

Trinity College Dublin Academy  
of Dramatic Art Company  
Limited by Guarantee

Directors' report and financial statements

**Year ended 30 September 2020**

***Registered number: 485560***

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report and financial statements

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# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors and other information

<b>Directors</b>	Anne Clarke Anne Mulcahy Dana Cuffe Danielle Ryan Dearbhla Walshe Dermot McCrum (Chair) Eleanor Methven Gail McElroy James Hickey Jon Downey (Alternate Director for Danielle Ryan) Michael Binchy
<b>Secretary</b>	Anne Fitzpatrick
<b>Registered office</b>	70 Sir John Rogerson's Quay Dublin 2
<b>Auditor</b>	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
<b>Bankers</b>	Bank of Ireland College Green Dublin 2
<b>Solicitors</b>	Matheson 70 Sir John Rogerson's Quay Dublin 2
<b>Registered number</b>	485560

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report

The directors present the financial statements of Trinity College Dublin Academy of Dramatic Art CLG ("the Company") (a company limited by guarantee and not having a share capital) for the year ended 30 September 2020.

### Principal activities, business review and future developments

The principal activities of the Company are:

- to advance education by establishing and operating an academy ("the Lir Academy") for the provision of educational services, training and research in relation to dramatic art; and
- to provide seminars, lectures, exhibitions, musical and dramatic performances and public meetings, classes and conferences calculated directly to advance the cause of education.

The Company is a not-for-profit organisation and has been granted Charitable Status under the provisions of Section 207 of the Taxes Consolidation Act 1997.

### Development and performance

The Company successfully completed its ninth full year of operation continuing to deliver six full-time courses at undergraduate and post-graduate level. A significant event during the period and shortly after the financial year-end was the successful completion of the academic year despite the Covid-19 pandemic. All undergraduate and postgraduate classes were moved online when the Lir buildings closed on March 12<sup>th</sup>, 2020 following government guidelines. Earned income streams such as Lir at Work, short courses and fundraising events were adapted for the new environment of remote working and continued to generate income throughout the pandemic also. The 2019-20 academic year was extended to allow for the safe completion of the final six weeks of face to face classes which took place from the 1<sup>st</sup> of September to the 16<sup>th</sup> of October 2020. Significantly, the six-week extension allowed for the safe delivery of four GradFest productions streamed live to audiences nationally and internationally, thus delivering learning outcomes for all students by the end of the academic year. The October activity relating to the 2019-20 academic year is not captured in these financial statements for the year ended 30 September 2020.

In 2019-20, the Company completed the fourth year of its Strategic Plan 2016-2021 and remains largely on track to achieve its ambitious strategic objectives over the course of the plan having achieved a majority of its objectives pre Covid-19. This plan includes enhancing our recruitment capacity, developing our range of courses, securing our financial base, additional earned income streams and an increased focus on access and diversity.

The Lir Academy developed and implemented a Marketing and Recruitment Plan in 2019-20 in response to a significant reduction in student numbers onto Stage Management and Technical Theatre course that year. The loss of student fees and the addition of related expenses was considerable. The Marketing and Recruitment plan involved an enhanced recruitment and marketing strategy which despite the pandemic proved hugely successful and as a result, tripled the student intake onto the course in 2020-21. In addition to the plan, 2019-20 recruitment across the academy was moved online during the pandemic which allowed for a greater reach to applicants, most significantly international applications. This method has proven so successful that it will be incorporated into our recruitment strategy going forward.

In January 2020 The Lir Academy began its first Quality Review which included forums with staff, students, alumni and industry wide professionals. On account of Covid-19, the process was halted and will recommence in November 2021. The Quality Review will be a key component to enhancing and expanding on the courses we have on offer thus delivering on another of our strategic ambitions.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report(*continued*)

As seen in these Financial Statements, The Lir Academy experienced the most turbulent financial year to date as a result of the Covid-19 global pandemic. Up to the point of the outbreak The Lir Academy had been trading successfully largely due to our new Commercial Department which had been established in the previous year. When the pandemic hit however our earned income streams suffered considerably leading to emergency talks taking place between The Lir Board and Trinity College Dublin in an aim to survive the financial crisis and secure our financial base. The Lir Academy immediately applied and successfully received €200,000 from the Government's Wage Subsidy Scheme to support staff salary payments from April – August 2020. Trinity College Dublin (TCD) provided €500,000 in July 2020 from an accelerated drawdown of student fees for the upcoming 2020-21 academic year, thus stabilising our cash flow for the remainder of the 2019-20 Financial Year. The Lir Academy Board developed a Financial Management Proposal through Covid-19 in June 2020 requesting urgent financial support from Trinity College to ensure it survived the crisis and returned to profitability. A working capital loan of €250,000 was agreed in principle between the Lir Board and TCD in 2020, formally approved by the TCD Finance Committee in April 2021 and drawn down in full in May 2021. As a result of the decisive action of the Lir Board and with the support of Trinity College Dublin, it is now projected that The Lir Academy will return to profitability in the 2021-22 Financial Year.

Despite the pandemic and in keeping with our strategic objectives to develop new income streams, The Lir quickly adapted to delivering a new suite of online courses for The Lir at Work and general short courses throughout April – September 2020. The newly designed courses proved successful in delivering earned income revenue in 2019-20 and continue to do so in 2020-21 while government restrictions remain in place. Now firmly established, this new suite of on-line learning will continue in tandem with our face to face courses long after the pandemic thus achieving another of our strategic objectives during 2019-20 to increase our range of short courses and earned income streams.

Finally, in accordance with another of The Lir's strategic objectives to increase focus on access and diversity at the academy, the #BlackLivesMatter Forum was launched in June 2020 in order to support continued diversity at The Lir Academy. The policy document for #BlackLivesMatter at The Lir Academy is due to be launched in November 2021.

## **Future prospects**

The directors are not expecting to make any significant changes to the nature of the business in the near future. In relation to Covid-19, all undergraduate and postgraduate courses programmed remain on track to be delivered either on-line or face to face, adhering to the highest levels of safety protocols.

## **Principal risks and uncertainties**

The Company operates a comprehensive risk management strategy. A detailed risk review is maintained on an on-going basis and presented to the board of directors at the end of each quarter. Risks are identified under the following headings: financial and business risks, pedagogic risks and facilities risks. Risks are graded in terms of probability and severity and mitigating controls are agreed so that the residual risk to the Company is minimised. Timelines and individuals responsible for mitigating each risk are identified to ensure all risks are appropriately managed.

The key risks and uncertainties facing the Company are:

- Competition from other colleges
- Uncertainty in the Irish economy
- Continuity and growth in student numbers
- The impact of Covid-19 (see page 6)

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report(*continued*)

### Results for the year and key performance indicators

The results of the Company for the year are set out on page 15 of these financial statements. A summary of the results is in the table below.

	2020 €	2019 €
<b>Total income</b>	<b>1,976,146</b>	2,264,025
<b>Staff costs and other operating expenses</b>	<b>(2,056,915)</b>	(2,239,172)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	<b>(80,769)</b>	24,853
<i>Less:</i>		
Depreciation	<b>(137,140)</b>	(131,665)
Interest	<b>(1,214)</b>	(2,521)
<b>Deficit for the year</b>	<b>(219,123)</b>	(109,333)

Earnings before interest, tax, depreciation and amortisation (EBITDA) is reported at €80,769 deficit for the year (2019: €24,853 surplus). After depreciation of €137,140 and interest of €1,214 the Company recorded a deficit for the year of €219,123 (2019:€109,333). Tuition fee income was down by 9% largely due to a drop in student recruitment during the period. Staff costs and other overheads and expenditure was down by 8%.

The Company's statement of financial position shows a net liability position of €90,151 at the year end (2019: net assets of €128,972).

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report(*continued*)

### Results for the year and key performance indicators(*continued*)

#### **Key performance indicators**

Profitability: Surplus/Deficit as a % of Income	-11.1% (2019: -4.8%)
Staff Costs: Staff Costs as a % of income	58% (2019: 56%)
Liquidity: Current assets over Current liabilities ratio	61% (2019: 66%)

#### **Going concern**

The Company is in a net deficit position of €90,151 at 30 September 2020, indicating a deterioration in the financial position compared to the net surplus position of €128,972 as at 30 September 2019.

The directors have prepared the financial statements on a going concern basis, which assumes that the Company will continue in operational existence for at least one year from the date of approving the financial statements. The directors are satisfied to prepare the financial statements on a going concern basis having considered the actions taken, current position and future projections (including the continuing post year-end impact of Covid-19 which is discussed further on page 6) which indicate that the Company will have sufficient cash flows to meet its obligations as they fall due.

#### **Directors and secretary**

The directors for the year under review were as follows:

- Anne Clarke
- Anne Mulcahy
- Dana Cuffe
- Danielle Ryan
- Dearbhla Walsh
- Dermot McCrum (Chair)
- Eleanor Methven
- Gail McElroy
- Ian Mathews
- James Hickey
- Jon Downey (Alternate Director for Danielle Ryan)
- Michael Binchy

In keeping with the Company's status as a charitable body, all directors serve in a voluntary capacity and receive no remuneration for their services.

Ian Mathews resigned as a director of the Board in August 2020.

The directors and secretary have no beneficial interests in the Company.

#### **Political and charitable contributions**

The Company made no political or charitable donations and incurred no political expenditure during the year.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report(*continued*)

### Events after the reporting period

Despite experiencing the most turbulent year to date in 2019-20 as a result of Covid-19, The Lir Academy opened its doors once again and embraced a new academic year on the 2<sup>nd</sup> of November 2020 welcoming a record 125 students including a notable increase in international students. Classes for our undergraduate and postgraduate programmes were offered in a blended learning fashion with the majority being delivered face to face adhering strictly to HSE safety guidelines. With the arrival of a third wave of Covid-19 in January 2021, The Lir Academy moved all classes online again prioritising the safety of staff and students. After the completion of term 1 online in February 2021, it was agreed by staff, students and Trinity College Dublin (TCD) to halt the academic year and instead extend it once again to finally end on the 1<sup>st</sup> of October 2021 in order to deliver vital face to face practical classes and learning outcomes later in the year. Term 2 of 3 resumed on April 6<sup>th</sup>, 2021 to a full student cohort and on-site learning and we are on track to complete our 2020-21 academic year by the 1<sup>st</sup> of October 2021.

Throughout the changes to the 2020-21 academic year schedule outlined above, the company has continued to operate and deliver its commitments and responsibilities.

#### Pedagogic and facilities impact:

- During closures, The Lir Academy building remained under 24/7 security surveillance.
- The Lir Academy buildings continued to receive weekly maintenance checks by Trinity College Estates and Facilities.
- The Lir staff and students adhered to GDPR protocol when working remotely.
- An Employee Assistance Programme was established in January 2021 to offer additional counselling and specialist advice to staff during the ongoing crisis.
- Staff meetings continued on a daily basis to ensure sufficient support remained in place during the crisis and risks were identified quickly in order to find a speedy solution.
- Full-time courses continued successfully online including two graduate productions in February 2021, thus ensuring our continuity in delivering our learning outcomes.
- The student admission process remained online fully functioning thus ensuring a healthy intake of new students in Term 1 2021-22.
- Lir at Work and short courses continued to deliver on-line learning thus delivering on our strategic objectives to expand the range of courses being delivered from the academy.

#### Financial and business impact:

Due to a Marketing and Recruitment drive in 2019-20, the company has experienced a boost in student recruitment and associated fee income in 2020-21 despite the pandemic, leading to an increase of fee income of approximately €180,000. This increase in student fee income will go a long way towards the company's financial recovery in 2021-22 when it is projected the company will be back trading in surplus. The company's financial recovery is not projected to happen until 2021-22 because although The Lir has been successful in migrating our earned income streams such as Lir at Work and general short courses online, the continuation of restrictions has meant that our full suite of in person short courses are not being delivered, limiting our revenue intake for short courses in 2020-21. Ongoing restrictions due to Covid-19 has also meant an increase in social distancing expenses in 2020-21 and while the wage subsidy scheme was successfully received in 2019-20 to subsidise staff salaries, the company is not eligible to receive it in 2020-21 meaning revenue during 2020-21 is purely driven by student fee income and the company's own earned income streams. The on-line courses are very successful however and including our development and fundraising income, we remain on track to achieving projected targets for the 2020-21 Financial Year.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Directors' report(*continued*)

### Going concern

To negate the residual negative financial impact of Covid-19 on the 2020-21 Financial Year, the Lir Board and the Financial Services Division at TCD agreed the terms of a working capital loan of €250,000 in February 2021 with capital repayments commencing in January 2024. This working capital loan has since been formally approved by the Finance Committee at TCD in April 2021 and was down in full in May 2021. Trinity College Dublin have also confirmed that they will support an accelerated draw down of 2021/22 academic fees in July 2021 thus ensuring a healthy cashflow position for the remainder of 2020-21 and into 2021-22. On this basis, the directors believe the Company will have sufficient liquidity for a period of at least 12 months from the date of approval of these financial statements, thus maintaining the Company as a going concern.

There have been no other significant events after the reporting period which require an adjustment to or a disclosure thereon in these financial statements.

### Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee, Trinity Technology and Enterprise Campus, Pearse Street, Dublin 2.

### Relevant audit information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

### Auditor

A periodic retender for audit services for the year ended 30 September 2021 is currently in progress and the appointment of auditors will be confirmed at the conclusion of that process.

On behalf of the board



Dermot McCrum  
Director



Anne Clarke  
Director

3 June 2021

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of corporate governance and internal control

We, the Board of Trinity College Dublin Academy of Dramatic Art CLG, trading as The Lir, National Academy of Dramatic Art (“The Lir”) acknowledge that the Board has overall responsibility for The Lir’s system of internal control; including financial, operational and compliance controls and risk management systems, that support the achievement of The Lir’s policies, aims and objectives while safeguarding the public and other funds and assets for which the Board is responsible.

We confirm that our organisation complies with the new *Charities Regulator Code of Governance*. Our Code of Governance Framework is publicly available through our website [www.thelir.ie](http://www.thelir.ie). The Framework will be reviewed annually by the Board to ensure it is kept up to date with current legislation and good practice procedures for arts organisations and educational institutions.

Our current mission statement states:

“The Lir Academy exists to provide the highest possible conservatoire training in Ireland. We are a centre of excellence, a hub for germinating talent and a training ground for brilliance. We aim to become one of the leading creative arts academies in the world.”

The following are the key control procedures in place to ensure that there is an appropriate, effective and compliant environment in place at The Lir Academy:

### **Interpreting and guarding the Mission:**

- Strategic Plans are prepared by the CEO of The Lir Academy and are brought forward to the Board for discussion and adoption. The current plan runs for five years from 2016 – 2021.
- A Strategy Meeting, led by the CEO of The Lir Academy, is convened annually to review policy aims and strategic objectives, following which, recommendations are brought to the Board and an implementation plan is adopted. From time to time, throughout the year, the CEO of The Lir Academy pro-actively proposes policy initiatives or reviews to the Board for discussion and adoption.
- The CEO presents a report at each scheduled Board meeting on activities of The Lir Academy.

### **Identifying, evaluating and managing risks (including operational, financial and compliance)**

#### ***Financial:***

- The Board discusses and then adopts an annual budget based on funding and revenues projected in a prudent manner as presented by the CEO.
- Board directors ensure that the content and level of financial reporting is timely and in a format that is transparent and understood by the Board.
- All major expenditure decisions being presented to the Board include risk assessment and financial analysis.
- The Audit and Finance Sub-committee monitors progress against budget and reports to the Board.
- Quarterly Management Accounts are prepared by management and a detailed financial report is presented at each Audit & Finance Sub-committee meeting by the CEO, including any items of expenditure for payment exceeding €50,000.
- All expenditure items in excess of €5,000 are submitted to the Chairperson of the Board for approval.
- The Company undergoes an annual audit by an external auditor and prepares annual financial statements which are approved by the Board and submitted to the CRO.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of corporate governance and internal control (*continued*)

### **Operational:**

- The Company operates a comprehensive risk management strategy. A detailed risk review is maintained on an on-going basis by senior managers who report to the CEO. The Director of Administration and CEO update the Risk Register and present it to the Board on a quarterly basis. Risks are identified under the following headings: financial and business risks, pedagogic risks and facilities risks. Risks are graded in terms of probability and severity and mitigating controls are agreed so that the residual risk to the Company is minimised. Timelines and individuals responsible for mitigating each risk are identified to ensure all risks are appropriately managed.
- The CEO reports regularly to the Board on the level of Human Resources available to the organisation in the context of the level of activities undertaken.
- The CEO keeps the Chairperson informed on an ongoing basis regarding developments in the organisation and any significant issues arising.
- The Chairperson reviews the performance of the CEO on an annual basis and reports to the Board in this regard.

### **Compliance:**

- The Board ensures that The Lir Academy is law-abiding and compliant with the *Charities Regulator Code of Governance*.
- The Board ensures that The Lir Academy is compliant with the requirements of the *Accounting for Further and Higher Education SORP* (Statement of Recommended Practice) 2019 guidelines.
- The Board also satisfies itself on an ongoing basis that The Lir Academy complies with all relevant legislation e.g. company law, employee relations, health and safety, environmental regulations, building control and fire regulations, ethics, Freedom of Information, and Data Protection legislation as well as a general duty of care to everyone who visits The Lir Academy, works in The Lir Academy and participates in The Lir Academy programmes.
- A governance sub-committee has been established to review, update and approve all company policies to ensure The Lir Academy is up to date with current legislation and good practice procedures for arts organisations and educational institutions and reports to the Board on an annual basis.

**Governing Authority Meetings:** Confirmation of the number of Board meetings held during the financial year 2019/20 and the attendance records of members is outlined below:

There were 5 meetings of the Board in the financial year 2019/20.

Directors' attendance was as follows:

Directors appointed by Trinity College Dublin:

Prof. Gail McElroy (2/5)  
Ian Mathews (3/5)\*

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of corporate governance and internal control (*continued*)

Directors appointed by the Drama Academy Development Company:

Jon Downey (Alternate Director for Danielle Ryan) (5/5)

Anne Mulcahy (5/5)

Co-opted Directors:

Michael Binchy (5/5)

Anne Clarke (5/5)

Dana Cuffe (5/5)

James Hickey (5/5)

Dermot McCrum (Chair) (5/5)

Eleanor Methven (5/5)

Dearbhla Walsh (4/5)

### **Appointments/resignations to and from the Board during the financial year 2019/20**

Ian Mathews\* – resigned from the Board in August 2020

The following committees of the Board are currently in place:

- Development Council
- Audit & Finance Committee
- Governance Committee
- Artistic and Pedagogic Committee
- Gender, Diversity and Respect Committee
- Infrastructure & Facilities Committee

### **Actions taken/proposed to deal with significant issues and the Board's performance, including its assessment of its own effectiveness**

- The Lir Academy Board developed a Financial Management Proposal through Covid-19 in June 2020 requesting urgent financial support from Trinity College to ensure it survived the financial crisis brought about by Covid-19.
- From this proposal a working capital loan of €250,000 was agreed in principle between the Lir Board and the Financial Services Division at TCD in 2020, formally approved by the TCD Finance Committee in April 2021 and drawn down in May 2021.
- In December 2020, the Chair commended The Board on their voluntary support, performance and effectiveness during the period.

On behalf of the board



Dermot McCrum  
*Director*



Anne Clarke  
*Director*

3 June 2021

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board



Dermot McCrum  
Director



Anne Clarke  
Director

3 June 2021

## Independent auditor's report to the members of Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee ('the Company') for the year ended 30 September 2020 set out on pages 15 to 31, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in reserves, the statement of cash flows and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 September 2020 and of its deficit for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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.

#### **We have nothing to report on going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

#### **Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report and the statement of corporate governance and internal control. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.



## Independent auditors' report to the members of Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee *(continued)*

### **Report on the audit of the financial statements *(continued)***

#### ***Other information (continued)***

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

#### ***Opinions on other matters prescribed by the Companies Act 2014***

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

#### ***Matters on which we are required to report by exception***

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

#### **Respective responsibilities and restrictions on use**

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

As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Independent auditors' report to the members of Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee *(continued)*

### **Respective responsibilities and restrictions on use *(continued)***

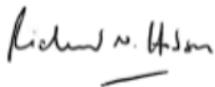
#### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 fuller description of our responsibilities is provided on IAASA's website at [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

#### ***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



3 June 2021

*Richard Hobson*  
**for and on behalf of**  
**KPMG**  
**Chartered Accountants, Statutory Audit Firm**  
*1 Stokes Place*  
*St Stephens Green*  
*Dublin 2*

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of comprehensive income

for the year ended 30 September 2020

	<i>Note</i>	<b>2020</b> €	2019 €
<b>Income</b>			
Tuition fees and education contracts	2	<b>1,494,983</b>	1,639,166
Other income	3	<b>400,574</b>	412,607
Donations and endowments	4	<b>80,589</b>	212,252
		<hr/>	<hr/>
<b>Total income</b>		<b>1,976,146</b>	2,264,025
		<hr/> <hr/>	<hr/> <hr/>
<b>Expenditure</b>			
Staff costs	5	<b>1,145,384</b>	1,267,532
Other operating expenses	7	<b>911,531</b>	971,640
Depreciation	9	<b>137,140</b>	131,665
Loan interest	6	<b>1,214</b>	2,521
		<hr/>	<hr/>
<b>Total expenditure</b>		<b>2,195,269</b>	2,373,358
		<hr/>	<hr/>
<b>Deficit before tax</b>		<b>(219,123)</b>	(109,333)
Taxation	8	-	-
		<hr/>	<hr/>
<b>Deficit for the year</b>		<b>(219,123)</b>	(109,333)
		<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>		<b>(219,123)</b>	(109,333)
		<hr/> <hr/>	<hr/> <hr/>
<i>Represented by:</i>			
Restricted comprehensive income for the year		-	-
Unrestricted comprehensive loss for the year		<b>(219,123)</b>	(109,333)
		<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>		<b>(219,123)</b>	(109,333)
		<hr/> <hr/>	<hr/> <hr/>

All items of income and expenditure relate to continuing activities

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of financial position

as at 30 September 2020

	<i>Note</i>	<b>2020</b> €	2019 €
<b>Non-current assets</b>			
Fixed assets	9	<b>298,852</b>	403,826
		<hr/>	<hr/>
		<b>298,852</b>	403,826
		<hr/>	<hr/>
<b>Current assets</b>			
Trade and other receivables	10	<b>128,311</b>	96,459
Cash and cash equivalents	13	<b>485,532</b>	444,722
		<hr/>	<hr/>
		<b>613,843</b>	541,181
<b>Creditors: amounts falling due within one year</b>	11	<b>(1,002,846)</b>	(816,035)
		<hr/>	<hr/>
<b>Net current liabilities</b>		<b>(389,003)</b>	(274,854)
		<hr/>	<hr/>
<b>Total net (liabilities)/assets</b>		<b>(90,151)</b>	128,972
		<hr/> <hr/>	<hr/> <hr/>
<b>Restricted reserves</b>			
Income and expenditure reserve – endowment reserve		-	-
Income and expenditure reserve – restricted		<b>8,450</b>	8,450
<b>Unrestricted reserves</b>			
Income and expenditure reserve – unrestricted		<b>(98,601)</b>	120,522
		<hr/>	<hr/>
<b>Total reserves</b>		<b>(90,151)</b>	128,972
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by the board on 3 June 2021 and were signed on its behalf on that date by:



Dermot McCrum  
Director



Anne Clarke  
Director

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of changes in reserves

for the year ended 30 September 2020

	Income and expenditure reserve			Total €
	Endowment €	Restricted €	Unrestricted €	
<b>Balance at 1 October 2018</b>	-	8,450	229,855	238,305
Deficit for the year	-	-	(109,333)	(109,333)
<b>Total comprehensive loss for the year</b>	-	-	(109,333)	(109,333)
<b>Balance at 1 October 2019</b>	-	8,450	120,522	128,972
Deficit for the year	-	-	(219,123)	(219,123)
<b>Total comprehensive loss for the year</b>	-	-	(219,123)	(219,123)
<b>Balance at 30 September 2020</b>	-	<b>8,450</b>	<b>(98,601)</b>	<b>(90,151)</b>

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Statement of cash flows for the year ended 30 September 2020

	2020 €	2019 €
<b>Cash flows from operating activities</b>		
Deficit for the year	(219,123)	(109,333)
<i>Adjustments for non-cash items</i>		
Depreciation	137,140	131,665
Receipts of donated equipment	(14,760)	(39,235)
<i>Adjustments for working capital items</i>		
(Increase)/decrease in debtors	(31,852)	37,166
Increase in creditors	186,811	406,905
<i>Adjustment for investing or financing activities</i>		
Interest payable	1,214	2,521
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>59,430</b>	429,689
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Payments made to acquire fixed assets	(17,406)	(12,523)
	<hr/>	<hr/>
	<b>(17,406)</b>	(12,523)
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Interest paid	(1,214)	(2,521)
Repayments of amounts borrowed	-	(65,368)
	<hr/>	<hr/>
	<b>(1,214)</b>	(67,889)
	<hr/>	<hr/>
<b>Increase in cash and cash equivalents in the year</b>	<b>40,810</b>	349,277
Cash and cash equivalents at beginning of year	444,722	95,445
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	<b>485,532</b>	444,722
	<hr/> <hr/>	<hr/> <hr/>

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## Notes

forming part of the financial statements

### 1 Accounting policies

#### (a) Basis of preparation

Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee (“the Academy” or “the Company”) is a company incorporated and domiciled in Ireland.

These financial statements have been prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and with the Statement of Recommended Practice (SORP): *Accounting for Further and Higher Education 2019* (“the HE SORP”). The Academy is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention.

#### Going concern

The Company is in a net deficit position of €90,151 at 30 September 2020, indicating a deterioration in the financial position compared to the net surplus position of €128,972 as at 30 September 2019. The directors have prepared the financial statements on a going concern basis, which assumes that the Company will continue in operational existence for at least one year from the date of approving the financial statements. The directors are satisfied to prepare the financial statements on a going concern basis having considered the actions taken, current position and future projections (including the continuing post year-end impact of Covid-19 which is discussed further on page 6 and in note 16) which indicate that the Company will have sufficient cash flows to meet its obligations as they fall due.

Due to a Marketing and Recruitment drive in 2019-20, the company has experienced a boost in student recruitment and associated fee income in 2020-21 despite the pandemic, leading to an increase of fee income of approximately €180,000. This increase in student fee income will go a long way towards the company’s financial recovery in 2021-22 when it is projected the company will be back trading in surplus. The company’s financial recovery is not projected to happen until 2021-22 because although The Lir has been successful in migrating our earned income streams such as Lir at Work and general short courses online, the continuation of restrictions has meant that our full suite of in person short courses are not being delivered, limiting our revenue intake for short courses in 2020-21. Ongoing restrictions due to Covid-19 has also meant an increase in social distancing expenses in 2020-21 and while the wage subsidy scheme was successfully received in 2019-20 to subsidise staff salaries, the company is not eligible to receive it in 2020-21 meaning revenue during 2020-21 is purely driven by student fee income and the company’s own earned income streams. The on-line courses are very successful however and including our development and fundraising income, we remain on track to achieving projected targets for the 2020-21 Financial Year.

To negate the residual negative financial impact of Covid-19 on the 2020-21 Financial Year, the Lir Board and the Financial Services Division at TCD agreed the terms of a working capital loan of €250,000 in February 2021 with capital repayments commencing in January 2024. This working capital loan has since been formally approved by the Finance Committee at TCD in April 2021 and was drawn down in full in May 2021. Trinity College Dublin have also confirmed that they will support an accelerated draw down of 2021/22 academic fees in July 2021 thus ensuring a healthy cashflow position for the remainder of 2020-21 and into 2021-22. On this basis, the directors believe the Company will have sufficient liquidity for a period of at least 12 months from the date of approval of these financial statements, thus maintaining the Company as a going concern.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 1 Accounting policies *(continued)*

### **(b) Income recognition**

Tuition fee income is recognised on an accruals basis in accordance with the right to consideration earned. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Income from the sale of goods or services is recognised when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Investment income is recognised on a receivable basis.

#### ***Grant funding***

Government revenue grants are recognised in income over the periods in which the Academy recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants from non-government sources are recognised in income when the Academy is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

#### ***Donations and endowments***

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the Academy is entitled to the funds. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to unrestricted reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the Academy is entitled to the funds.

Investment income and appreciation of endowments, if any, is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

There are potentially four main types of endowments or restricted donations, where relevant, within reserves:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Academy.
3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Academy has the power to use the capital.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

The Academy did not have any endowment funds during the current or prior year.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 1 Accounting policies *(continued)*

### (b) Income recognition *(continued)*

#### **Capital grants**

Capital grants are recognised in income when the Academy is entitled to the funds and when any performance related conditions have been met.

### (c) Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the Academy. Any unused benefits are accrued and measured as the additional amount the Academy expects to pay as a result of the unused entitlement.

### (d) Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the lease term.

### (e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Donated fixed assets are recorded at fair value and recognised in income as at the date of donation.

Equipment, including computers and software, costing less than €1,000 per individual item is recognised as expenditure. All other equipment is capitalised.

Depreciation is charged on a straight-line basis over the estimated useful lives of assets as follows:

Computer equipment	3 years
Furniture and fittings	10 years
Stage equipment and electrics	10 years
Leasehold improvements	shorter of lease term or useful economic life

Depreciation methods, useful lives and residual values are reviewed on an annual basis.

### (f) Basic financial instruments

#### **Trade and other debtors/creditors**

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 1 Accounting policies *(continued)*

### (f) Basic financial instruments *(continued)*

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### **Interest-bearing borrowings classified as basic financial instruments**

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

### (g) Impairment of financial assets

A financial asset not carried at fair value through the statement of comprehensive income is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the statement of comprehensive income. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive income.

### (h) Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- (a) the Academy has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the Academy a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Academy. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the Academy a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Academy.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 1 Accounting policies *(continued)*

### **(h) Provisions, contingent liabilities and contingent assets** *(continued)*

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes, where applicable.

### **(i) Taxation**

As the Academy holds tax-exempt status, it is not liable for corporation tax or income tax on any of its charitable activities.

### **(j) Reserves**

Reserves are classified as restricted or unrestricted. Restricted endowment reserves, if any, include balances which, through endowment to the Academy, are held as a permanently restricted fund which the Academy must hold in perpetuity. The Academy had no endowment reserves in the current or prior year.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Academy is restricted in the use of these funds.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 1 Accounting policies *(continued)*

### (k) Accounting estimates and judgements

In the preparation of the financial statements various estimates, judgements and assumptions have been made that impact on amounts reported as assets, liabilities, income and expenditure. Estimates and assumptions used are reviewed on an ongoing basis.

The principal estimates, judgements and assumptions used in the financial statements for the year ended 30 September 2020 are as follows:

#### **Depreciation**

Depreciation is calculated based on estimates and assumptions on the useful economic life and expected residual value of the asset.

#### **Impairment**

Judgement is used to determine whether there had been any indication of impairment to the Academy's assets.

#### **Recoverability of debtors**

The provision for bad debts is calculated based on management's expectation on the recoverability of debt. In calculating the provision for bad debt the following factors are considered: age of the debt, the default history and current situation of the debtor and current market conditions.

<b>2 Tuition fees and education contracts</b>	<b>2020</b>	2019
	€	€
Full-time and part-time home and EU students	<b>1,208,433</b>	1,319,555
Full-time and part-time non-EU international students	<b>286,550</b>	319,611
	<hr/>	<hr/>
	<b>1,494,983</b>	1,639,166
	<hr/> <hr/>	<hr/> <hr/>

Tuition income of €57,533 in relation to the 2019-20 academic year was deferred at 30 September 2020 as the academic year was not completed until 16 October 2020, due to the impact of Covid-19.

<b>3 Other income</b>	<b>2020</b>	2019
	€	€
Courses and workshop income	<b>46,419</b>	223,880
Government grant income-wage subsidy scheme	<b>200,296</b>	-
Lir in business income	<b>85,346</b>	62,908
Venue rental	<b>27,041</b>	52,501
Box office and bar income	<b>19,804</b>	30,817
Other income	<b>21,668</b>	42,501
	<hr/>	<hr/>
	<b>400,574</b>	412,607
	<hr/> <hr/>	<hr/> <hr/>

Short course income of €42,425 received pre year end was deferred at 30 September 2020 as the courses were not completed during the year due to the impact of Covid-19.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

<b>4 Donations and endowments</b>	<b>2020</b>	2019
	€	€
New endowments	-	-
Donations with restrictions	-	-
Unrestricted donations	<b>80,589</b>	212,252
	<hr/>	<hr/>
	<b>80,589</b>	212,252
	<hr/> <hr/>	<hr/> <hr/>
<b>5 Staff costs</b>	<b>2020</b>	2019
	€	€
<i>Staff costs:</i>		
Salaries	<b>1,063,509</b>	1,145,965
Social security costs	<b>81,875</b>	121,567
	<hr/>	<hr/>
<b>Total</b>	<b>1,145,384</b>	1,267,532
	<hr/> <hr/>	<hr/> <hr/>

## Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Academy. Staff costs includes compensation paid to key management personnel.

	<b>2020</b>	2019
	€	€
Key management personnel compensation	<b>317,709</b>	352,745
	<hr/>	<hr/>

## Average staff numbers by major category:

	<b>2020</b>	2019
	Number	Number
Management and administration	<b>11</b>	10
Technical and teaching	<b>26</b>	26
	<hr/>	<hr/>
	<b>37</b>	36
	<hr/> <hr/>	<hr/> <hr/>

## Higher paid staff

### Salary bands

€50,000-€60,000	<b>2</b>	2
€60,000-€70,000	<b>1</b>	1
€90,000-€100,000	<b>1</b>	1
	<hr/>	<hr/>
	<b>4</b>	4
	<hr/> <hr/>	<hr/> <hr/>

## Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

<b>6 Interest and other finance costs</b>	<b>2020</b>	2019
	<b>€</b>	<b>€</b>
Loan interest	<b>1,214</b>	2,521
	<hr/>	<hr/>
	<b>1,214</b>	2,521
	<hr/> <hr/>	<hr/> <hr/>
<b>7 Other operating expenses</b>	<b>2020</b>	2019
	<b>€</b>	<b>€</b>
Production and project costs	<b>259,304</b>	272,980
Teachers and other fees	<b>184,240</b>	195,498
Repairs, maintenance and cleaning	<b>77,879</b>	103,285
Light and heat	<b>72,457</b>	77,858
Marketing and advertising costs	<b>55,066</b>	71,703
Travel and entertainment	<b>15,875</b>	51,901
Bursary costs	<b>57,084</b>	46,160
Insurance	<b>35,783</b>	34,047
Indirect expenditure	<b>5,180</b>	10,249
Professional fees	<b>24,361</b>	28,663
Printing, postage and stationery	<b>9,736</b>	12,123
Course materials and room hire	<b>48,243</b>	18,825
Other expenses	<b>66,323</b>	48,348
	<hr/>	<hr/>
	<b>911,531</b>	971,640
	<hr/> <hr/>	<hr/> <hr/>
Professional fees include:		
External auditors remuneration in respect of audit services	<b>6,000</b>	6,000
	<hr/> <hr/>	<hr/> <hr/>

### 8 Taxation

There is no corporation tax charge for the Academy in the current or prior year as it has tax exempt status.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

9 Fixed assets	Fixtures and fittings €	Computer equipment €	Stage equipment and electrics €	Leasehold improvements €	Total €
<b>Cost</b>					
At 1 October 2019	212,393	59,735	737,209	273,578	1,282,915
Additions	7,680	9,726	14,760	-	32,166
<b>At 30 September 2020</b>	<b>220,073</b>	<b>69,461</b>	<b>751,969</b>	<b>273,578</b>	<b>1,315,081</b>
<b>Depreciation</b>					
At 1 October 2019	142,028	50,568	488,116	198,377	879,089
Charge for the year	21,487	6,874	74,582	34,197	137,140
<b>At 30 September 2020</b>	<b>163,515</b>	<b>57,442</b>	<b>562,698</b>	<b>232,574</b>	<b>1,016,229</b>
<b>Net book value</b>					
<b>At 30 September 2020</b>	<b>56,558</b>	<b>12,019</b>	<b>189,271</b>	<b>41,004</b>	<b>298,852</b>
At 30 September 2019	70,365	9,167	249,093	75,201	403,826

10 Trade and other receivables	2020 €	2019 €
<i>Amounts falling due within one year:</i>		
Trade receivables	74,795	76,750
Prepayments and accrued income	53,516	19,709
	<b>128,311</b>	<b>96,459</b>

## Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

<b>11 Creditors:</b> amounts falling due within one year	<b>2020</b>	2019
	€	€
Amount due to related party (Note 14)	<b>76,319</b>	153,418
Unsecured loan due to related party (Note 12)	<b>60,704</b>	60,704
Trade payables	<b>128,052</b>	25,198
PAYE/PRSI	<b>30,166</b>	25,114
VAT	<b>6,702</b>	-
Accruals	<b>100,946</b>	51,601
Deferred income	<b>599,957</b>	500,000
	<hr/>	<hr/>
	<b>1,002,846</b>	816,035
	<hr/> <hr/>	<hr/> <hr/>

The company received in advance tuition fee income of €500,000 in July 2020 from Trinity College Dublin which relates to the 2020-2021 academic year. This amount is shown under deferred income and a similar amount was deferred at the previous year-end. Also, due to the disruption caused by Covid-19 the company was unable to complete all of its scheduled courses until after the year end which led to increased deferred income of €99,957 at the year end.

<b>12 Loans</b>	<b>2020</b>	2019
	€	€
Unsecured loan due to related party	<b>60,704</b>	60,704
	<hr/>	<hr/>
	<b>60,704</b>	60,704
	<hr/> <hr/>	<hr/> <hr/>
<i>Analysis of unsecured loans:</i>		
Due within one year or on demand (note 11)	<b>60,704</b>	60,704
Due after more than one year	-	-
	<hr/>	<hr/>
<b>Total unsecured loans</b>	<b>60,704</b>	60,704
	<hr/> <hr/>	<hr/> <hr/>

The Academy received a loan of €234,000 from Trinity College Dublin, the University of Dublin in 2013. The loan is repayable over a term of 7 years and is subject to interest of 2% per annum on the outstanding balance. This loan was fully repaid in February 2021.

<b>13 Cash and cash equivalents</b>	1 October		<b>30 September</b>
	2019	Cash flows	<b>2020</b>
	€	€	€
Cash at bank and in hand	444,722	40,810	<b>485,532</b>
Bank overdraft	-	-	-
	<hr/>	<hr/>	<hr/>
	444,722	40,810	<b>485,532</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 14 Related party transactions

Trinity College Dublin, the University of Dublin (“the College”) is a related party as there are two College representatives out of a total of ten board members in the Company. The College has leased the Academy building to the Company and students at The Lir are fully registered students of the College.

During the year the Company was allocated fee and core grant income of €1,552,516 (2019: €1,639,166) which was received, to cover the cost of its academic programmes. €1,494,983 (2019: €1,639,166) has been recognised as part of income for the year with an amount of €57,533 recognised as deferred income at 30 September 2020 (2019: €nil) (see note 2). In addition, indirect expenditure of €5,180 (2019: €10,249) was charged to the Company by the College. The Company has leased a property from the College for a 10 year period at a nominal rent charge of €10 per annum.

The Company also had an outstanding loan balance at 30 September 2020 of €60,704 (2019: €60,704) due to the College as disclosed in notes 11 and 12.

Total outstanding balance due by the Company to the College in relation to the foregoing transactions as at 30 September 2020 amounted to €137,023 (2019: €214,122) which is made up of the loan balance of €60,704 (2019: €60,704) and other liabilities of €76,319 (2019: €153,418).

## 15 Membership

The Company is a Company limited by guarantee not having a share capital. Every member is liable for the debts and liabilities of the Company in the event of a winding up for such an amount as may be required, not exceeding €1 each, in accordance with clause five of the Memorandum of Association. There were eight members at 30 September 2020.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## 16 Events after the reporting period

Despite experiencing the most turbulent year to date in 2019-20 as a result of Covid-19, The Lir Academy opened its doors once again and embraced a new academic year on the 2<sup>nd</sup> of November 2020 welcoming a record 125 students including a notable increase in international students. Classes for our undergraduate and postgraduate programmes were offered in a blended learning fashion with the majority being delivered face to face adhering strictly to HSE safety guidelines. With the arrival of a third wave of Covid-19 in January 2021, The Lir Academy moved all classes online again prioritising the safety of staff and students. After the completion of term 1 online in February 2021, it was agreed by staff, students and Trinity College Dublin (TCD) to halt the academic year and instead extend it once again to finally end on the 1<sup>st</sup> of October 2021 in order to deliver vital face to face practical classes and learning outcomes later in the year. Term 2 of 3 resumed on April 6<sup>th</sup>, 2021 to a full student cohort and on-site learning and we are on track to complete our 2020-21 academic year by the 1<sup>st</sup> of October 2021.

Throughout the changes to the 2020-21 academic year schedule outlined above, the company has continued to operate and deliver its commitments and responsibilities.

Pedagogic and facilities impact:

- During closures, The Lir Academy building remained under 24/7 security surveillance.
- The Lir Academy buildings continued to receive weekly maintenance checks by Trinity College Estates and Facilities.
- The Lir staff and students adhered to GDPR protocol when working remotely.
- An Employee Assistance Programme was established in January 2021 to offer additional counselling and specialist advice to staff during the ongoing crisis.
- Staff meetings continued on a daily basis to ensure sufficient support remained in place during the crisis and risks were identified quickly in order to find a speedy solution.
- Full-time courses continued successfully online including two graduate productions in February 2021, thus ensuring our continuity in delivering our learning outcomes.
- The student admission process remained online fully functioning thus ensuring a healthy intake of new students in Term 1 2021-22.
- Lir at Work and short courses continued to deliver on-line learning thus delivering on our strategic objectives to expand the range of courses being delivered from the academy.

Financial and business impact:

Due to a Marketing and Recruitment drive in 2019-20, the company has experienced a boost in student recruitment and associated fee income in 2020-21 despite the pandemic, leading to an increase of fee income of approximately €180,000. This increase in student fee income will go a long way towards the company's financial recovery in 2021-22 when it is projected the company will be back trading in surplus. The company's financial recovery is not projected to happen until 2021-22 because although The Lir has been successful in migrating our earned income streams such as Lir at Work and general short courses online, the continuation of restrictions has meant that our full suite of in person short courses are not being delivered, limiting our revenue intake for short courses in 2020-21. Ongoing restrictions due to Covid-19 has also meant an increase in social distancing expenses in 2020-21 and while the wage subsidy scheme was successfully received in 2019-20 to subsidise staff salaries, the company is not eligible to receive it in 2020-21 meaning revenue during 2020-21 is purely driven by student fee income and the company's own earned income streams. The on-line courses are very successful however and including our development and fundraising income, we remain on track to achieving projected targets for the 2020-21 Financial Year.

# Trinity College Dublin Academy of Dramatic Art Company Limited by Guarantee

## **16 Events after the reporting period (continued)**

Going concern:

To negate the residual negative financial impact of Covid-19 on the 2020-21 Financial Year, the Lir Board and the Financial Services Division at TCD agreed the terms of a working capital loan of €250,000 in February 2021 with capital repayments commencing in January 2024. This working capital loan has since been formally approved by the Finance Committee at TCD in April 2021 and was drawn down in full in May 2021. Trinity College Dublin have also confirmed that they will support an accelerated draw down of 2021/22 academic fees in July 2021 thus ensuring a healthy cashflow position for the remainder of 2020-21 and into 2021-22. On this basis, the directors believe the Company will have sufficient liquidity for a period of at least 12 months from the date of approval of these financial statements, thus maintaining the Company as a going concern.

There have been no other significant events after the reporting period which require an adjustment to or a disclosure thereon in these financial statements.

## **17 Approval of financial statements**

The board approved the financial statements on 3 June 2021.