1,310,314</u>
Net expenditure		48,874	(7,245)	41,629
Transfers between funds	15	<u>22,000</u>	<u>(22,000)</u>	<u>-</u>
Net movement on funds		70,874	(29,245)	41,629
Reconciliation of funds;				
Total funds brought forward		<u>1,124,006</u>	<u>104,864</u>	<u>1,228,870</u>
Total funds carried forward		<u>1,194,880</u>	<u>75,619</u>	<u>1,270,499</u>

THE OXFORD SCHOOL OF DRAMA TRUST
(company no: 3638842)

BALANCE SHEETS
AS AT 31 AUGUST 2022

	Note	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
FIXED ASSETS					
Intangible assets	6	302,935	-	346,212	-
Investments	7	-	500,000	-	500,000
Tangible assets	8	<u>263,220</u>	<u>258,073</u>	<u>286,781</u>	<u>280,639</u>
		566,155	758,073	632,993	780,639
CURRENT ASSETS					
Debtors	9	52,863	203,436	45,591	67,332
Cash at bank and in hand	10	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>
		1,532,629	1,462,173	1,636,997	1,270,160
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(840,903)</u>	<u>(800,309)</u>	<u>(939,673)</u>	<u>(620,045)</u>
NET CURRENT ASSETS		691,726	661,864	697,506	650,297
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	12	<u>-</u>	<u>-</u>	<u>(60,000)</u>	<u>(60,000)</u>
NET ASSETS		<u><u>1,257,881</u></u>	<u><u>1,419,937</u></u>	<u><u>1,270,499</u></u>	<u><u>1,370,936</u></u>
Funds:					
Unrestricted funds:					
General funds		959,940	1,121,996	920,474	1,020,911
Designated funds	14	253,298	253,298	274,406	274,406
Restricted funds	15	<u>44,643</u>	<u>44,643</u>	<u>75,619</u>	<u>75,619</u>
		<u><u>1,257,881</u></u>	<u><u>1,419,937</u></u>	<u><u>1,270,499</u></u>	<u><u>1,370,936</u></u>

These accounts were approved and authorised for issue by the Trustees on 04/04/2023


.....
M. NEILD (TRUSTEE)

THE OXFORD SCHOOL OF DRAMA TRUST

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Group 2022	Trust 2022	Group 2021	Trust 2021
	£	£	£	£
Net cash (used in)/provided by operating activities	(50,602)	116,947	348,627	60,792
Cash flows from investing activities				
Purchase of tangible fixed assets	(1,220)	(1,220)	(18,444)	(13,653)
Purchase of subsidiary	(60,000)	(60,000)	(20,000)	(20,000)
Cash generated by/(used in) investing activities	(61,220)	(61,220)	(38,444)	(33,653)
(Decrease)/increase in cash and cash equivalents in the year	(111,822)	55,727	310,183	27,139
Cash and cash equivalents at the beginning of the year	<u>1,591,588</u>	<u>1,203,010</u>	<u>1,281,405</u>	<u>1,175,871</u>
Cash and cash equivalents at the end of the year	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>
Cash provided by operating activities:				
Net movement in funds	(12,618)	49,000	41,629	73,994
Depreciation	24,781	23,787	23,791	22,823
Amortisation	43,276	-	43,276	-
(Increase)/decrease in debtors	(7,272)	(136,104)	(13,301)	(9,535)
Increase/(decrease) in creditors	<u>(98,698)</u>	<u>180,264</u>	<u>253,232</u>	<u>(26,490)</u>
Net cash (used in)/provided by operating activities	<u>(50,602)</u>	<u>116,947</u>	<u>348,627</u>	<u>60,792</u>
Cash and cash equivalents consist of:				
Cash in hand	1,391,955	1,170,926	1,503,947	1,115,369
Notice deposits (less than 1 year)	<u>87,811</u>	<u>87,811</u>	<u>87,641</u>	<u>87,641</u>
	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES

a) General Information

This Company is a Charitable Company Limited by guarantee incorporated in United Kingdom. Oxford School of Drama Trust is a public benefit entity, operating from Sansomes Farm Studios, Woodstock, Oxford, OX20 1ER.

b) Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Charities (Accounts and Reports) Regulations and Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102) and the Companies Act 2006. These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The financial Reporting Standard applicable in the UK and Republic of Ireland.

There are no uncertainties about the charity's ability to continue as a going concern.

The consolidated accounts included the result of the Trust and its subsidiary The Oxford School of Drama Limited from the date of acquisition.

No parent company Statement of Financial Activities is presented as permitted by s408 of the Companies Act 2006. The net movement in funds attributable to the parent company is £54,796 (2021: £73,994).

c) Income

Income includes fees for courses organised by the Trust, associated fees, and deposit interest. Income is included in the income and expenditure account in the year to which the income relates.

Income received in the year relating to terms starting after the year end is deferred and included as income in the accounts covering the period to which it relates.

d) Expenditure

Expenditure is recognised when a liability is incurred.

Charitable activities include expenditure associated with the running of the courses provided. This includes both the direct costs and support costs relating to this activity.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central function. All of these have been allocated to the principal activity of the charity.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

e) Funds structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The Trustees have set up the designated funds for the purpose of funding a new theatre, the library/office development and barn development works.

f) Intangible assets and amortisation

Intangible assets are originally recognised as the value of goodwill upon their purchase.

Amortisation is provided to write off the goodwill over its expected useful economic life of 10 years.

g) Fixed Asset Investments

Investments are held at cost less any impairment in value.

h) Tangible fixed assets and depreciation

Depreciation is provided to write off the cost of tangible fixed assets over their expected useful lives at the following rates.

Office equipment	- 25%
Leasehold improvements	- Length of lease

i) Operating leases

Rentals due under operating leases are charged to the Statement of Financial Activities on an accruals basis.

j) Pension Costs

The charity operates a defined contribution pension scheme. Contributions are recognised as an expense when they fall due.

k) Cash and cash equivalents

Cash and cash equivalents includes notice accounts with a maturity of less than one year.

2 INCOME - OPERATION OF DRAMA SCHOOL

	Trust £	Limited £	2022 £	2021 £
Course fees	944,935	351,500	1,296,435	1,232,795
Less: bursaries awarded	(15,250)	(8,750)	(24,000)	(22,000)
Audition fees	15,669	4,703	20,372	27,760
Box office sales	9,660	-	9,660	10,943
Student transport	26,135	16,138	42,273	20,785
Other income	<u>24,664</u>	<u>1,481</u>	<u>26,145</u>	<u>26,631</u>
	<u>1,005,813</u>	<u>365,072</u>	<u>1,370,885</u>	<u>1,300,114</u>

THE OXFORD SCHOOL OF DRAMA TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

3 CHARITABLE ACTIVITIES

	Trust £	Limited £	2022 £	2021 £
Activity: Operation of drama school				
Staff	291,447	104,002	395,449	356,750
Depreciation	23,787	994	24,781	23,791
Amortisation	43,276	-	43,276	43,276
Direct Costs	526,364	122,958	649,322	636,132
Support Costs	<u>221,341</u>	<u>98,239</u>	<u>319,580</u>	<u>250,365</u>
	<u>1,106,215</u>	<u>326,193</u>	<u>1,432,408</u>	<u>1,310,314</u>

4 SUPPORT COSTS

	Trust £	Limited £	2022 £	2021 £
Legal and other fees	14,045	11,612	25,657	12,921
Finance	2,181	742	2,923	2,762
General office	24,599	935	25,534	29,140
Premises	173,386	82,385	255,771	197,470
Governance costs – auditors' remuneration	<u>7,130</u>	<u>2,565</u>	<u>9,695</u>	<u>8,072</u>
	<u>221,341</u>	<u>98,239</u>	<u>319,580</u>	<u>250,365</u>

In addition the auditors received £2,691 (2021: £2,200) for other services.

5 STAFF COSTS (EXCLUDING TUTORS)

	2022 £	2021 £
Salaries and wages	345,864	314,396
Employers national insurance	33,175	30,917
Pension costs	<u>10,377</u>	<u>9,616</u>
	<u>389,416</u>	<u>354,929</u>

The average number of employees during the year was 9 (2021: 8).

	2022 No	2021 No
Number of higher paid employees in bands of:		
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

The charity's key management personnel remuneration in the year (including employer's national insurance and pension costs) was £156,684 (2021: £153,066).

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

6 INTANGIBLE ASSETS

	Goodwill on consolidation
Cost or valuation	£
At 1 September 2021	<u>432,764</u>
At 31 August 2022	<u>432,764</u>
Amortisation	
At 1 September 2021	86,552
Provided in year	43,276
Disposals	<u>-</u>
At 31 August 2022	<u>129,828</u>
Net book amount	
At 31 August 2022	<u>302,936</u>
At 31 August 2021	<u>346,212</u>

100% of shares in Oxford School of Drama Limited (OSD) were purchased on 13 September 2019 for £360,000 in cash and deferred consideration of £140,000.

The goodwill was calculated as consideration (£500,000) less net assets of OSD at the date of acquisition.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

7 INVESTMENTS

Shares in subsidiary undertaking	£
At 1 September 2021	500,000
Additions	-
Disposals	<u>-</u>
At 31 August 2022	<u>500,000</u>

The Oxford School of Drama Limited (OSD) is a wholly owned subsidiary (company number: 1973452).

OSD's registered office is:
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

OSD undertook the foundation course for Oxford School of Drama during the year ended 31 August 2022.

A summary of its trading results and net assets for the year is shown below.

	2022 £	2021 £
Profit and loss account		
Turnover	365,072	343,795
Cost of sales	<u>(124,879)</u>	<u>(119,411)</u>
Gross profit	240,193	224,384
Administrative expenses	(197,159)	(163,255)
Other interest receivable and similar income	114	29
Taxation	<u>(4,156)</u>	<u>(5,246)</u>
Net income for the year	<u>38,992</u>	<u>55,912</u>
Balance Sheet		
Fixed assets	5,147	6,141
Current assets	226,216	403,384
Current liabilities	<u>(196,354)</u>	<u>(356,173)</u>
Net assets	<u>35,009</u>	<u>53,352</u>

All income and expenditure for the subsidiary during the year is included within the consolidated statement of financial activities.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

8 TANGIBLE FIXED ASSETS

	Group Short Leasehold Improvements £	Group Fixtures & Equipment £	Group Total £	Trust Short Leasehold Improvements £	Trust Fixtures & Equipment £	Trust Total £
Cost						
At 1 September 2021	1,006,569	44,526	1,051,095	1,001,953	41,622	1,043,575
Additions	-	1,220	1,220	-	1,220	1,220
At 31 August 2022	<u>1,006,569</u>	<u>45,746</u>	<u>1,052,315</u>	<u>1,001,953</u>	<u>42,842</u>	<u>1,044,795</u>
Depreciation						
At 1 September 2021	727,942	36,372	764,314	727,547	35,389	762,936
Charge for the year	<u>21,430</u>	<u>3,351</u>	<u>24,780</u>	<u>21,108</u>	<u>2,679</u>	<u>23,787</u>
At 31 August 2022	<u>749,372</u>	<u>39,723</u>	<u>789,095</u>	<u>748,655</u>	<u>38,068</u>	<u>786,722</u>
Net book value						
At 31 August 2022	<u>257,197</u>	<u>6,023</u>	<u>263,220</u>	<u>253,298</u>	<u>4,774</u>	<u>258,073</u>
As 31 August 2021	<u>278,627</u>	<u>8,154</u>	<u>286,781</u>	<u>274,406</u>	<u>6,233</u>	<u>280,639</u>

All fixed assets are used in the direct furtherance of the Trust's charitable objects.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

9 DEBTORS

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Trade debtors	23,755	20,380	14,839	14,839
Prepayments and accrued income	27,296	27,296	30,752	15,947
Amounts owed by group undertakings	-	155,760	-	36,546
Other Debtors	<u>1,812</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>52,863</u>	<u>203,436</u>	<u>45,591</u>	<u>67,332</u>

10 CASH AT BANK AND IN HAND

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Current Account	127,029	108,966	143,880	120,540
Deposits & Cash	<u>1,352,737</u>	<u>1,149,771</u>	<u>1,447,708</u>	<u>1,082,470</u>
	<u>1,479,766</u>	<u>1,258,737</u>	<u>1,591,588</u>	<u>1,203,010</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Trade creditors	13,363	7,811	44,413	28,553
Other creditors	105,704	101,600	137,119	137,119
Other taxation and social security	10,625	10,625	76,095	11,387
Accruals and deferred income	651,211	620,273	622,046	382,986
Deferred Consideration	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
	<u>840,903</u>	<u>800,309</u>	<u>939,673</u>	<u>620,045</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Deferred Consideration	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>60,000</u>

13 DEFERRED INCOME

	Group 2022 £	Trust 2022 £	Group 2021 £	Trust 2021 £
Balance as at 1 September 2021	568,910	337,126	400,941	375,441
Amount released to income	(568,910)	(337,126)	(400,941)	(375,441)
Amount deferred in year	<u>608,157</u>	<u>577,219</u>	<u>568,910</u>	<u>337,126</u>
Balance as at 31 August 2022	<u>608,157</u>	<u>577,219</u>	<u>568,910</u>	<u>337,126</u>

Deferred income comprises income in advance for the following year's fees.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

14 DESIGNATED FUNDS

	Leasehold improvements £	Total £
Group		
As at 1 September 2020	285,782	285,782
Net expenditure	(19,984)	(19,984)
Transfer from general funds	<u>8,608</u>	<u>8,608</u>
As at 1 September 2021	274,406	274,406
Net expenditure	(21,108)	(21,108)
Transfer from general funds	<u>-</u>	<u>-</u>
As at 31 August 2022	<u>253,298</u>	<u>253,298</u>
	Leasehold improvements £	Total £
Trust		
As at 1 September 2020	285,782	285,782
Net expenditure	(19,984)	(19,984)
Transfer from general funds	<u>8,608</u>	<u>8,608</u>
As at 1 September 2021	247,406	247,406
Net expenditure	(21,108)	(21,108)
Transfer from general funds	<u>-</u>	<u>-</u>
As at 31 August 2022	<u>253,298</u>	<u>253,298</u>

This represents the net book value of the leasehold improvements capitalised as fixed assets in the Trust.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

15 RESTRICTED FUNDS

Current year

	As at September 2021 £	Income £	Expenditure £	Transfer £	As at August 2022 £
Student Hardship Bursaries	68,187	15,340	(21,962)	600	62,165
Mhairi Armstrong Bursary Fund	2,383	-	-	-	2,383
A.L.L Bursaries	(10,201)	32,910	(42,014)	(600)	(19,905)
Garfield Weston Foundation	<u>15,250</u>	<u>-</u>	<u>-</u>	<u>(15,250)</u>	<u>-</u>
Total	<u>75,619</u>	<u>48,250</u>	<u>(63,976)</u>	<u>(15,250)</u>	<u>44,643</u>

Previous year

	As at September 2020 £	Income £	Expenditure £	Transfer £	As at August 2021 £
Student Hardship Bursaries	64,628	13,707	(9,502)	(646)	68,187
Mhairi Armstrong Bursary Fund	7,253	-	(4,870)	-	2,383
A.L.L Bursaries	(4,267)	37,622	(44,202)	646	(10,201)
Garfield Weston Foundation	<u>37,250</u>	<u>-</u>	<u>-</u>	<u>(22,000)</u>	<u>15,250</u>
Total	<u>104,864</u>	<u>51,329</u>	<u>(58,574)</u>	<u>(22,000)</u>	<u>75,619</u>

Mhairi Armstrong Bursary fund is monies received to be used for student hardship.

The Hardship Fund is monies received to be used for student hardship.

Advanced Learner Loans – Bursary funds available to those students who have Advanced Learner Loans.

The Garfield Weston Foundation fund is for talented students facing substantial financial hardship.

16 MEMBERS' LIABILITY

The Trust is limited by guarantee and does not have a share capital. The members have undertaken to contribute a sum, not exceeding £1 each, to the assets of the trust in the event of it being wound up.

THE OXFORD SCHOOL OF DRAMA TRUST

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

17 ANALYSIS OF FUNDS BALANCES BETWEEN THE NET ASSETS

<i>Current year</i>	Designated £	General £	Restricted £	Total 2022 £
Group				
Fixed assets	253,298	312,857	-	566,155
Net current assets	-	647,083	44,643	691,726
Creditors: amounts due over 1 year	-	-	-	-
Total	<u>253,298</u>	<u>959,940</u>	<u>44,643</u>	<u>1,257,881</u>
Trust				
Fixed assets	253,298	504,775	-	758,073
Net current assets	-	617,221	44,643	661,864
Creditors: amounts due over 1 year	-	-	-	-
Total	<u>253,298</u>	<u>1,121,996</u>	<u>44,643</u>	<u>1,419,937</u>
 <i>Prior year</i>	 Designated £	 General £	 Restricted £	 Total 2021 £
Group				
Fixed assets	274,406	358,587	-	632,993
Net current assets	-	621,887	75,619	697,506
Creditors: amounts due over 1 year	-	(60,000)	-	(60,000)
Total	<u>274,406</u>	<u>920,474</u>	<u>75,619</u>	<u>1,270,499</u>
	Designated £	General £	Restricted £	Total 2021 £
Trust				
Fixed assets	274,406	506,233	-	780,639
Net current assets	-	574,678	75,619	650,297
Creditors: amounts due over 1 year	-	(60,000)	-	(60,000)
Total	<u>274,406</u>	<u>1,020,911</u>	<u>75,619</u>	<u>1,370,936</u>

18 TRANSACTIONS WITH RELATED PARTIES

During the year ended 31 August 2020, the Trust purchased Oxford School of Drama Limited (OSD). This was a related party transaction as one of the Trust's previous Trustees (P Wilson-Smith) was one of the former shareholders. At the year ended 31 August 2022, £60,000 (2021: £120,000) of the deferred consideration (within creditors) was owed to P Wilson-Smith. P Wilson-Smith resigned as a Trustee of Oxford School of Drama Trust on 23 June 2021.

As at 31 August 2022, OSD owed the Trust £155,760 (2021: £36,546).

No trustees received any remuneration or reimbursement of expenses in either year.

THE OXFORD SCHOOL OF DRAMA TRUST

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)**

19 COMMITMENTS UNDER OPERATING LEASES

As at 31 August 2022 the total of the future minimum lease payments under non-cancellable operating leases is as follows:

	2022 Land/Building £	2021 Land/Building £
Not later than one year	194,608	179,121
More than one year and less than five	390,759	537,363
Over five years	<u>-</u>	<u>-</u>
Total	<u>585,367</u>	<u>716,484</u>

Amounts paid in the year by the group under the leases totalled £180,454 (2021: £140,621).

THE OXFORD SCHOOL OF DRAMA TRUST

DETAILED UNRESTRICTED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2022

	2022	2021
	£	£
INCOME		
Course fees	944,935	905,395
Audition fees	15,669	20,661
Box office sales	9,660	10,943
Student transport	26,135	12,135
Gift-aid donation from subsidiary	57,335	45,000
Other income	24,664	29,185
Interest received	<u>541</u>	<u>471</u>
	<u>1,078,939</u>	<u>1,023,790</u>
EXPENDITURE		
Charitable activities		
Tutors	215,352	173,204
Audition costs	16,560	27,537
Student travel	53,349	46,729
Venue hire	13,940	30,260
Production costs	86,799	86,854
Film and TV tuition	-	(60)
Production marketing	14,417	9,780
Staff costs	291,447	283,359
Rent, rates and insurance	134,225	107,959
Heating and lighting	8,088	4,695
Marketing	9,007	4,507
Staff training	10,781	12,643
Staff travel	1,770	614
Entertaining	1,205	19
Repairs and maintenance	13,613	15,066
Cleaning and housekeeping	20,081	16,716
Bursary costs	5,000	3,200
Subscription	5,667	6,405
Bank charges	2,181	1,962
Short course programmes	3,859	-
Trinity college registration	15,533	16,100
Depreciation	23,787	22,823
Miscellaneous office costs	11,655	14,607
Legal and professional	14,045	5,532
Other accountancy fees	18,266	16,909
Outreach costs	(1,262)	7,835
General expenses	2,468	-
Governance costs (audit & accountancy fee)	<u>7,130</u>	<u>5,297</u>
	<u>998,963</u>	<u>920,552</u>
Net movement on unrestricted funds	<u>79,976</u>	<u>103,238</u>

Management letter to the Board of Trustees of Oxford School of Drama

Year ended 31 August 2022

March 2023

Critchleys Audit LLP
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

T 01865 261100
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Introduction

Purpose of the document

In accordance with our normal practice and the International Standards on Auditing (UK and Ireland) 260, we are writing to draw your attention to various matters which arose during the course of our audit of your financial statements for the year ended 31 August 2022.

This letter includes an executive summary of the key findings below which are supported by the detailed sections thereafter.

The purpose of the audit is to enable us to express an opinion on the financial statements. Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls. The matters reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

Our audit included obtaining sufficient and appropriate audit evidence to support our opinion. We use a variety of audit techniques to obtain audit evidence, including tests of design of controls; analytical review; verification of specific transactions and balances; and third party verification. We also assessed the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Our audit involved a risk-based approach and included an examination of evidence on a sample basis. Because of the sample nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that some errors and material misstatements may remain undiscovered. Any errors and irregularity identified have been included within this report.

Acknowledgements

We would also like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit and with the accounts preparation. A substantial amount of preparation work was required in order to be fully ready for the audit and we appreciate the efforts of the Sue Hadland, David Hadland and Liz Wilson.

Limitations

Please note that this report has been prepared for the sole use of Oxford School of Drama Trust and Oxford School of Drama Limited and it must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person or entity.

Executive Summary

We are pleased to attach our report and our key findings are summarised below.

- Audit report outcomes - unmodified Page 10.
- The number of audit adjustments identified and their impact. Page 6.
- The number of potential control weaknesses identified and their significance. Page 8.
- Any other matters of significance to be raised. Page 10.
- Any specific points within the proposed letter of representation. Page 10.

Further assistance

Should Members of the Board of Trustees or management wish to ask any questions regarding the matters raised in this letter or if we can be of any further assistance, please contact Robert Kirtland.

Robert Kirtland FCA Audit Partner

Email

RKirtland@critchleys.co.uk

Telephone

01865 261100

Website

Find out more about Robert Kirtland by watching his introductory video on www.critchleys.co.uk/Experts/Robert



Audit Status

Our audit is substantially complete. There have been no significant changes to our audit plan, dated 7 January 2022.

Areas of Audit Focus

As detailed in our audit plan, dated 5 January 2023, we identified the following significant risk areas during our audit planning and have included a brief summary of the work carried out and our findings below.

	Risk area	Work carried out	Conclusion
1.	Fraud in relation to revenue recognition	Income was tested via proof-in-totals, as well as a sample testing. Additionally, cut-off was checked via an after date review.	No issues were noted during testing that was undertaken.
2.	Undisclosed related party transactions	The nominal ledger provided was analysed to ensure that all potential related party transactions were adequately disclosed.	No issues were noted during testing that was undertaken.
3.	Potential for management override of controls (including the split of costs between Ltd company and Trust)	Walkthrough tests were undertaken to ensure that controls were in place as expected. Journals were assessed for any unusual activity. The method used to establish the split of costs between Ltd company and Trust was understood and reperformed to ensure reasonable.	No issues were noted during testing that was undertaken.
4.	Gift aid received from subsidiary	It was ensured that the £57,335 gift aid payment had been paid within 9 months of the year end.	The gift aid payment was made within 9 months of the year end.
5.	Debtors reduced to remove 2022/23 fees in advance that had not been paid as at the year end	Trade debtors and deferred income was reviewed and any corresponding income was removed from both areas of the accounts.	No issues were noted. Adjustment was presentational and had no effect on net assets or the surplus in the accounts.

6.	Allocation of income or expenditure to restricted or designated funds	Fund workings were checked to nominal ledger to ensure allocations were correct.	No issues were noted during testing that was undertaken.
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Our audit procedures go beyond the above higher risk areas to cover material areas of the financial statements. No issues were noted during the procedures.

Audit differences

In the normal course of an audit, we can identify misstatements in the financial data provided to us at the start of the audit. Where individual errors or their aggregation exceed our materiality level of £28,098 we are required to modify our audit report if they are not adjusted in the final financial statements. For the interest of Board of Trustees and management, we have summarised both the errors that have been corrected and those that have not.

In accordance with ICAEW guidance on triviality limits for audit, we report all items exceeding 5% of the materiality, which for this year is £1,405.

Trust:

Summary of adjusted differences from draft numbers provided by management

No.	Description of error	Impact on SOFA	Impact on Balance sheet
		(£)	(£)
1.	Presentational – removal of amounts within deferred income and trade debtors	-	-
TOTAL		-	-

Summary of unadjusted differences in the final financial statements for approval

No.	Description of error	Impact on SOFA	Impact on Balance sheet	Reason for not amending
		(£)	(£)	
1.	Prepayments calculation error	(1,650)	1,650	Immaterial
TOTAL		(1,650)	1,650	

Limited:

Summary of adjusted differences from draft numbers provided by management

No.	Description of error	Impact on SOFA	Impact on Balance sheet
		(£)	(£)
1.	2021 tax underprovision moved to corporation tax (p&l) from debtors	51	(51)
2.	Estimated 2022 corporation tax	4,105	(4,105)
TOTAL		4,156	(4,156)

Summary of unadjusted differences in the final financial statements for approval

No.	Description of error	Impact on SOFA	Impact on Balance sheet	Reason for not amending
		(£)	(£)	
3.	None	-	-	
TOTAL		-	-	

Potential Control Weaknesses

Your management is responsible for identification, assessment and monitoring of risk, and for developing, operating and monitoring the systems of internal control. Our audit procedures are designed primarily for the purpose of expressing an opinion on the financial statements and therefore do not constitute a full and detailed review of all aspects of the systems and controls and therefore cannot be relied upon to identify all actual and potential weaknesses. We have included a summary of the issues that we have identified below.

New matters arising in this year

Observation	Implications & risk	Recommendation	Management response
The declaration of interests form does not ask for a list of close family members.	There is a risk that some related parties are not identified, which may mean Trustees have a conflict of interest that is unknown and could mean that related party transactions disclosures in the financial statements could be materially misstated.	It is recommended that the declaration of interests forms are updated again this year and include a list of close family members.	
During related parties testing, it was noted that additional interests were identified from Companies House that were not noted on 3 Trustees' declaration of interests.	There is a risk that some related parties are not identified, which may mean Trustees have a conflict of interest that is unknown and could mean that related party transactions disclosures in the financial statements could be materially misstated.	It is recommended that checks, such as looking on Companies House or Charity Commission, are undertaken on declarations to ensure they are complete. Trustees to be reminded to ensure all interests are listed	



Proposed Letter of Representation

In accordance with standard practice for such an audit and based on the work carried out to date, we will ask the Board of Trustees to approve and sign the attached letter of representation to accompany the signed final financial statements. We draw your attention to the specific representations contained within point 16, otherwise the letter is routine. There is a separate representation letter for the directors to sign for Oxford School of Drama Limited

Other audit matters

Detailed comments on the financial statements and audit opinion

Based upon our work carried out to date, and subject to no significant events occurring prior to the signing of the audit report, we anticipate issuing an unmodified audit report in your statutory financial statements.

Qualitative aspects of accounting practices

We have no comments to make concerning the qualitative aspects of the Oxford School of Drama Trust and Oxford School of Drama Ltd's accounting practices and financial reporting, including accounting policies, accounting estimates and financial statement disclosures.

Judgements made by management

During the course of our audit we are required to review the main judgements or estimates made by management, which would have a material or significant impact on the financial statements. We have identified the following main judgement areas and our comments thereon.

Deferred income – based upon the fees for students already signed up for the next year. No issues noted.

Depreciation – depreciation policy consistent with previous years. No non-trivial errors were identified when recalculating depreciation.

Accrued income – an after date receipts review was undertaken. No missing accrued income was identified during this test.

Accruals – based upon quotes, contracts and invoices. A sample was tested for accuracy and an after date payments review was undertaken. No issues noted from testing.

Cost apportionment between companies – based upon numbers of students on the 3 year and postgraduate courses compared to the total number of students within the school. Deemed reasonable.

Amortisation – goodwill is being depreciated over 10 years. Deemed reasonable.

Related parties

The Trust/Company is required to disclose all related party transactions, per the Charities SORP/FRS102, within its financial statements. We have identified the following potential related party transactions:

- Intercompany recharges and intercompany balance at the year end

We have no comments to make over how the charity identifies related party transactions other than the points raised on page 8.



Independence matters

Non-audit services provided and long involvement:

We provide accounting and taxation services to the companies in addition to acting as auditors and Robert Kirtland has acted as Engagement Partner for more than 10 years. We wish to confirm to you that in our opinion the provision of such services and the continued involvement of Robert Kirtland as Responsible Individual do not affect our independence as the firm's quality control procedures provide adequate safeguards in respect of these matters. This consists of a review of the key sections of the audit files by a second Responsible Individual.

There is also informed management for the non-audit services.

Personal independence:

All Critchleys Audit LLP staff must adhere to strict regulatory, professional and internal independence requirements related to investments or business relationships with clients. All staff must confirm such compliance on an annual basis.

Serious incident reporting

All trustees are responsible for identifying and reporting, in a timely fashion, any serious incidents to the Charity Commission, in accordance with their requirements for all registered charities. Whilst our audit scope does not specifically require us to identify any such matters, we report to the members that there were no such actual or potential matters that came to our attention.



Current and future issues in the sector

We wish to draw your attention to the following items that may be of interest and we will be happy to discuss their impact on your specific situation in more detail.

Covid-19

More than two years on from the beginning of the global pandemic and we are in a very different place to where we have been. Some charities have experienced a reduction in income, whereas others have experienced unprecedented demand for their services, and some have experienced both in parallel. Uncertainty still exists and some common themes need consideration by the trustees:

- Your charity may still be on a journey of recovery, and it could be a slow one with all the increases to the cost of living.
- Charities have had to carefully manage their reserves, using them for exactly the purpose for which they have been built for. However, are they now at such a depleted level going concern of the charity could be at risk?
- Has trade within your trading subsidiary returned? If not, how will you manage any costs incurred within the subsidiary?
- Have Covid grants been spent in line with the grant conditions? Will you be subject to any claw-backs?

Charity Act 2022

On 24 February 2022, the Charities Bill received Royal Assent and passed into law as the Charities Act 2022. The proposed changes have been designed to make life simpler for trustees, to reduce the regulatory pressures and unnecessary bureaucracy, and to maximise the benefits delivered by a charity.

- The key changes of the new Charities Act are:
- It will be more straightforward to change a charity's governing documents.
- Charities will be allowed to borrow up to 25% from a permanent endowment fund over a 20-year period without Charity Commission permission.
- Charities will be able to access a wider pool of professional advisors when selling land and there will be more straightforward rules on the advice required.
- Trustees will be allowed to be paid for goods provided to a charity in certain circumstances.
- There will be simpler and more proportionate rules on failed fund-raising appeals allowing amounts raised below £120 to be spent on similar charitable purposes.

It is now down to the Charity Commission to implement these changes. This will be a key priority for the Charity Commission during 2022 and 2023 and provisions are likely to be brought into force gradually between autumn 2022 and autumn 2023.

More information is available at: [charities act 2022 guidance for charities](#).

Gift aid

From April 2024 the Chancellor has announced plans to reduce income tax rates to 19%. Although we are talking about income tax rates, this is significant to charities as it also reduces the amount of gift aid for charities. In the short term, there will be a three year transition period which will maintain gift aid at current rates up to April 2027.



ESG

More and more charities are adding Environmental, Social and Governance to their board agendas and ESG reporting within the annual accounts is evolving. This typically covers a vast range of topics demonstrating the breadth of opportunity for charities to engage with ESG. When embarking upon exploring ESG, many charities find they are more progressed than anticipated. Much ESG activity will pre-exist within the organization, just not identified. Many charities are choosing to report their ESG activity using metrics from within frameworks and suggested methodologies to help with calculations, however there is no standard framework and with the choices available comes the challenge of comparability, although some common metrics are now available.

The Charity Governance Code

The Charity Governance Code is emerging best practice, particularly for medium and larger sized charities. The Charity Governance Code is an example of ways that indirectly encourage charities to think about their approach to ESG and is a practical tool to help charities develop high standards of governance. More about the Charity Code can be found at: <https://www.charitygovernancecode.org/en/front-page>.

Ukraine

Since the truly shocking invasion of Ukraine in February 2022 the Charity Commission has been regularly updating its guidance on: [Ukraine humanitarian crisis guidance for charities and trustees](#).

Cash couriering

Although the world is going increasingly contact-less charities still continue to raise significant sums of money in cash. Cash is seen to be high risk in terms of terrorist financing and money laundering. Although the Commission recognises that charities that work internationally need to move money across borders, cash couriering is considered to be a popular method of moving terrorist funds overseas from the UK. Cash seizure powers have continued to be used regularly by law enforcement and there has been an increase specifically in cash seizures suspected to be linked to terrorist financing. Once a charity's cash has been seized it can take a significant amount of time to secure the return of this cash, often interrupting the operations of the charity. More information can be found at: [regulator renews its message warning charities against the use of cash couriers](#).

Trust and the charity sector

The Charity Commission has published its annual Charity Commission research on public trust in charities and what trustees think about their duties and public expectations.

The four areas of expectations by the public are:

- That a high proportion of charities' money is used for charitable activity
- That charities are making the impact they promise to make
- That the way they go about making that impact is consistent with the spirit of 'charity'
- That all charities uphold the reputation of charity in adhering to these

This report also includes ideas on how to inspire trust for the future.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1089469/Charity_Commission_Public_trust_in_charities_2022.pdf.



Safeguarding

Safeguarding continues to be a focus by the Charity Commission who has recently published some updated guidance on safeguarding in charities: [safeguarding duties for charity trustees](#).

New IR35 rules from 6th April 2021 - Engaging workers who are not employees

Where workers are engaged to carry out specific projects or functions for an organisation, they are often not treated as employees, and will be engaged as an individual (off-payroll working). It continues to be the responsibility of the organisation to assess whether the worker is self-employed. Where the worker is engaged through an intermediary (usually a personal service company), from 6th April 2021 medium-sized and large organisations (including charities), will now be responsible for making this assessment. All large and medium-sized charities should carry out a review of any off-payroll workers which they engage and carry out a formal assessment, a copy of which should be passed to the workers' intermediary.

HMRC have advised that, when calculating charities' turnover or income to determine whether the charity is large or medium-sized, donations and grants should be excluded.

Conversion to a charitable incorporated entity (CIO)

Charitable companies are now able to convert to CIO's, meaning they can reduce the administrative burden of only having to report to the Charity Commission rather than both the Charity Commission and Companies House. Another advantage is that smaller charities can switch from accruals accounting to receipts and payments accounting if they wish.

This is only applicable in England and Wales.

Cyber crime

In the year to 31 March 2021 Action Fraud reported more than 1000 fraudulent crimes against charities. It is well known that frauds are underreported and the true extent is likely to be much higher. Many charities consider the pandemic to have exacerbated the potential for fraud, with many employees still working remotely and virtual sign-off procedures in place. The Charity Commission is urging charities to sign up to Fraud Pledge <https://preventcharityfraud.org.uk/fraud-pledge/> in which charities pledge to take six practical actions to reduce the chances of becoming a victim to fraud.

SORP 2024/5

Now that seems like a long way into the future, but it will be here before we know it. We are expecting a draft SORP sometime between July 2022 and July 2023 with the final SORP to be in place for periods commencing on or after 1 January 2024. So, for a March year-end charity this will not impact the accounts until 2025, but an early read is recommended to identify the impacts on the comparative period. As a heads-up, it is looking likely that operating leases will come "on balance sheet" as per IFRS 16.

Your new Charity Commission account

The Charity Commission is becoming more active in the way they will communicate with Trustees. The first step is for an individual Charity Commission account to access services such as filing an annual return or changing a governing document. Updates to the data held by the Charity Commission will be required and this will aid supporting trustees and understanding the scope and scale of the charity sector. The first step is for the nominated contact person to check the information currently held by the Charity Commission.