

REGISTERED COMPANY NUMBER: 04306353 (England and Wales)
REGISTERED CHARITY NUMBER: 1090724

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2019
FOR
ALRA
(A COMPANY LIMITED BY GUARANTEE)**



Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

ALRA

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for the Year Ended 31 August 2019**

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REPORT OF THE TRUSTEES for the Year Ended 31 August 2019

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Trustees present their annual report together with the audited financial statements of ALRA for the financial year 1 September 2018 to 31 August 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by update Bulletin 1 (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Policies and objectives

The key objects of the Charity are to advance the education of students by providing a school for the teaching of acting in the theatre, television, film and radio, directing, and by teaching all skills and techniques connected with the live and recorded arts.

Activities for achieving objectives

The core activities have continued to be the provision of high-quality vocational training for the live performance, screen and audio industries in Wigan and London. The provision is currently: BA Acting (3yr), MA Acting (1yr 3months), Full time Foundation (1yr) and MA Directing (2yr). This is the final year of delivery of the Foundation Degree in Stage Management & Technical Theatre (2yr). Short courses are offered both to students and the wider community.

Main activities undertaken for public benefit

The Trustees hold in high regard the principle of public benefit and requires the Principal and staff of ALRA to pursue strategies that demonstrate this. The Board of Trustees, at its Termly meetings, reviews ongoing charitable activities to ensure consistency with our charitable objects. The Board of Trustees is aware of the Charity Commission's guidance on public benefit and has regard to it in determining the charity's aims and in the way it carries out its activities.

ALRA is committed to the development of excellent practice for the advancement of the student experience in Acting, Directing and Stage Management. By performing research on pedagogical advances in vocational training, our teaching staff are able to provide members with extensive knowledge of current and best practice that allows them to make informed choices on delivery modes, thereby providing public benefit through:

- Reducing the need for irrelevant training
- Improving the lengthy and costly process of actor training
- Safeguarding students from emotional and mental issues arising from intensive vocational training practices.

In respect of the latter, ALRA has an established 'Mindfulness & Wellbeing' department to support both staff and students. The 18/19 PREVENT return indicated a null return in respect of Welfare matters arising.

Grant making policies

Grant making - this includes the value of scholarships, grants, prizes and other awards made to the college's students made from unrestricted funds. This totalled just over £585,000 this year, including awards made in respect of the Dance and Drama Awards. The college, in line with policy, makes these awards based on the individual's educational and career potential where the award is out of unrestricted fund, and subject to the particular conditions imposed by the original donor where the award is out of restricted funds.

Awards and Bursaries - ALRA has provided bursaries totalling £26,840. These awards are provided to support the studies of particular students.

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REPORT OF THE TRUSTEES for the Year Ended 31 August 2019

STRATEGIC REPORT

Achievement and performance

Charitable activities

All students were aged 18 plus on entry, except for the Postgraduate students who were aged 21 plus. In September 2017, 306 students were enrolled in the college, an increase of 7.4%, and of those students 70 were funded through the Learning and Skills Council Dance and Drama Award scheme.

Other income, including fundraising through commercial activities, continues to increase. ALRA continues to work on and support local projects. We continue to show our commitment to the wider community through availability of low-cost spaces, engaging with small touring companies, Theatre in Education and community groups using both the Trencherfield Mill venue, rehearsal rooms both north and south, and providing access to specialist teaching and resources.

ALRA students graduating in 2019 have worked in theatre, radio, film and television and increasingly are able to self-generate work. Year on year more than 85% (increase of 5%) of our students from the three year and 15-month courses have representation following showcase and the majority were working in their first year. The Trustees continue to monitor the diversity of our community at Board Meetings and strive to improve our inclusivity through outreach and collaborative initiatives. ALRA is proud to support one of the most diverse drama school communities in the sector.

Further initiatives to increase representation from minority communities continue, including full fee bursary places, free auditions for specialist groups working with young people disenfranchised from education and training, free auditions for looked after and previously looked after young people and a growing number of collaborations with inner city schools and voluntary groups.

Financial review

Principal funding sources

ALRA does not currently generate funds from the public at large and does not use professional fundraisers other than for specific projects from Trusts and other funding organisations.

Reserves policy

The Trustees continue to work towards consistent surplus generation to build free reserves and maintain these at 3-6 months of expenditure going forward. Surpluses will be converted to reserves and will be designated for specific projects as considered appropriate by the Trustees.

The unrestricted funds at the balance sheet date were £44,773 (2018: £33,140).

Results

Total income increased this year, up £298,728 (11.1%) against 2017/18. Total expenditure rose by £289,218 (10.8%) against 2017/18.

Future plans

The Trustees will continue to build on the core aspects of the provision whilst ensuring the facilities are both fit for purpose and compliant. Development and investment in the Wigan campus is now complete and reserves can be built to provide security and sustainability. Links and formal collaborations are being developed to provide a network of feeder schools and colleges which will further support the improvement of quality at MA students will provide a further increase in numbers over the next 2/3 years with a South MFA Linklater Voice cohort planned for 2020.

Following this 2 further MA's will complete the Postgraduate provision.

Trustees commissioned a report to assess and review readiness for a Degree Awarding Powers application during 2020.

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REPORT OF THE TRUSTEES for the Year Ended 31 August 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Charity is registered as a charitable company limited by guarantee, and registered under company number 04306353, and was registered as a charity in February 2002 under charity number 1090724.

The Charity is constituted and governed by its Memorandum and Articles of Association.

The principal activities of the Charity are to further its charitable objectives within the powers permitted by its Memorandum and Articles of Association.

Recruitment and appointment of new trustees

The Charity is governed by its Board of Trustees as detailed on page 1. The Charity's elected Trustees are appointed at the Annual General Meeting. Trustees are appointed based on adherence to the guidelines of eligibility, personal competence, specialist skills and knowledge, and local availability. Newly appointed trustees are given a detailed briefing on the Charity, together with their legal responsibilities.

Organisational structure

The Trustees are legally responsible for the overall management and control of the Charity and meet on average three times a year. The Board of Trustees has sub-committees, including the Finance Committee and Industry liaison. A nominations committee is planned for 2019.

The day-to-day management of the Charity is delegated to the Principal, who is supported by the Senior Leadership Team.

Pay policy for senior staff

The Principal's salary is determined by the Finance Sub Committee and recommended to the Board for their acceptance. The decision follows an annual appraisal by the Chair of the Board of the achievements made by Principal during the previous year. Where appropriate, market comparisons are used to inform the recommendation together with the financial stability of the organisation and the attainments of the graduates.

The decision on the level of remuneration for the Principal then informs the salaries paid to other senior staff in order to maintain differentials.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04306353 (England and Wales)

Registered Charity number

1090724

Registered office

Studio 24 Royal Victoria Patriotic Build
John Archer Way
London
SW18 3SX

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REPORT OF THE TRUSTEES for the Year Ended 31 August 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

L Adamson	Actor	
T Bradshaw	Retired Head Teacher	
B Cole	Actor	
H A Cowd	Headteacher	
P J Hirst	Retired	
Ms C Lloyd-Davies	Retired Company Director	- resigned 12/7/2019
M Lyle	Actor	
A C Lynch	Financial Advisor	- resigned 12/7/2019
Ms S Parriss	Casting Director	- resigned 12/7/2019

Auditors

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Bankers

The Co-Operative
80 Cornhill
London
EC3V 3NJ

CAF Bank
25 Kings Hill Avenue
Kings Hill
Kent
West Mealing
ME19 4JQ

Principal

A Hall

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of ALRA for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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**REPORT OF THE TRUSTEES
for the Year Ended 31 August 2019**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing have report and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Fairhurst, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5 December 2019 and signed on the board's behalf by:



P J Hirst - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ALRA

Opinion

We have audited the financial statements of ALRA (the 'charitable company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ALRA**

Responsibilities of trustees

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fairhurst

Fairhurst
Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Date: *6th December 2019*

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**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 August 2019**

		£	Unrestricted fund £	2019 Total funds £	2018 Total funds as restated £
INCOME AND ENDOWMENTS FROM	Notes				
Donations and legacies	2		5,680	5,680	504
Charitable activities	4				
Advancing Education			2,906,526	2,906,526	2,657,503
Investment income	3		7,491	7,491	8,180
Other income			<u>69,115</u>	<u>69,115</u>	<u>23,897</u>
Total			2,988,812	2,988,812	2,690,084
 EXPENDITURE ON					
Charitable activities	5				
Advancing Education			<u>2,977,179</u>	<u>2,977,179</u>	<u>2,687,961</u>
NET INCOME			11,633	11,633	2,123
 RECONCILIATION OF FUNDS					
Total funds brought forward			33,140	33,140	31,017
 TOTAL FUNDS CARRIED FORWARD			<u><u>44,773</u></u>	<u><u>44,773</u></u>	<u><u>33,140</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities

The notes form part of these financial statements

ALRA
(REGISTERED NUMBER: 04306353)
BALANCE SHEET
At 31 August 2019

		2019	2018
	Notes	£	as restated £
FIXED ASSETS			
Intangible assets	14	58,931	74,520
Tangible assets	15	308,179	260,750
Investments	16	<u>1</u>	<u>1</u>
		367,111	335,271
CURRENT ASSETS			
Stocks	17	22,822	22,822
Debtors: amounts falling due within one year	18	2,273,250	2,262,473
Debtors: amounts falling due after more than one year	18	68,237	58,025
Cash in hand		<u>685,265</u>	<u>779,585</u>
		3,049,574	3,122,905
CREDITORS			
Amounts falling due within one year	19	<u>(3,135,689)</u>	<u>(3,238,436)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(86,115)</u>	<u>(115,531)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		280,996	219,740
CREDITORS			
Amounts falling due after more than one year	20	<u>(236,223)</u>	<u>(186,600)</u>
NET ASSETS		<u><u>44,773</u></u>	<u><u>33,140</u></u>
FUNDS			
Unrestricted funds	22	<u>44,773</u>	<u>33,140</u>
TOTAL FUNDS		<u><u>44,773</u></u>	<u><u>33,140</u></u>

The notes form part of these financial statements

ALRA
(REGISTERED NUMBER: 04306353)
BALANCE SHEET - CONTINUED
At 31 August 2019

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2019.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small company's regime.

The financial statements were approved by the Board of Trustees on 5 December 2019 and were signed on its behalf by:



P J Hirst
Trustee

ALRA

**CASH FLOW STATEMENT
for the Year Ended 31 August 2019**

	Notes	2019 £	2018 as restated £
Cash flows from operating activities:			
Cash generated from operations	1	<u>15,164</u>	<u>145,398</u>
Net cash provided by (used in) operating activities		<u>15,164</u>	<u>145,398</u>
Cash flows from investing activities:			
Purchase of intangible fixed assets		-	(3,492)
Purchase of tangible fixed assets		(109,484)	(41,755)
Sale of tangible fixed assets		<u>-</u>	<u>989</u>
Net cash provided by (used in) investing activities		<u>(109,484)</u>	<u>(44,258)</u>
Change in cash and cash equivalents in the reporting period			
		(94,320)	101,140
Cash and cash equivalents at the beginning of the reporting period		<u>779,585</u>	<u>678,445</u>
Cash and cash equivalents at the end of the reporting period		<u><u>685,265</u></u>	<u><u>779,585</u></u>

The notes form part of these financial statements

ALRA

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 August 2019**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2019	2018
	£	as restated £
Net income for the reporting period (as per the statement of financial activities)	11,633	2,123
Adjustments for:		
Depreciation charges	77,644	77,228
Profit on disposal of fixed assets	-	(989)
Decrease in stocks	-	1
Increase in debtors	(20,989)	(30,519)
(Decrease)/increase in creditors	<u>(53,124)</u>	<u>97,554</u>
Net cash provided by (used in) operating activities	<u>15,164</u>	<u>145,398</u>

ALRA

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 August 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

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

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

The financial statements are prepared in Sterling, the functional currency of the Charity, and rounded to the nearest £.

Preparation of consolidated financial statements

The financial statements contain information about ALRA as an individual charity and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Changes in accounting policies

During the year the directors have changed the accounting policy regarding the split between direct staff salaries and support staff salaries so that all staff involved in delivering the courses are included.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Charitable activities

The charity's charitable activities are that of the advancement of education through the provision of high quality vocational training for the live performance, screen and audio industries.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2002, is being amortised evenly over its estimated useful life of twenty years.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

1. ACCOUNTING POLICIES - continued

Software

Intangible assets are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Software - 20% reducing balance

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	2019	2018
		as restated
	£	£
Donations	<u>5,680</u>	<u>504</u>

ALRA

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019**

3. INVESTMENT INCOME

	2019	2018 as restated
	£	£
Investment income	<u>7,491</u>	<u>8,180</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2019 Total activities	2018 Total activities as restated
	£	£
The charity only has one activity, being advancement of education		
Fee income	2,795,629	2,558,688
DaDA administration fee	40,396	41,971
Audition fees	28,614	28,519
Cafe and vending machine sales	12,780	14,456
Awards and bursaries	21,500	-
Other ancillary income	<u>7,607</u>	<u>13,869</u>
	<u>2,906,526</u>	<u>2,657,503</u>

Grants received, included in the above, are as follows:

	2019	2018 as restated
	£	£
Advancement in Education in Live and Recorded Arts	<u>21,500</u>	<u>-</u>

Included within fee income is £607,551 in relation to the Dance and Drama Awards (DaDA) scholarship fees of which £558,976 was funded directly by DaDA.

Other grants are bursaries received to support the studies of students; these are then awarded to students to assist with their fees or living costs.

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6)	Grant funding of activities (See note 7)	Support costs (See note 8)	Totals
	£	£	£	£
Advancement of Education	<u>1,835,931</u>	<u>26,840</u>	<u>1,057,746</u>	<u>2,920,517</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2019	2018 as restated
The charity only has one activity, being advancement of education		
	£	£
Staff costs	811,323	768,032
Rates and water	523,607	526,039
Insurance	25,609	23,465
Sundries	1,430	873
Repairs and renewals	25,650	36,375
Bank charges and interest	6,044	6,264
Membership and subscriptions	8,551	6,541
Outreach work	8,926	6,873
Freelance tutor fees	-	5,473
Production costs	347,147	320,494
Depreciation	77,644	77,228
	<u>1,835,931</u>	<u>1,777,657</u>

7. GRANTS PAYABLE

	2019	2018 as restated
	£	£
Advancing Education	<u>26,840</u>	<u>4,674</u>

The total grants paid to institutions during the year were as follows:

	2019	2018 as restated
	£	£
Awards and bursaries	<u>26,840</u>	<u>4,674</u>

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Advancement of Education	<u>1,082,297</u>	<u>32,111</u>	<u>1,114,408</u>

Support costs, included in the above, are as follows:

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

8. SUPPORT COSTS - continued

Management

	2019	2018
	Total activities	Total activities as restated
	£	£
The charity only has one activity, being advancement of education		
Wages	436,560	419,754
Social security	98,526	90,931
Pensions	19,874	19,188
Hire of plant and machinery	68,978	43,278
Telephone	9,959	2,428
Postage and stationery	21,224	3,259
Advertising	9,690	36,956
Sundries	25,098	23,473
and entertaining	35,336	44,256
Counselling services	5,810	7,147
Publicity costs	114,386	126,290
Library	2,467	3,452
Accreditation expenses	103,593	53,479
Bad debts	124,404	-
Recruitment expenses	6,392	1,258
	<u>1,082,297</u>	<u>875,149</u>

Governance costs

	2019	2018
	Total activities	Total activities as restated
	£	£
Trustees' expenses	1,760	1,684
Auditors' remuneration	7,827	9,500
Auditors' remuneration for non-audit work	-	2,998
Legal and professional fees	22,524	16,299
	<u>32,111</u>	<u>30,481</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	as restated £
Auditors remuneration	7,827	9,500
Other non-audit services	-	2,998
Depreciation - owned assets	62,055	59,002
Hire of plant and machinery	68,978	43,278
Surplus on disposal of fixed asset	-	(989)
Goodwill amortisation	3,425	3,425
Development costs amortisation	12,164	14,802
	<u>154,449</u>	<u>133,005</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2019 nor for the year ended 31 August 2018.

Trustees' expenses

	2019	2018 as restated
	£	£
Trustees' expenses	<u>1,760</u>	<u>1,684</u>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

11. STAFF COSTS

	2019	2018 as restated
	£	£
Wages and salaries	1,240,847	1,179,226
Social security costs	104,656	98,090
Other pension costs	<u>20,780</u>	<u>20,589</u>
	<u>1,366,283</u>	<u>1,297,905</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Office and administration	39	37
Tutors	21	20
Students	<u>22</u>	<u>23</u>
	<u>82</u>	<u>80</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£70,001 - £80,000	<u>1</u>	<u>1</u>

During the year, total employee benefits including pension and national insurance contributions of key management personnel totalled £81,079 (2018: £80,503).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	504	-	504
Charitable activities			
Advancing Education	2,657,503	-	2,657,503
Investment income	8,180	-	8,180
Other income	23,897	-	23,897

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted fund	Restricted fund	Total funds as restated £
	£	£	£
Total	2,690,084	-	2,690,084
EXPENDITURE ON			
Charitable activities			
Advancing Education	<u>2,687,961</u>	<u>-</u>	<u>2,687,961</u>
Total	<u>2,687,961</u>	<u>-</u>	<u>2,687,961</u>
NET INCOME	2,123	-	2,123
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>31,017</u>	<u>-</u>	<u>31,017</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>33,140</u></u>	<u><u>-</u></u>	<u><u>33,140</u></u>

13. PRIOR YEAR ADJUSTMENT

Staff costs have been restated to give the correct comparison with regards to the split between direct and support costs. This has not changed the overall charitable activity expenditure.

14. INTANGIBLE FIXED ASSETS

	Goodwill £	Development costs £	Totals £
COST			
At 1 September 2018	<u>68,500</u>	<u>75,622</u>	<u>144,122</u>
AMORTISATION			
At 1 September 2018	54,800	14,802	69,602
Charge for year	<u>3,425</u>	<u>12,164</u>	<u>15,589</u>
At 31 August 2019	<u>58,225</u>	<u>26,966</u>	<u>85,191</u>
NET BOOK VALUE			
At 31 August 2019	<u><u>10,275</u></u>	<u><u>48,656</u></u>	<u><u>58,931</u></u>
At 31 August 2018	<u><u>13,700</u></u>	<u><u>60,820</u></u>	<u><u>74,520</u></u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Library £	Fixtures and fittings £
COST			
At 1 September 2018	316,665	4,890	271,955
Additions	<u>53,078</u>	<u>-</u>	<u>41,370</u>
At 31 August 2019	<u>369,743</u>	<u>4,890</u>	<u>313,325</u>
DEPRECIATION			
At 1 September 2018	111,090	575	233,214
Charge for year	<u>25,932</u>	<u>489</u>	<u>19,173</u>
At 31 August 2019	<u>137,022</u>	<u>1,064</u>	<u>252,387</u>
NET BOOK VALUE			
At 31 August 2019	<u>232,721</u>	<u>3,826</u>	<u>60,938</u>
At 31 August 2018	<u>205,575</u>	<u>4,315</u>	<u>38,741</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2018	1,100	73,997	668,607
Additions	<u>-</u>	<u>15,036</u>	<u>109,484</u>
At 31 August 2019	<u>1,100</u>	<u>89,033</u>	<u>778,091</u>
DEPRECIATION			
At 1 September 2018	444	62,534	407,857
Charge for year	<u>367</u>	<u>16,094</u>	<u>62,055</u>
At 31 August 2019	<u>811</u>	<u>78,628</u>	<u>469,912</u>
NET BOOK VALUE			
At 31 August 2019	<u>289</u>	<u>10,405</u>	<u>308,179</u>
At 31 August 2018	<u>656</u>	<u>11,463</u>	<u>260,750</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

16. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 September 2018 and 31 August 2019	<u>1</u>
 NET BOOK VALUE	
At 31 August 2019	<u><u>1</u></u>
At 31 August 2018	<u><u>1</u></u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

ALRA Enterprises Limited

Nature of business: Dormant

	%			
Class of share:	holding		2019	2018
1	100		£	£
Aggregate capital and reserves			<u>1</u>	<u>1</u>

17. STOCKS

	2019	2018
	£	as restated £
Finished goods	<u>22,822</u>	<u>22,822</u>

18. DEBTORS

	2019	2018
	£	as restated £
Amounts falling due within one year:		
Trade debtors	2,113,248	2,075,652
Other debtors	45,903	109,075
Prepayments and accrued income	<u>114,099</u>	<u>77,746</u>
	<u>2,273,250</u>	<u>2,262,473</u>
Amounts falling due after more than one year:		
Trade debtors	<u>68,237</u>	<u>58,025</u>
Aggregate amounts	<u>2,341,487</u>	<u>2,320,498</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018 as restated
	£	£
Trade creditors	95,945	77,150
Social security and other taxes	28,905	24,930
Other creditors	131,718	283,519
Accruals and deferred income	<u>2,879,121</u>	<u>2,852,837</u>
	<u>3,135,689</u>	<u>3,238,436</u>

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018 as restated
	£	£
Accruals and deferred income	<u>236,223</u>	<u>186,600</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	2019 Total funds	2018 Total funds as restated
	£	£	£	£
Fixed assets	367,110	-	367,110	335,270
Investments	1	-	1	1
Current assets	3,049,574	-	3,049,574	3,122,905
Current liabilities	(3,135,689)	-	(3,135,689)	(3,238,436)
Long term liabilities	<u>(236,223)</u>	-	<u>(236,223)</u>	<u>(186,600)</u>
	<u>44,773</u>	-	<u>44,773</u>	<u>33,140</u>

22. MOVEMENT IN FUNDS

	At 1/9/18 £	Net movement in funds £	At 31/8/19 £
Unrestricted funds			
General fund	33,140	11,633	44,773
	<u>33,140</u>	<u>11,633</u>	<u>44,773</u>
TOTAL FUNDS			

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,988,812	(2,977,179)	11,633
	<u>2,988,812</u>	<u>(2,977,179)</u>	<u>11,633</u>
TOTAL FUNDS			

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2019

22. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1/9/17 £	Net movement in funds £	At 31/8/18 £
Unrestricted Funds			
General fund	31,017	2,123	33,140
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>31,017</u>	<u>2,123</u>	<u>33,140</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,690,084	(2,687,961)	2,123
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,690,084</u>	<u>(2,687,961)</u>	<u>2,123</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/9/17 £	Net movement in funds £	At 31/8/19 £
Unrestricted funds			
General fund	31,017	13,756	44,773
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>31,017</u>	<u>13,756</u>	<u>44,773</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,678,896	(5,665,140)	13,756
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>5,678,896</u>	<u>(5,665,140)</u>	<u>13,756</u>

There were no related party transactions for the year ended 31 August 2019.