

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2017**

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**COMPANY INFORMATION**

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**Directors**

G. F. Pine  
S. Coen - principal and accounting officer  
S. J. Atkins  
L. de Abreu - deputy principal  
D. G. Hayes  
J. K. A. Hunt  
M. H. Skinner  
K. Turner  
J. P. Emery

**COMPANY SECRETARY**

S.C.R. Secretaries Ltd

**REGISTERED NUMBER**

03088287

**REGISTERED OFFICE**

1 Bedford Row  
London  
WCR1 4BZ

**TRADING ADDRESS**

Alma Road  
Sidcup  
Kent  
DA14 4ED

**INDEPENDENT AUDITORS**

Venthams  
Chartered Accountants & Statutory Auditors  
51 Lincoln's Inn Fields  
London  
WC2A 3NA

**SOLICITORS**

Gregory Rowcliffe Milners  
1 Bedford Row  
London  
WC1R 4BZ

**KEY MANAGEMENT PERSONNEL**

Key management personnel are defined as members of the College Leadership Team and were represented by the following persons in 2016/17:  
S. Coen - principal and accounting officer  
L. de Abreu - deputy principal  
S. Smith - assistant principal  
L. Figuerola - assistant principal  
J. Stanning - assistant principal

# DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

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## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2017

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The directors present their report and the financial statements for the year ended 31 July 2017.

#### LEGAL STATUS

The Company was incorporated as Doreen Bird College of Performing Arts Limited on the 7 August 1995 under the provisions of the Companies Act 1985. The Company trades as a college of education in the performing arts using the name of Bird College and is referred to in these reports as both The Company and The College.

#### PRINCIPAL ACTIVITY

The College provides specialist vocational training at further and higher education level in dance, drama and musical theatre. The College runs a further education diploma course in Dance and Drama for students of 16 plus, validated by Trinity College, London and a higher education degree course in Dance and Drama validated by the University of Greenwich for students of 18 plus. Both of these courses last for three years. The College also offers a one year pre professional foundation course and various short courses in Dance and Drama mainly in school holidays for students under 16. The College is an accredited provider of the Council for Dance Education and Training.

The College also provides peripatetic, instrumental and vocal tuition to local Primary Schools under a contract with the Local Education Authority as well as individual tuition for pupils and instrumental groups. This area of activity also incorporates a Junior Dance School for local children.

The College and its parent company award Scholarship and Support to some students and receives bursaries from outside bodies to fund the fees for some students.

#### MISSION, VISION, GOALS AND OBJECTIVES

##### Our Mission is to:

Preserve and build upon our reputation for excellence as a leading and unique provider of vocational education and training in dance, music and theatre performance. Six key principles support this mission:

- The recruitment, without prejudice, of the most talented students, who show the necessary passion for their craft and whom the College prepares for a life-long engagement in the performance arts as articulate, creative and versatile artists.
- The setting of demanding training programmes within a nurturing environment in which each student is treated equally and as an individual artist, and where his/her talent is respected in order to steer personal ambitions regardless of any differences.
- The work of the College is closely aligned to the performance professions and securely rooted within the community sector, and draws upon and contributes to the expertise of the specialist vocation training sector.
- The regular review of programmes, partnerships and operations which ensures their worth in order to provide meaningful opportunities for students and a dynamic workplace for staff.
- The recruitment of the best staff, each an expert in his or her own field.
- The maintenance of an organisation that is well-managed, open and accountable, and gives all staff and students a voice.

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**Our vision is to:**

Build on our reputation and success nationally and internationally as the UK's most outstanding and dynamic centre offering world class education and professional training in dance, music and theatre performance. To achieve this we will:

- Build upon our national and international reputation for recruiting, motivating and inspiring the most talented learners from widely diverse backgrounds through education and professional training
- Employ high calibre practitioners who are leaders in their chosen field and who are complemented by an outstanding team of support staff.
- Ensure the employability, professionalism and versatility of our graduates, thus ensuring that the College is at the forefront of international theatre.
- Create initiatives which improve the attractiveness of the College and its curriculum to learners from a more diverse of backgrounds.

**Goals:**

In support of the above vision and mission, The College has the following goals:

- To ensure financial viability and sustainability including the development of a 3 year plan to bring together all the College's services to ensure they deliver year on year growth and profitability and to ensure that the services the College offers are widened and expanded.
- To have a reputation for excellence and create an organisational culture that is enterprising, equal and diverse including the development of policies to enhance the well being of staff and students.
- To operate from a one site, world class facility including the development of a 5 year plan to identify future capital needs and how these may be funded.

**Financial objectives:**

The College's financial objectives are:

- To achieve an annual operating surplus.
- To generate sufficient levels of income to support the asset base of the College.
- To further improve the College's shorter term liquidity.
- To fund continued capital investment.

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2017

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#### FINANCIAL POSITION

##### Results for the period:

The College generated an operating profit in the year of £65,293 (2016 £27,226). Income for the year showed an increase compared to the previous year following the increase in student numbers and the variety of courses offered. There was a resultant increase in staff costs. Other operating expenses also increased, partially as a result of the move to new premises. The operating profit is stated after deduction of a payment of £nil (2016 £75,045) to the College's parent company charity in respect of the taxable profit earned in the previous year and excluding this the profit would have been £65,293 (2016 £102,271).

The College has adopted a policy of revaluation of all its assets as at 31 July 2015 with additions since that date being shown at cost. This resulted in a surplus on revaluation of £nil (2016 £378,828) being recognised in the accounts.

The College had accumulated reserves at 31 July 2017 of £727,310 (2016 £662,017) and cash balances of £588,897 (2016 £1,136,432). The directors regard these accumulated reserves and cash balances as satisfactory for the Company's immediate needs but are conscious of the need to maintain and increase these in order to fund the property transactions mentioned elsewhere in this report.

##### Support from external and government bodies:

The College continues to be reliant upon funding from national and local education grants and 52% of our income continues to come from these grants.

The College has continued to receive monies under the Dance and Drama Awards (DADA) Scheme. The DADA scheme was revised for students commencing their course in September 2013. Applicants audition for places on the Diploma and if they reach the necessary standard, then they are offered the opportunity to be considered for a DADA award. Financial circumstances become the key criteria and determine how much financial assistance a student receives for both tuition fees and maintenance. The College, rather than the Education Funding Agency, is now responsible for administering maintenance funds. How much money The College retains for tuition fees depends upon the financial circumstances of applicants as the funds available are required to fund both fees and maintenance.

Degree students fund their own fees. All students can access a loan to cover these through the student loan company. Greenwich University acts as a conduit for these funds and passes the funding to The College.

##### Cash flows and liquidity

The College's parent company has arranged loans and facilities to acquire and refit a new building that the College now occupies enabling the College to relocate from a range of dispersed sites to a one-site facility. The parent company has been drawing down on this loan since February 2016 and using the funds to refit the site so it is suitable for occupation by the College. Prior to the granting of this loan, the costs involved with the acquisition of the site, the development of plans for the buildings and miscellaneous related costs have been paid partially from funds of the College (although the costs are being reflected as expenditure in the accounts of the parent company) and this has had an impact on the liquidity of the College.

##### Treasury policy and objectives

Treasury management is the management of The College's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The College has no requirement for sophisticated treasury management policies as its affairs are relatively straightforward.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**STAFF AND STUDENTS**

**Student numbers**

During 2016/17 the College had 481 students who were funded in a range of ways. 47 of these students were self funded, 121 were funded from the Dance and Drama Award and 313 were funded by the the University of Greenwich or through the Student Loan Company.

The College also provides music services for the benefit of approximately 3,000 pupils in primary schools at Key Stage 2.

**Staff numbers**

Details of staff numbers are set out in Note 7 to the accounts.

**Student achievements**

Full time students continue to prosper at the college and all diploma and degree students who completed the course did so achieved a nationally recognised qualification. All Foundation course students successfully reach the standard required for entry to full time training and education programmes. The number of music pupils participating in public performance continues to increase year on year.

**Employee and student involvement**

The College believes good communication with staff and students to be very important. Students are encouraged to participate in the election of student representatives. Four students from each year act and contribute to the development of College policy and course structure, content and delivery. The College encourages staff and students' involvement by asking representatives to attend the meetings of the Board of Directors.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**Equal opportunities and employment of disabled persons**

The College believes that it is in its own best interest, and of those who work in it, to ensure that the human resources, talents and skills available throughout the community are considered when employment opportunities arise. To this end, within the framework of the law, we are committed, wherever practical, to achieving and maintaining a workforce which broadly reflects the community in which we operate. Every possible step will be taken to ensure that individuals are treated equally and fairly and that decisions on recruitment, selection, training, promotion and career management are based solely on objectives and job related criteria.

The College recognises the need to counteract ideas and instances of individual and institutional discrimination on the grounds of race or ethnic origin, marital status, gender, sexual orientation, religion, age, or disability. We seek to provide a learning environment which dispels ignorance and prejudice, promoting Equal Opportunities by:

- a) adopting the use of inclusive language;
- b) examining teaching materials within Departments;
- c) challenging inappropriate remarks to or about an individual group;
- d) valuing the role of all members of the college and encouraging them to participate and lead in all college activities;
- e) considering the practically, where necessary, of adapting premises and equipment and providing special aids for the disabled;
- f) stressing the need for all members of the college to listen to each other as part of a sound work ethic;
- g) promoting positive views of all members of the wider community.

All students are selected without regard to race, ethnic origin, religion, gender or sexual orientation. Age or disability are disregarded providing they can successfully complete a physically demanding specialised dance training course of three year's duration, followed by reasonable expectations of a professional performance career in dance, musical theatre and acting. In cases where this is not thought to be possible the College will seek to guide the applicant towards an appropriate alternative. All members of the College are required to observe and comply with this policy. Any instances of harassment will be dealt with seriously. It will be investigated under the College's disciplinary or grievance procedures.

The management team are developing a policy which will define explicit and measurable objectives and priorities for recruiting, retaining and accommodating people with disabilities. This will include an effective programme and the clear statement that conduct which breaches the policy will not be tolerated.

**RESOURCES**

The College has various resources that it can deploy in pursuit of its strategic objectives.

**Stakeholder relationships**

In line with other colleges, the College has many stakeholders. These include:-

- Students
- Funding bodies
- Staff
- Validating universities
- Local authorities
- Government Departments providing funding
- Other local and national educational establishments
- Finance providers including the College's bankers

The College recognises the importance of these relationships and engages in regular communication with them through the College's web site and meetings.



**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**Premises and assets**

The College has moved into a new site, owned by its parent company and there are further plans to develop this into a one site facility for all the College's activities. It also operates from premises rented from the Local Authority under a short term lease and makes use of other facilities provided by local amenities on an ad hoc basis.

**Reputation**

The College has a good reputation locally and nationally. Maintaining a quality image and brand is essential for the College's success at attracting students and with external relationships.

**DIRECTORS**

The directors who served during the year are set out in the table below but further information regarding these is given in the statement of corporate governance

- G. F. Pine
- S. A. Coen - principal and accounting officer
- S. J. Atkins
- L. de Abreu - deputy principal
- D. G. Hayes
- J. K. A. Hunt
- M. H. Skinner
- K. Turner
- J. P. Emery
- N. Patel (appointed 11 October 2016, resigned 23 October 2017)

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2017

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#### PRINCIPAL RISKS AND UNCERTAINTIES

The College has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the College's assets and reputation. The Board of Directors undertakes a comprehensive review of the risks to which the College is exposed. Some of this review is undertaken by sub-committees of the Board, including the Financial and General Purposes Committee and the Health and Safety Committee.

The Board of Directors identifies systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Board of Directors will also consider any risks which may arise as a result of a new area of work being undertaken by the College. This is supported by a risk management training programme to raise awareness of risk throughout the College.

The major risks to which the College are exposed to are as follows.

#### Government and local authority funding

The College has considerable reliance on continued government funding through the further and higher education sector funding bodies. In 2016/17, 60% of the College's revenue was ultimately publicly funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The College is aware of several issues which may impact on future funding:

- the funding may cease either through the actions of a change in Government Policy, the performance of the students of the College or a change in criteria of the funding bodies which may mean the College no longer qualifies for funding;
- the levels of funding may be reduced.

The risk is mitigated in a number of ways:-

- funding is derived through a number of direct and indirect contractual arrangements;
- by ensuring the College is rigorous in delivering high quality education and training;
- considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;
- ensuring the College is focused on those priority sectors which will continue to benefit from public funding.
- regular dialogue with funding bodies.

#### Tuition fee policy

Ministers have confirmed that the fee assumption remains at 50%. In line with the majority of other colleges, The College will seek to increase tuition fees in accordance with the fee assumptions. The risk for the College is that demand falls off as fees increase and this reduces the income stream of from these sources. This will impact on the growth strategy of The College.

The risk is mitigated in a number of ways:-

- ensuring The College is rigorous in delivering high quality education and training, thus ensuring value for money for students;
- close monitoring of the demand for courses as prices change;
- increasing the number of full fee paying students such as overseas students.

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**Legislation and health and safety**

In line with other Colleges and businesses, the College is exposed to the risk of action by existing staff, students or members of the public from the failure to operate the business in accordance with current legislation including that covering health and safety matters.

The risk is mitigated in a number of ways:-

- setting up a health and safety sub-committee to look at all aspects of health and safety;
- engaging a specialised health and safety company to carry out formal risk assessments on the assets of the College;
- engaging a specialised human resources company to ensure that all staff matters are in accordance with the relevant legislation;
- ensuring that all staff receive adequate training in health and safety matters.

**COMPANY'S POLICY FOR THE PAYMENT OF CREDITORS**

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent of payments made and during the accounting period 1 August 2015 to 31 July 2016, The College achieved this target and incurred no interest charges in respect of late payment for this period.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**POST BALANCE SHEET EVENTS AND FUTURE PROSPECTS**

There have been no significant events affecting the Company since the year end.

With regard to the improved capacity provided by the new site, the College seeks to significantly increase student numbers over the next year. The one site facility will allow the College to stage assessed performances and other performance events at the Theatre space which has been developed in the new site. The impact of these should allow the College to work more efficiently and see a possible reduction in some overheads.

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**AUDITORS**

Under section 487(2) of the Companies Act 2006, Venthams will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

**SMALL COMPANIES NOTE**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



S. Coen  
Director

Date: 20 February 2018

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**STATEMENT OF RESPONSIBILITIES OF THE DIRECTORS  
FOR THE YEAR ENDED 31 JULY 2017**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law and the terms and conditions of a Financial Memorandum agreed between the College and the Education Funding Agency (or its predecessors) the directors have to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. They are also required to prepare the accounts in accordance with the 2015 Statement of Recommended Practice - Accounting for Further and Higher Education and with the College Accounts Direction for 2016 to 2017 financial statements issued jointly by the Skills Funding Agency and the Education Funding Agency. Under company law the directors 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

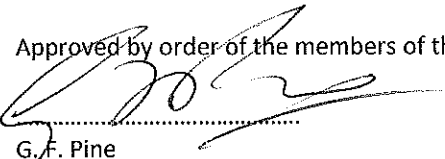
The Company is also required to prepare an Operating and Financial Review (Directors' Report) which describes what it is trying to do and how it is going about it, including the legal and administrative status of the Company

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company'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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The College is required to publish its annual report and financial statements on its website. The maintenance and integrity of the College website is the responsibility of the Board of Directors as delegated to the Principal and other staff; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition they are responsible for ensuring that the funds from The Education Funding Agency are only used in accordance the financial Memorandum with that body and any other conditions that may be prescribed from time to time. The Directors must ensure that there are appropriate financial and management controls in place in order to safeguard public and other funds and to ensure that these funds are used properly. In addition the Directors are responsible for securing the economical, efficient and effective management of the Company's resources and expenditure, so that the benefits that should be derived from the application of public funds are not put at risk

Approved by order of the members of the Board and signed on its behalf by



G. F. Pine  
Director and Chair

Date: 20 February 2018

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

### STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL FOR THE YEAR ENDED 31 JULY 2017

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The College is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the College has applied this practice. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

#### **The Board of Directors**

The composition of the Board of Directors (who oversees the activities of the College as governors) who served during the year is set out in the Director's Report and comprises two Executive and various Non-Executive Directors. Mr C J Harper, a practicing solicitor, acts as secretary to the Company.

The Executive Directors are responsible for the running of the College and their responsibilities include the setting of the revenue and capital budgets, making recommendations for the remuneration of staff to the Non-Executive Directors and approving bursaries and assistance for students from the College's own funds.

The Board of Directors are charged with the responsibility to bring judgment to bear on issues of strategy, performance, resources and standards of conduct. They are also responsible for the general management of the College, ensuring that the finances are in order and approving the remuneration of the staff and Executive Directors.

The Board of Directors meets at least three times a year. Elected staff and student representatives are invited to attend the Board Meetings. Formal agenda, papers and reports are supplied to the Directors prior to the Board meetings.

The Board has a strong and independent non-executive element and no individual group dominates its decision process. The Board considers that each of its non-executive directors is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgment.

There is a clear division of responsibility in that the role of the Chair and Principal are separate.

All directors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Secretary to the Company who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Secretary are matters for the Directors as a whole.

#### **Sub Committees**

The Board of Directors have set up Finance and General Purposes subcommittee. This committee has terms of reference which have been approved by the Board. One of the responsibilities of this committee is to make recommendations to the full board on the remuneration and benefits of the principal and other senior post-holders. Details of remuneration for the year are set out in the notes to the financial statements.

The College conducts its business through a number of committees. Each Committee has terms of reference which are approved by the Directors. Full minutes of all committee meetings are maintained and provided to the directors.

#### **The Doreen Bird Foundation**

The Trustees of The Doreen Bird Foundation, which owns all the share capital in the Company meets three times a year and reports to the Board of Directors. Members are appointed to the Board following the requirements of the Companies Acts and serve an unspecified term.

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017**

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**INTERNAL CONTROL**

**Scope of responsibility**

The Board of Directors is ultimately responsible for the Company's system of internal control and reviewing its effectiveness. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable, not absolute assurance against material misstatement or loss.

The Board of Directors has delegated the day to day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal financial control that supports the achievement of the Colleges policies, aims and objective, whilst safeguarding the public funds and assets for which they are personally responsible, in accordance with the responsibilities assigned to them in the Financial Memorandum between the College and the Education Funding Agency (and other Funding Bodies). The Principal is also responsible for reporting to the Board of Directors any material weakness or breakdowns in internal control. The Principal works closely with the Head of Finance who has responsibility for managing the finance team and its functions.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of college policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively and economically. The system of internal control has been in place in the College for the year concerned and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Directors has reviewed the key risks to which the College is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that have been in place for the year and up to the date of approval of the annual report and financial statements.

**The risk and control framework**

The system of internal financial control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- a) Comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Board of Directors
- b) Regular reviews by the Board of Directors of periodic and annual financial reports which indicated financial performance against forecasts
- c) Setting targets to measure financial and other performance
- d) Clearly defined capital investment control guidelines
- e) The adoption of formal project management disciplines where appropriate.

The Board of Directors and the senior management team of the College receive reports setting out key performance and risk indicators and consider possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training.

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2017

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**Review of effectiveness of system of internal control**

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the work of the executive managers within the college who have responsibility for the development and maintenance of the internal control framework, and comments made by the College's financial statement auditors and the Funding Bodies and their appointed auditors in their management letters and other reports.

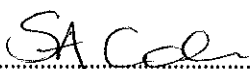
Based on the advice of the Accounting Officer, the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

**Going concern**

After making appropriate enquiries, the Directors consider that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

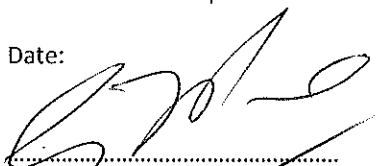
**Approval**

Approved by order of the Board and signed on its behalf by:

  
.....

S. A. Coen  
Director and Principal

Date:

  
.....

G. F. Pine  
Director and Chair

Date: 20 February 2018



**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**


**STATEMENT ON THE COLLEGE'S REGULARITY, PROPRIETY AND COMPLIANCE WITH FUNDING BODY TERMS AND  
CONDITIONS OF FUNDING  
FOR THE YEAR ENDED 31 JULY 2017**

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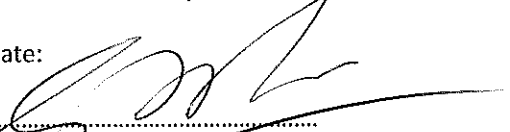
The Company has considered its responsibility to notify the Education Funding Agency of any material irregularity, impropriety and non-compliance with Education Funding Agency terms and conditions of funding, under the funding agreement in place between the College and the Education Funding Agency. As part of our consideration we have had due regard to the requirements of the funding agreement.

We confirm, on behalf of the Company, that after due enquiry, and to the best of our knowledge, we are able to identify any material irregular or improper use of funds by the College, or material non-compliance with the Education Funding Agency's terms and conditions of funding under the College's funding agreement.

We confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Education Funding Agency.

  
.....

S. A. Coen  
Director and Principal

Date:   
.....

G. F. Pine  
Director and Chair

Date: 20 February 2018

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

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#### OPINION

We have audited the financial statements of Doreen Bird College of Performing Arts Limited (the 'Company') for the year ended 31 July 2017, set out on pages 18 to 36. 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).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 July 2017 and of its profit 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED  
(CONTINUED)**

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We have nothing to report in this regard.

**OPINION 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

**RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement on page 10, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED  
(CONTINUED)

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**AUDITORS' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mark Taylor (Senior Statutory Auditor)

for and on behalf of  
**Venthams**

Chartered Accountants  
Statutory Auditor

51 Lincoln's Inn Fields  
London  
WC2A 3NA

27 February 2018

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2017

	Note	2017 £	2016 £
Funding body grants	4	3,211,852	2,717,336
Tuition fees and education contracts	5	1,810,406	1,816,470
Other operating income	6	270,433	228,410
Bank deposit interest receivable		-	411
<b>Total Income</b>		<b>5,292,691</b>	<b>4,762,627</b>
Staff costs	7	(3,545,023)	(3,251,511)
Depreciation and amortisation		(311,323)	(174,779)
Other operating expenses	9	(1,371,052)	(1,234,066)
Exceptional other operating expenses	11	-	(75,045)
<b>Operating profit</b>		<b>65,293</b>	<b>27,226</b>
<b>Profit for the financial year</b>		<b>65,293</b>	<b>27,226</b>
<b>Other comprehensive income for the year</b>			
Unrealised surplus on revaluation of tangible fixed assets		-	378,828
<b>Total comprehensive income for the year</b>		<b>65,293</b>	<b>406,054</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

The notes on pages 21 to 36 form part of these financial statements.

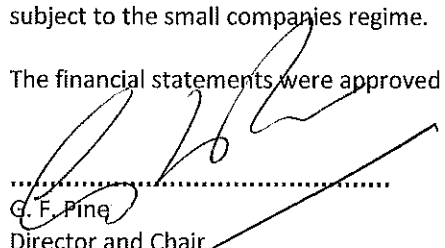
**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**  
**REGISTERED NUMBER:03088287**

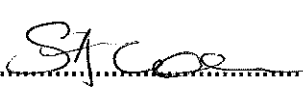
**BALANCE SHEET**  
**AS AT 31 JULY 2017**

	Note	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Tangible assets	12		<b>1,316,355</b>		933,568
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	<b>194,219</b>		120,846	
Cash at bank and in hand	14	<b>588,897</b>		1,136,432	
		<u>783,116</u>		<u>1,257,278</u>	
Creditors: amounts falling due within one year	15	<b>(1,372,161)</b>		(1,528,829)	
<b>Net current liabilities</b>			<b>(589,045)</b>		(271,551)
<b>Net assets</b>			<u><b>727,310</b></u>		<u><b>662,017</b></u>
<b>Capital and reserves</b>					
Called up share capital	16		<b>1,000</b>		1,000
Revaluation reserve	17		<b>241,681</b>		307,988
Profit and loss account	17		<b>484,629</b>		353,029
			<u><b>727,310</b></u>		<u><b>662,017</b></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
  
G. F. Pine  
Director and Chair

.....  
  
S. A. Coen  
Director, Principal and Accounting Officer

Date: 20 February 2018

Date: 20 February 2018

The notes on pages 21 to 36 form part of these financial statements.

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2017

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 August 2015</b>	<b>1,000</b>	<b>-</b>	<b>254,963</b>	<b>255,963</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	27,226	27,226
Surplus on revaluation of other fixed assets	-	378,828	-	378,828
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>378,828</b>	<b>27,226</b>	<b>406,054</b>
Transfer to/from profit and loss account	-	(70,840)	70,840	-
<b>At 1 August 2016</b>	<b>1,000</b>	<b>307,988</b>	<b>353,029</b>	<b>662,017</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	65,293	65,293
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>65,293</b>	<b>65,293</b>
Transfer to/from profit and loss account (see note 17)	-	(66,307)	66,307	-
<b>At 31 July 2017</b>	<b>1,000</b>	<b>241,681</b>	<b>484,629</b>	<b>727,310</b>

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**1. Statement of accounting policies and estimation techniques**

**1.1 Basis of preparation and accounting**

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets. They have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006. The financial statements have also been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2015 ("2015 FE HE SORP") and the associated "College Accounts Direction for 2016 to 2017".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

**1.2 Going concern**

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Members Report. The financial position of the College, its cashflow, liquidity and borrowings are presented in the Financial Statements and accompanying Notes.

The College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements. In making this statement the Directors have considered a period exceeding 12 months from the date of approval of these financial statements.

**1.3 Income recognition**

Recurrent grants from Funding Councils and other bodies are recognised in line with the latest estimates of the grant receivable for an academic year. Non-recurrent grants from Funding Councils or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets. Non-recurrent grants from Funding Councils or other bodies received in respect of revenue expenditure are recognised in the same period that the expenditure is incurred. Grants received before the expenditure has been incurred are shown in creditors.

Tuition Fees and Education Contracts represent amounts receivable from students, parents, Local Education Authorities and Sponsors in respect of tuition fees for the year under consideration.

The cost of providing bursaries and funding from the Company's own funds is excluded from tuition fees. Bursaries met by other parties are included as Tuition Fees

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 under the accruals concept with the addition of Value Added tax as the Company is not registered for Value Added Tax.



DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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1. Statement of accounting policies and estimation techniques (continued)

1.5 Tangible fixed assets and depreciation

Equipment costing less than £100 per individual item is written off to the Profit and Loss Account in the year of acquisition. All other equipment is capitalised at cost.

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Where equipment is acquired with the aid of specific grants the asset is capitalised and depreciated in accordance with the above policy, with the relevant grant being credited to a deferred capital grant account and released to the profit and loss account over the expected useful economic life of the related equipment.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the profit and loss account.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance methods.

Depreciation is provided on the following basis:

Improvements to leasehold premises	-	Over the term of the lease
Costumes, props and instruments	-	20% Straight line method
Motor vehicles	-	20% Reducing balance method
Fixtures, fittings and equipment	-	20% Reducing balance method
Computer & IT Equipment	-	20% Reducing balance method

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**1. Statement of accounting policies and estimation techniques (continued)**

**1.6 Revaluation of tangible fixed assets**

The company has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits in which case the excess losses are recognised in profit and loss.

**1.7 Debtors and prepayments**

Short term debtors are measured at transaction price, less any impairment. Prepayments are valued at the amount prepaid.

**1.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**1.9 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**1.10 Creditors**

Short term creditors are measured at the transaction price.

**1.11 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**1.12 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**1. Statement of accounting policies and estimation techniques (continued)**

**1.13 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

**1.14 Taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**1.15 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**2. General information**

The Company was incorporated in England as Doreen Bird College of Performing Arts Limited on the 7 August 1995 under the provisions of the Companies Act 1985. The Company trades as a college of education in the performing arts using the name of Bird College and is referred to in these reports as both The Company and The College.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements, management have made the following judgments:

**Tangible fixed assets**

Certain classes of tangible fixed assets have been revalued during a previous year at estimated market value as assessed by the directors in consultation with members of staff and external suppliers.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The directors have considered whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**4. Funding body grants**

	2017 £	2016 £
Education Funding Agency - Dance and Drama Awards	791,731	710,117
Greenwich University for BA and Foundation Degree	2,420,121	1,947,200
Greenwich University for prior years	-	60,019
	<u>3,211,852</u>	<u>2,717,336</u>

**5. Tuition fees and education contracts**

	2017 £	2016 £
Tuition fees charged	376,401	333,653
Contributions from Government hardship funds	-	-
Pre-professional course fees	314,934	363,160
Private lessons and examinations	74,422	88,077
Summer and Easter short courses	75,420	52,228
Arts Council - Music Hub	399,854	400,964
Arts Council - Artsmark Award	8,333	9,917
Music Services - School income	192,775	223,004
Bexley Council - Music services	4,000	1,177
Music department income	303,317	316,856
PPA Income	60,950	27,434
	<u>1,810,406</u>	<u>1,816,470</u>

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**6. Other operating income**

	2017	2016
	£	£
Agency commission receivable	23,531	15,826
Audition fees	52,883	51,513
Income from productions and shows	97,591	101,894
Student tours	36,872	35,456
Vending machines and catering	414	4,060
Musical instrument hiring	24,991	13,809
Miscellaneous income	34,151	5,852
	<b>270,433</b>	<b>228,410</b>
	<b>270,433</b>	<b>228,410</b>

**7. Employee and staff details**

Staff costs were as follows:

	2017	2016
	£	£
Wages, salaries and benefits in kind	3,163,171	2,894,264
Social security costs	273,202	253,715
Pension costs	108,650	103,532
	<b>3,545,023</b>	<b>3,251,511</b>
	<b>3,545,023</b>	<b>3,251,511</b>

The average monthly number of employees, (expressed as full time equivalents) employed by the college (including the directors and key management personnel), during the year was as follows:

	2017	2016
	No.	No.
Directors	2	3
Other key management personnel	3	2
Teaching staff	67	52
Non teaching staff	22	23
	<b>94</b>	<b>80</b>
	<b>94</b>	<b>80</b>

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**8. Directors' and key management personnel remuneration**

Key management personnel are defined as members of the College Leadership Team and were represented by the following:

	2017 £	2016 £
Directors (principal & deputy principal)	2	3
Other key management personnel (assistant principals)	3	2
	5	5
	5	5
	2017 £	2016 £
Directors' emoluments	188,735	244,259
Directors' pension costs	12,113	12,003
Directors' national insurance	25,680	32,005
Directors' private health insurance	10,382	4,223
	236,910	292,490
<b>Other key management remuneration</b>		
Key management salaries	151,885	110,415
Key management pension costs	8,115	12,169
Key management national insurance	17,561	13,321
	414,471	428,395
	414,471	428,395

During the year retirement benefits were accruing to 2 directors (2016 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £109,506 (2016 - £103,715).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,656 (2016 - £4,594).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £6,481 (2016 - £4,594).

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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8. Directors' and key management personnel remuneration (continued)

The number of directors and key management personnel who received annual emoluments, excluding pension contributions but including benefits in kind, in the following ranges was:

	2017	2016
£30,001 to £40,000	1	-
£40,001 to £50,000	-	-
£50,001 to £60,000	2	3
£80,001 to £90,000	1	1
£100,001 to £110,000	1	1

There were no other staff members who received annual emoluments of £60,000 or more.

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

## 9. Other operating expenses

	2017	2016
	£	£
<b>Teaching costs</b>		
Printing and stationery	18,645	14,380
Theatre production expenses and overseas tours	267,449	285,820
	<u>286,094</u>	<u>300,200</u>
<b>Teaching support services costs</b>		
Resources costs	7,044	7,228
Audition expenses	2,393	4,210
Teaching equipment repairs	8,930	14,230
External validation fees	25,785	22,632
Teaching aids	237	3,904
Exam costs	30,972	29,898
Staff development	19,989	20,691
	<u>95,350</u>	<u>102,793</u>
<b>Administration and central services costs</b>		
Insurances	26,815	31,885
Printing postage and stationery	18,645	14,435
Telephone and internet	23,819	23,593
Bad and doubtful debts	3,983	3,687
Motor running	1,348	4,374
Hotels and travel	6,076	5,194
Equipment leasing under operating leases	17,332	29,559
Bank charges	8,375	10,656
Auditors' remuneration	12,750	6,000
Accountancy	13,050	13,140
Payroll services	7,320	6,030
Computer costs	87,548	44,255
Canteen and catering	10,960	16,518
HR and and health and safety consultants	17,157	11,748
Staff recruitment costs	21,460	13,782
Legal and professional	18,200	22,765
Sundry expenses	10,026	7,086
	<u>304,864</u>	<u>264,707</u>



## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

9. Other operating expenses (continued)		
<b>General education costs</b>		
Marketing costs	77,072	76,000
Trade subscriptions	41,032	28,231
	<u>118,104</u>	<u>104,231</u>
<b>Premises costs</b>		
Rent payable	315,559	275,700
Rates and water	23,609	19,865
Light and heat	47,214	74,445
Repairs to premises	69,258	38,766
Cleaning, laundry and hygiene	14,437	25,600
Alarms maintenance	5,038	11,744
Removal costs	1,695	16,015
Canteen subsidy	75,430	-
Property consultancy fees	14,400	-
	<u>566,640</u>	<u>462,135</u>
	<u>1,371,052</u>	<u>1,234,066</u>
<b>Total other operating expenses</b>		

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

**10. Taxation**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2016 - *lower than*) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>65,293</u>	<u>27,226</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	13,059	5,445
<b>Effects of:</b>		
Other timing differences leading to an increase (decrease) in taxation	<u>(13,059)</u>	<u>(5,445)</u>
<b>Total tax charge for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**11. Exceptional items**

	2017 £	2016 £
Gift Aid payment to the holding company charity	-	75,045
	<u>-</u>	<u>75,045</u>

## DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**12. Tangible fixed assets**

	Improvements to leasehold Property £	Costumes, props and instruments £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>					
At 1 August 2016	359,260	489,694	23,237	234,848	1,107,039
Additions	510,648	38,134	-	145,329	694,111
Disposals	-	(3,060)	-	(765)	(3,825)
At 31 July 2017	869,908	524,768	23,237	379,412	1,797,325
<b>Depreciation</b>					
At 1 August 2016	28,563	97,939	-	46,969	173,471
Charge for the year on owned assets	135,906	98,292	4,647	69,419	308,264
Disposals	-	(612)	-	(153)	(765)
At 31 July 2017	164,469	195,619	4,647	116,235	480,970
<b>Net book value</b>					
At 31 July 2017	705,439	329,149	18,590	263,177	1,316,355
At 31 July 2016	330,697	391,755	23,237	187,879	933,568

Following the reorganisation of the College into one site, a detailed review of Fixed Assets was carried out and a policy was adopted of revaluing those assets which existed at the transfer to the new site at their market value at the date of the transfer. The revaluation was carried out by the staff of the College in consultation with external contractors and the revaluation amount was approved by the Board of Directors.

Additions subsequent to the transfer to the new site, and the costs involved with the creation of Fixed Assets within the new site are shown at cost.

It was not practical or possible to identify the original costs of the assets which were transferred to the new site, or to identify the specific assets which were scrapped or which no longer exist. Any exercise to attempt to identify these assets would involve undue cost and effort at that time. Accordingly no details are disclosed concerning the amounts which would have been included under the historical cost convention.

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

13. Debtors

	2017 £	2016 £
Trade debtors	32,711	40,109
Other debtors	20,904	25,199
Prepayments and accrued income	140,604	55,538
	<u>194,219</u>	<u>120,846</u>

14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	588,897	1,136,432
Less: bank overdrafts	(900)	(301)
	<u>587,997</u>	<u>1,136,131</u>

15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	900	301
Trade creditors	207,272	443,201
Amounts owed to group undertakings (see note 21)	794,808	716,134
Other taxation and social security	94,177	87,563
Other creditors	48,208	35,154
Accruals and deferred income	226,796	246,476
	<u>1,372,161</u>	<u>1,528,829</u>

16. Share capital

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**17. Reserves**

**Revaluation reserve**

The revaluation reserve represents the net surplus arising on the revaluation at 1 August 2015 of plant, equipment, costumes, musical instruments and other similar assets mentioned in note 12. The amount shown represents the difference between the net book value of the respective assets at the valuation date and the amount of the valuation.

An amount equivalent to the excess depreciation of the relevant assets (calculated as the difference between the depreciation calculated on the revalued amount and the depreciation charged on original cost) is released from the reserve is released back to the profit and loss account over the period that the asset is depreciated for.

**18. Contingent liabilities**

**Value Added Tax (VAT) position**

The College is not currently registered for VAT as the directors are of the opinion that the taxable turnover of the College is below that which requires VAT registration. The majority of its turnover arises from the supplies of education to its students or from supplies closely linked to the supply of education both of which are exempt income for VAT purposes.

In coming to this conclusion, the directors have relied on a decision of the UK tax tribunals and the European Courts which have ruled that this type of income would not be taxable in an unconnected case concerning the VAT liability of certain supplies which are closely related to education.

If the opinion is not confirmed, the College may be required to retrospectively register for VAT and account for tax on supplies of non-exempt income from the date that it should have been registered for VAT.

It is not possible to quantify the possible liability which may arise and as the final judgment has not been issued, no amount has been provided for in these accounts for any potential liability.

**Guarantee of borrowings of holding company**

The company has given a guarantee in respect of bank borrowings of the holding company, The Doreen Bird Foundation to a maximum of £2,000,000 (2016 £2,000,000). The guarantee is secured by fixed and floating charges over the company's assets.

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**19. Commitments under operating leases**

At 31 July 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>In respect of land and buildings</b>		
Expiring in one year or less	<b>250,000</b>	<b>250,000</b>
	<u><b>250,000</b></u>	<u><b>250,000</b></u>
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>In respect of other leases</b>		
Not later than 1 year	<b>17,592</b>	<b>19,256</b>
	<u><b>17,592</b></u>	<u><b>19,256</b></u>

**20. Transactions with directors**

The company made interest free loans to the following directors in respect of medical insurance premiums paid for the directors' partners which are repayable by 12 monthly installments from the date of payment of the premium by the company. No interest is charged on the outstanding amounts. The balances outstanding at the year end were as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
S. A. Coen	-	655
L. De Abreu	-	792

**DOREEN BIRD COLLEGE OF PERFORMING ARTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**21. Related party transactions**

Owing to the nature of the College's operations and the composition of the board of directors being drawn in part from local private and public sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of directors may have an interest. All transactions with such organisations are conducted at arm's length and in accordance with the College's financial regulations and procurement procedures.

**Transactions and balances with The Doreen Bird Foundation**

During the year rent of £250,000 (2016: £173,973) was paid to The Doreen Bird Foundation, the parent company, in respect of properties owned by The Doreen Bird Foundation which are occupied by The College for the purpose of its trade.

The Doreen Bird Foundation has agreed to provide support to The College by way of financing certain students' tuition fees by way of funding bursaries for those students. The bursaries awarded for the year amounted to £9,248 (2016 £2,020).

The Doreen Bird Foundation has awarded prizes to the best performing students of The College for the year. These prizes are paid by the Foundation directly to the students concerned. The prizes awarded for the year amounted to £nil (2016 £2,000).

The College made a Gift Aid payment in the year of £nil (2016 £75,045) to The Doreen Bird Foundation in respect of the profits of the College for the previous year (see Note 11).

The Company owes The Doreen Bird Foundation £794,808 (2016 £716,134) in respect of the inter-company current account and this amount is included in creditors due within one year. The amounts owed are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**22. Post balance sheet events**

There were no post balance sheet events which affect the figures disclosed in the accounts or which require disclosure.

**23. Controlling party**

The ultimate controlling party and parent company in both the current and preceding financial year is The Doreen Bird Foundation (incorporated in England and Wales) by virtue of its 100% shareholding.

