

HALCYON

LONDON INTERNATIONAL SCHOOL



Director's Report and Financial Statements Year Ended July 31 2025



Innovation | Collaboration | Community

An exceptional education that draws out the unique potential of each student

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WELCOME FROM THE CHAIR

Halcyon has enjoyed another successful year of providing an empowering and transformative educational experience within our collaborative school community.

In what has been a challenging year for the independent schools sector it has been inspiring to see the support and enthusiasm for the School from our parents, students and staff. We have celebrated the many achievements of our outgoing Director Barry Mansfield and welcome the energy, expertise and commitment of incoming Director Jeff Lippman.

Mr Mansfield's letter below goes into impressive detail of the main accomplishments the School community enjoyed this year and I will highlight only a few.

Our School has continued to do what it does best: providing an exceptional education that draws out the unique potential of each student. At Halcyon, every student is known, enjoys a sense of belonging and has the opportunity to explore their passions all of which adds to their ability to deeply engage with their learning and find their voice.

Our wellbeing programme supports every student to be the best they can be and our innovative cognitive coaching and restorative justice approaches create a harmonious and collaborative community not to mention the lifelong skills our students master over years of experience in these practices. The West End play, Punch, by James Graham, highlights how Restorative Justice is used in challenging cases of great injustice with success. Halcyon students and staff are skilled in this practice and use it whenever it can improve relationships and move things forward.

Our year was filled with a wide range of successes from prizes in poetry, biology and aeronautics as well as wins for many of our sports teams. Mr Mansfield goes into greater detail below.

Once again, we are proud of our graduates who performed admirably on their IBDP exams, with a 100% pass rate and average score of 35 out of 45 as compared to the world average of 30.5. Ten percent of our students scored a perfect 45 with 24% scoring between 40-45 which guarantees a high level of offers to top universities such as the Russell Group as well as top university programmes in countries such as Canada, Spain, Belgium, Italy and the US.

The school was visited in the year by both the Independent School's Inspectorate (ISI) and by the International Baccalaureate (IB) and New England Association of Schools and Colleges (NEASC) to carry out a consolidated Collaborative Learning Protocol (CLP) visit. The school responded positively and proactively to both visits, recognising the importance of external validation and enthusiastic to share the Halcyon educational experience. The outcomes in both cases were excellent. ISI found the school to be compliant in all areas, commenting on how the school uses its location to strengthen the curriculum, the secure subject knowledge of teachers and the way that pupils are taught to understand and demonstrate the school's values of innovation, collaboration and community.

The CLP visit followed on from the school completing a programme evaluation and self study process. It was encouraging that the visit confirmed the school's self assessment document. Visitors highlighted that the school had a clearly articulated vision for its future with ambitious plans. Students reported that they felt seen and supported and the visitors saw that there was a profound sense of belonging with the school offering a safe and welcoming atmosphere. We are extremely proud that the school achieved the high rating of "Living it" across all

five Learning Principles which is highly unusual and one could align this outcome with an Outstanding rating from Ofsted.

As the only not-for-profit IB school in central London we once again acted supportively and transparently with our parents when the UK Government opted to apply VAT to school fees. The Board of Trustees voted unanimously to maintain fees for the coming school year, 2025-2026. Having been founded by four parents, the School stands by its commitment to managing our finances with integrity and transparency.

Having gained access to the roof of our building in the spring, the Board voted to move forward with a substantial capital investment in a roof garden financed only through reserves, without fundraising. This reduced any additional burden on parents and ensured immediate use of the facility which opened in September 2025.

The development of our roof garden has given us outdoor space that can be used for personal study, collaboration and recreation. Additionally, classrooms have been refurbished, common spaces enhanced, lighting improved and the entrance and reception areas renovated. This investment shows our ongoing commitment to growing and developing the School and providing a comfortable and enjoyable learning environment for our community.

With eight years of graduates, Halcyon's alumni circles continue to grow. Alumni meet up for events planned by the School and speak at community and school events. It's always impressive to hear how their skills-rich education at Halcyon has supported them in their future endeavors.

I thank students, parents, staff and trustees and our growing alumni for the tremendous support that they give to the School and who make contributions to creating what is such a special place.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rita Halbright', with a long horizontal stroke extending to the right.

Rita Halbright
Board Chair/Co-Founder

Trustees' Report for the year ended 31 July 2025

The Trustees Report below incorporates the Directors' and Strategic Reports as required by company law for the year ended 31 July 2025.

ACHIEVEMENTS AND PERFORMANCE

SCHOOL DIRECTOR'S REPORT

A Halcyon education is defined by our core values; we are an independent, not-for-profit, International Baccalaureate (IB) school, catering both for mobile, international families looking to continue an IB programme, and local families looking for a brighter, better alternative to the English examination system. Our mission is to bring out the unique potential of every child, and we achieve this with an exceptionally dedicated and talented staff, teaching in a well-resourced environment, in small class sizes, supported by an excellent professional development programme and a commitment to digital learning. Our students benefit from a bespoke Cognitive Coaching mentoring programme; a positive approach to wellbeing which nurtures student agency, voice, inclusion, respect and belonging; a positive, restorative approach to discipline; and a commitment to providing a world class IB curriculum.

A. Significant Strategic Success

1. The School has undergone three planned inspections this year - all a part of the cycle of activity that allows us to be members of the Independent Schools Association (ISA), the International Baccalaureate (IB) and the New England Association of Schools and Colleges.
 - a. In the first term we were inspected by the Independent Schools Inspectorate, on behalf of ISA. We were pleased to receive a very positive report (the full text is available [here](#)) and its highlights included:
 - i. "Teachers have secure subject-specific knowledge and use it to teach ambitious content. In line with the philosophy of the IB, teachers give weight to supporting pupils to build their own knowledge and skills through research. Teaching approaches such as extended lesson time and the use of good-quality resources ensure that pupils make good progress."
 - ii. "The curriculum content is set out clearly through detailed schemes of work and lesson plans. Pupils are told what they will learn in each lesson and why this is important. Pupils are engaged, interested in academic study, and speak passionately about the subjects they are taught."
 - iii. "Pupils come from culturally rich and nationally diverse backgrounds. Many have been previously educated overseas. Leaders have established an ethos of inclusivity in which pupils with different backgrounds, gender, faiths and gender preference feel comfortable and valued. As a result, pupils are self-confident and positive about difference."
 - b. In the second term we were visited by both the IB and NEASC. Both organisations visit member schools on a five yearly cycle, though with different purposes. The IB evaluates our School against published [IB Standards and Practices](#), as a way to assess the strength and purpose of our curriculum. NEASC visitors are focused on collaborative school improvement and review our internal reflection on our strategic progress and learning processes, and the planning ideas we have developed for further growth. The planning to develop our learning culture, and for new initiatives to positively impact learning, form a part of both organisations' reporting. These include:
 - i. To further develop our service programmes and links with the immediate community
 - ii. To further develop our understanding of international mindedness in the curriculum, which we have defined as follows: 'International Mindedness at Halcyon means exploring how people around the world see and experience life. It encourages us to be curious, connect with others, act with compassion, and work together for a more peaceful world.'
 - iii. Our on-going work to develop international mindedness continues to support our commitment to equity, diversity and inclusion. This process builds upon our on-going commitment to cultural competence and is broadening to include the idea of critical consciousness. The School

aims to meet the mission of the IB and so allow our students to leave us change-makers and participatory citizens.

- iv. We have, this year, introduced AI into our school, both in simple management systems (such as in our HR software) and for learning. We regard it as essential that young people are able to navigate the practicalities of AI and to be conscious of the ethical, social and political challenges this new technology poses. Students are taught how to harness AI to support their learning, and how to assess its value and critique the questions it poses.
- v. We continue to explore external partnerships for learning and this year have created two new relationships. The first is with a local primary, for whom we provide service to support their programmes; the second is with another MYP school, with whom we share pedagogical expertise and support.

2. Transition - School Director

The School Director, Barry Mansfield, left Halcyon at the end of July 2025, after ten years of service. The School had identified and contracted his successor, Jeff Lippman, before the start of the 24/25 school year; therefore, through this reporting period there has been a continuous transition programme allowing the new director to familiarise himself with School's mission and operations. The transition period included extensive consultation and engagement with the school community.

- 3. The School has reviewed its staff evaluation processes. This has entailed a review of our Professional Learning Programme Policy, and the integration of additional coaching into the cycle of evaluation. This reflects a necessary update to policy and further commitment to the School's collaborative coaching culture.
- 4. A significant strategic aim is to widen our services and this year we added Global Politics to our IB Diploma subject roster. From August 2025, this subject will be available on both grades 11 and 12.

In addition, we expanded our Grade 9 class, adding an additional section to accommodate demand. This leads naturally to an expanded Grade 10 class in 2025/26 and, in preparation, this year we created additional option choices to ensure that every child has their preferred subjects.

- 5. The School's curricular and professional development is driven by time-limited **project leaders**, tasked with delivering specific change to support the School's strategic goals. At the beginning of the 2023/24 school year, these project leaders worked as an Innovation Team, and at end of the 2024-2025 school year,
 - a. We have brought new practice into the school to support service learning. This includes creating conditions that encourage students to commit to give time outside of the school day, within their chosen service community, instead of relying on external third-parties to deliver their 'charity'.
 - b. We have sought to develop international mindedness as a resource to support our cultural competence: for example, to share non-Western pedagogical practices and explore how other cultures process and understand learning.
 - c. We will be a part of the IB's Beta trial, Enhancing the MYP. This trial seeks to test new structures within the MYP that streamline some of the core elements - global contexts and subject-specific concepts. This puts us at the forefront of IB pedagogy. This engagement is supported by an internal project leader, who develops the concept-based learning which is foundational to the IB.
 - d. The School maintained its high profile across the IB and international school community, presenting two sessions at the IB Annual Conference in October 2024: Sparking student creativity with AI, using creative AI tools across the curriculum; and Inspiring international mindedness with AI and digital tools.
- 6. We have enjoyed a successful transition in our Community Engagement Team this year, with a new Admissions Director and Marketing Leader arriving. Both positions have been central to meeting our

strategic goal of growing the school. We have, like every other independent school, faced the headwinds of VAT on schools, which follows the disruptions of Covid and Brexit, and overlays falling pupil numbers in London. Consequently, our community will be slightly smaller next year (150).

The Community Engagement Team has launched a new School website this year - a significant, successful undertaking involving the rebranding of our colour palette, fonts and style guide. Behind the scenes, the team also adopted a new admissions' platform to manage all applications to the School.

7. To meet the challenges we face in the sector, this year School has reviewed our premises and embarked on an ambitious programme of expansion and renewal. We have submitted planning for a new roof garden, to open in August 2025, and have renewed our lease with improved terms that allows us greater ownership of our premises. We are planning, confidently, for the future.

B. Public Examination Results

The School enjoyed another very successful IBDP examination session. Twenty-one students sat for the IB Diploma; with a 100% pass rate, and two perfect scores of 45 points, students averaged 35 points. Our students' success provides them with a competitive advantage; the IB world average is 30.5 points. Our students' hard work earned them places to study at a range of Russell Group and UK Top 20 universities, including London School of Economics, Imperial College London, University College London, King's College London, University of Bath, University of Edinburgh, Durham University, as well as highly competitive international institutions such as McGill, Concordia, Vassar, Pennsylvania State, Northeastern, Parsons, Syracuse, and Delft. Subjects include a range of competitive degree programmes such as Politics and Chinese, Aerospace Engineering and Neuroscience, and traditional academic subjects such as History, Law, Political Science, Music, Biochemistry, Economics and International Relations.

C. Curriculum Notes

1. The School has re-imagined its off-site programmes - with the exception of curricular PHE, learning that takes place outside of the classroom. We have designed a new Discovery Programme which rationalises, and makes more effective, the many learning opportunities students have across London, the UK and abroad. For example, students currently have access to
 - a. Outward Bound residential trips;
 - b. Cultural and/or language trips abroad;
 - c. London-as-a-classroom, accessing museums, libraries, galleries, theatres, lectures etc.; and
 - d. Subject-specific field trips, within or beyond London.

These activities are augmented by a range of additional off-site programmes, including liaison with other schools, service activities, personal learning, clubs and sports, interdisciplinary programmes, inter-school competitions, and so forth. The Discovery Programme aims to provide greater coherence and purpose to all of these opportunities.

2. The School opened an additional section - a third class - in Grade 9 to support increased demand. This year, we have redesigned our option choices for Grade 10 to accommodate these additional students, adding more classes and greater choice. The School continues to develop its distinctive approach to the final year of the MYP, allowing students to choose seven subjects - always including a first language, second language, social science, natural science and mathematics - as a preparation for the IB Diploma in grades 11 and 12.
3. We have further developed our interdisciplinary learning (grades 6 - 10) through planned off-site projects across London. These aim to build local community links and require students to transfer skills from many disciplines to explore a range of problems or ideas.
4. We have introduced considered access to AI across the curriculum. For example, this can be to

- a. Generate stimuli for creative processes
 - b. Manage routine computational tasks
 - c. Provide responses to data, for discussion and reflection
 - d. Act as an acknowledged source for research, included within footnotes
 - e. Act as a resource assistant, by providing students with access to curated information through managed 'bots'
5. This year, we have continued to develop our library services, both to integrate these better into the fabric of the IB curriculum - to make the library the centre of IB learning, and especially the IB Approaches to Learning (AtLs) - and to build a stronger culture of reading across the School. This process has also strengthened our personal learning programme, which seeks to build AtL skills through the process of independent research and presentation.

The library occupies a 'commons' area in the heart of the school, and this is a highly active, social, dynamic part of the campus. We have made small, but significant modifications to commons this year, designed to improve the use of space and direct learning more effectively.

D. Co- and Extra-curricular

Halcyon offers a rich and varied co-curricular programme comprising a range of learning Explorations (G6-9) every Wednesday afternoon, and extra-curricular clubs and sports before and after school, (G6-12). There is a competitive sports' programme: we are members of the London Schools Sports Association and have teams for football, volleyball and basketball, junior and senior, boys and girls. We also send students to ISA competitions, such as table tennis and cross country running. Students will also compete in art and literature competitions, for ISA but also for COBIS. This year, one of our students, Annabel, won the COBIS competition: her poem – 'Eyes Kissed by a Gentler Sun' – is a poignant message of unity and hope - a moment, she says, of understanding and recognising people who are not heard. There were 296 entries from 149 schools worldwide, and the judges noted the exceptionally high quality of submissions. They shared about Annabel's poem that it was "a moment of recognition and acceptance, simply and beautifully told with clear, strong and relatable images."

Our unique Explorations Programme invites Grade 6-9 students to select up to four options per year to explore in weekly two-hour periods as part of their timetable. Our Exploration electives are developed collaboratively between staff and students each year. They are built around six learning domains that are central to the IB's educational mission: Creativity, Action, Service, Wellbeing & Citizenship, STEM (science, technology, engineering, mathematics) and Our World. The Explorations Programme provides students the opportunity to develop and extend interests outside of their main academic curriculum and can also feed into their personal learning. Electives include our Music Show, Parkour, Yearbook, Philosophy, Robotics, Literary Adventures Club, Political London, Coding, Dance, Finance, Forensics, and many more.

The School's wide-ranging extra-curricular programme is popular and well-attended, most obviously in our Model United Nations club, which leads and hosts its annual Student MUN conference in March. This invites students from across other London schools to join us in debating the key issues of the day. This entirely student-run programme is replicated in our mock-COP conference, driven by our student-led Eco-Committee. The MUN team also travels to The Hague each year for an international conference.



Barry Mansfield
Director

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

A challenging year to say the least, with the key word being: uncertainty. A sluggish economy, Brexit tailwinds, political logjam, a new government with just about one policy; to levy VAT on parents choosing independent school education for their children. It is not surprising that adding 20% to the cost of school fees has severely depressed the market. As a backdrop to this environment, the drift of population out of London continues and there is a reported record migration of high net worth families out of the UK.

The adverse impact from these events is well represented in this year's financial outcome. As admissions faltered, Total Income declined by 6.5% to £5.94 million (2024: £6.35 million), while Net Income dropped into the red, - £195,162 (2024: £374,697).

Breaking down the Total Income figure, income from school fees contributed £5.3 million (2024: £5.6 million), a decline of 5.8%. Bursary funding increased to £246,493 (2024: £196,999). Other Educational Income £414,914 (2024: £537,580), a decrease of 22.8%. Although donations dipped to £45,800 (2024: £90,898), higher interest rates in the gilt market generated investment returns of £190,741 (2024: £110,476).

Meanwhile, Total Charitable Expenditure rose by just 2.6% to £6.1 million (2024: £5.9 million), underlining a tight control on the cost base.

During the period, Halcyon maintained total net debt at £nil. Cash holdings declined by 20% to £4.6 million (2024: £5.8 million), the Board's strategic decision to invest to upgrade facilities is reflected in the additions to Tangible Fixed Assets of £517,053 (2024: £109,180).

The school has reviewed the minor deficit incurred 2024/25. It believes that it can stop minor deficits arising in the next few years through scaling back enhancement projects and continuing to adopt a prudent approach to financial management

Despite a difficult year and continued external pressures, reserves are healthy and the business model continues to be robust.

Investment powers and policy

These are governed by the Memorandum and Articles of Association, which permit funds to be invested in any security listed on the London Stock Exchange. At year-end, the School had £3,003,377 invested in listed, short-dated UK Government Securities.

Reserves

At the end of the accounting period, total unrestricted free reserves, [as measured by total funds, less net book value of fixed assets], stood at £2,386,541 (2024: £2,874,132), which were comfortably over the Reserve Policy target of holding 3 to 4 months of unrestricted expenditure. Existing future plans anticipate financing primarily from reserves and fee income.

Within the total funds held at year end of £2,975,516 (2024: £3,170,678), £Nil (2024: £Nil) is held as restricted funds. The bursary programme continues to support students accessing a Halcyon Education and is funded through continuing activity.

Fundraising Disclosures

Halcyon does not raise funds from the public and does not work with professional fundraisers or commercial participators. The School has not subscribed to any fundraising standards or schemes for fundraising regulation.

There were no complaints received in the period.

STAFFING

Halcyon is committed to investing in the diversity and wellbeing of our community and to creating an inclusive culture where everyone can achieve their unique potential. We strive to recruit people from a wide variety of backgrounds because it makes us stronger.

There is an intention to create a collaborative and innovative culture that celebrates different perspectives and values respect for one another, learning together, openness and integrity. A commitment to diversity ensures we continue to provide a learning experience that empowers students to reach their full and unique potential.

During the year 2025, the Board comprised 9 Directors, where 67% were female and 33% were male. A total of 45% of the Directors were from the UK and 55% were from the rest of the world.

The senior leadership team was composed of 8 employees, of whom, 50% were female and 50% were male. From the leadership group, 50% of the total came from the UK; and 50% from countries other than the UK.

In 2025 the payroll workforce averaged 60 staff (2024: 57 staff), and as a whole, females comprised 72% (2024: 76%) of the total, with males representing 28% (2024: 24%). There were 24 (2024: 22) different nationalities pictured on the payroll; while 48% (2024: 46%) of staff were from the UK and 52% (2024: 54%) of staff were from countries other than the UK.

All directly employed staff are paid above the London Living Wage, and where services are provided by a 3rd party, the School encourages those firms to adopt this rate.

The School is an equal opportunities employer, full and fair consideration is given to all job applications and the School does not discriminate.

SUSTAINABILITY

This year, the School continued to take steps forward on the sustainability journey. The assessment of our school's carbon footprint was updated and can be compared to 2024. The updated reassessment confirms a carbon footprint that is kept small by our size and the carbon-efficient commuting choices of the school community but which is dominated by air travel that facilitates educational trips and staff professional development (see table below).

Source	kg CO ₂ e
Scope 1	
Gas	921 [2024: 837]
Scope 2	
Electricity	24,553 [2024: 22,321]
Scope 3	
Trips and Travel	33,973 [2024: 81,101]
Commuting	12,293 [2024: 14,335]
Water	72 [2024: 71]
Total	71,811 [2024: 118,665]

Carbon footprint for Halcyon London International School.

Units are kilograms of carbon dioxide equivalent.

For more on scope 1, 2 and 3 see [here](#).

Various meetings of our sustainability groups guided the planning and execution of eco-conscious initiatives, and the School's environmental credentials were demonstrated through certification within the Green Small Business program. The programme provides a framework for continual action and transparent tracking of our operations within sustainability. However, we still recognise and raise the question of how to most appropriately measure the impacts of our actions on both the facilities and our students as learners.

The dedication to sustainability was affirmed through the renewal of our Eco Schools Green Flag and TfL Stars awards. The former recognises the engagement of the extracurricular pupil-run Eco Committee in sustainability leadership throughout the school. Across various subjects, we seamlessly integrated sustainability through our innovative 'green seasoning' approach, nurturing a culture of environmental awareness among students. Events such as Earth Day and the outdoor classroom 'festival' celebrated our commitment to sustainability, fostering a deeper connection with the natural world.

Halcyon's influence extended beyond our school as we shared our approach at the London Schools Eco Network conference, and as members of the UK Schools Sustainability Network we have the benefit of learning from best practice developed elsewhere.

As we reflect on what sustainability looks like in our community and beyond, we remain centred on the impact of our actions on the learning and modelling experience of our students and the ways in which they apply their learning well into their adult lives. The delivery of core, fundamental school services underline this approach: a solely vegetarian catering in-house service provision; preference to digital resource to reduce paper printing; use of public transport for most trips and visits; a requirement that all students have a tfl travel card; rejection of the traditional school bus "collection & drop-off" service; and the specific encouragement of walk and bike to school schemes.

STRATEGIC AIM AND INTENDED EFFECT

THE HALCYON MISSION

“to provide an exceptional education that draws out the unique potential of each student”

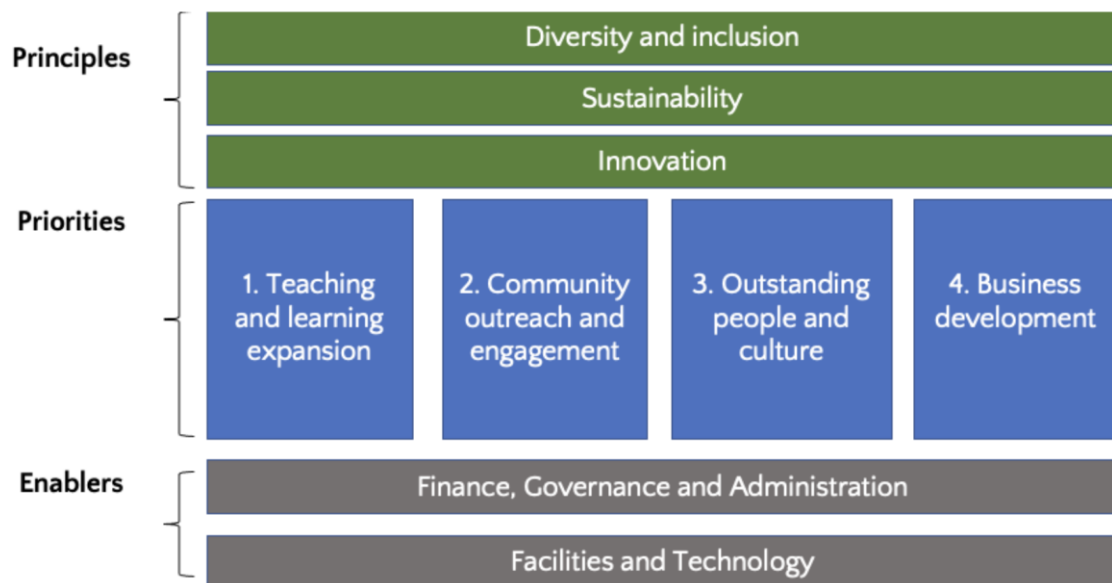
Our purpose of realising the full potential of every student in our community - a mission that prepares young people for the world of today and tomorrow - is achieved through small class sizes, a rich and diverse curriculum, and an extraordinarily talented teaching team.

Innovation - building a creative and questioning culture

Collaboration - learning and succeeding together

Community - valuing one another and learning together

STRATEGIC FRAMEWORK



The Board establishes and maintains explicit Strategic Policies in the following key domains:

- Governance
- Admissions
- Finance
- Human Resources
- Teaching and Learning
- Facilities
- Community Engagement

Our Strategic Planning is guided by our Strategic Policies which are informed by the Halcyon Mission. The Strategic Policies serve as a basis for school governance and are the essential foundation for establishing the overall direction of the School. It is the responsibility of the School Director to translate these Strategic Policies into specific operational programmes and procedures that will be gauged against key performance indicators set by the School Board.

Strategic priority 2021-26

Many of the items below in the 2021-2026 plan have been fully or substantially achieved, others will be removed and amended over the course of the upcoming planning review. The School is approaching the end of its planning cycle and a new plan to take effect from 2026 is being formulated.

A. Learning and Teaching

1. Offer primary education at or before 2026
2. Expand and develop social emotional learning (SEL) and Approaches to Learning across the school
3. Review and refine Halcyon's course offer, in line with increased demand and our strategic objectives
4. Build on our experience to develop the use of data and technology in teaching and learning

B. Community Engagement

1. Deliver an outstanding programme of Halcyon events with a special focus on integrating parents into the community
2. Improve the experience of transition for families new to Halcyon
3. Develop and deliver an effective, mission-driven alumni programme
4. Grow regular giving donations by 10-25% year on year
5. Expand Halcyon's bursary programme to reflect our commitment to the public benefit
6. Use Halcyon facilities to expand opportunities for the local community

C. Outstanding People and Culture

1. Develop succession plan for the Board and SLT
2. Develop and implement a comprehensive K-12 people and culture strategy
3. Create and implement a schoolwide Sustainability Policy that clarifies where Halcyon will meet or exceed government standards
4. Deliver further DEI training for staff, Board and students to continuously develop knowledge, competencies and understanding

D. Business Development

1. Secure new facilities for the secondary school
2. Grow student admissions to 248-268
3. Refine Halcyon's admissions policy in line with our values and strategy – and embed it
4. Build new mutually beneficial external partnerships that support our strategic ambitions
5. Generate additional income to support an expanded bursary programme
6. Increase awareness of Halcyon and its offer, in the UK and internationally

PUBLIC BENEFIT

Principal Activity

The principal activity is the provision of an innovative, life-ready education that is not-for-profit, co-educational, International Baccalaureate (IB), international day school, in central London for students aged 11 to 18 and that places a high emphasis on student-centred learning and wellbeing.

The School's charitable objective is "to advance education". This objective is recognised as benefiting the public when pursued in the context of formal education in a body where all surplus funds are reinvested. Halcyon is a company limited by guarantee, with no external shareholders and no possibility of making distributions, including in the form of dividends. All surpluses are re-invested in education at Halcyon and projects outside of the School that support the students' educational experience.

Framework

In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011.

With reference to the Charity Commission's supplementary public benefit guidance on advancing education and on fee-charging. Halcyon London International School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Its fees are set at a level to ensure the financial viability of the School at a level that is consistent with its aim of providing a first-class education to all students.

In shaping the objectives and planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2).'

Bursaries

The School has a framework and policies for a means-tested bursary programme with the intention of widening access to charitable activities. The programme provides a Halcyon education to students who fulfil the admissions criteria but cannot afford all or part of the tuition fees. The bursary programme receives annual financial support from donors and since 2017 has been allocated income from unrestricted funds. The aspirational goal is that the bursary programme will support 10% of the student body, with awards ranging from 10% to 100% of educational costs.

Community partnership links

The service learning aspect that runs through the IB curriculum for all grades shapes meaningful relationships with organisations from the wider community in order to facilitate deeper learning experiences for our students.

A commitment to building meaningful institutional partnerships is supported through allocating resources via the post of a project leader. The leader builds and shares key information on a list of partners with the Halcyon learning community to facilitate deeper, more collaborative experiences with the wider community.

Safeguarding Statement

The School is committed to safeguarding and promoting the welfare of pupils and expects all stakeholders to share this commitment.

Trustees monitor that safeguarding arrangements are effective by:

- ensuring that safeguarding is an agenda item at every Board meeting
- appointing a Trustee with responsibility for safeguarding who oversees and monitors arrangement and who collaborates with School leadership
- reviewing an annual report compiled by the DSL detailing how School procedures are working and providing an update on staff training
- undertaking the necessary training as required
- the appointed Trustee and/or Board Chair, if necessary, review specific reports

Equal Opportunities

Halcyon London International School is an equal opportunities organisation and is committed to a working and educational environment that is free from any form of discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Staff have access to a generous staff development programme and are consulted when key decisions which directly impact on them are being made so that their views can be taken into account.

The School aims to recruit the most capable and well-qualified staff. Salaries are reviewed on an annual basis in an open and transparent way, balancing developments in the sector with the fact that the School is small and runs as a not for profit organisation.

The School's HR and Admissions practices aim to recruit on a fair and non-discriminatory basis, to create an inclusive and diverse community that better reflects our society and best prepares students for life.

GOVERNANCE, ORGANISATION & EXECUTIVE MANAGEMENT

Governing Document

Halcyon London International School is a charitable company limited by guarantee, incorporated on 26 June 2012, and registered as a charity on 10 December 2012. The company was established under a Memorandum of Association and is governed under its Articles of Association which established the objects and powers. In the event of the winding up of the charitable company the liability of the members is not to exceed £1 each.

Governing Board

The members of the Board, as the charity Trustees, are legally responsible for the overall management and control of the School. They meet at least five times per year and additionally hold strategic planning days throughout the year.

The Board is committed to delivering and developing the School's mission statement.

All Trustees give of their time freely and no remuneration was paid in the year. No Trustee or person connected with a Trustee has received any benefit from their position.

Trustee Recruitment and Training

Prior to making trustee appointments, the Board considers the specialist skills and experience which will be needed from new trustees based on the School's strategic priorities. There is a detailed recruitment process involving interviews and references, with safeguarding an important factor within this.

Induction sessions with the Board Chair, Director and other key staff members are offered to new trustees as well as external training courses. Reference materials such as the Board Manual provide trustees with comprehensive information on how the Board operates.

Trustees see training and development as a priority and all trustees have access to external training courses and online resources. Additionally, presentations and briefings on current issues are an important feature of Board and committee meetings. During the year sessions have included interdisciplinary learning, approaches to learning, well-being and digital safety.

Trustees are aware of The Charity Governance Code which sets out the principles and recommended practice for good governance within the sector.

Organisation Management

Board Committees

Trustees have established the following committees to support the work of the Board and all Trustees have access to papers for all committees to enable them to stay informed:

Board Committee Membership 2025/26

	GC	PC	FC	Fa C	CP	L&T
Rita Halbright (Chair)	✓		✓	✓		
Michael Cutbill (Vice-Chair)			✓	✓		Chair
Achim Beck			Chair	Chair		
Eli Haroush (Appointed 26 March 2024)	✓					
Satoko Jenkins (Appointed 26 March 2024)			✓	✓		
Alexia Phillips (Appointed 26 March 2024)			✓	✓		
Dipali Sahni		✓				

<i>(Appointed 26 March 2024)</i>						
Pamela Sears	Chair	Chair				✓
Sally Thorogood <i>(Appointed 26 March 2024)</i>		✓			✓	✓

The grid above shows details of the various committees on which Trustees served during the year:

- GC. The Governance Committee is responsible for supporting the board by acting as the coordinating committee in the planning and organisation of the Board's workload, recruitment, training needs, succession planning and board and director assessment.
- PC. The Policy Committee supports the School and Board in managing and reviewing policies to ensure that the School is fully compliant in all areas and has clear systems and procedures in place to support the day to day operation of the School
- FC. The Finance Committee provides financial oversight and sets long-term financial goals
- FaC. The Facilities Committee supports the Board in the formulation and implementation of strategy, policies and guidelines covering all aspects of the facilities required for teaching, learning, extracurricular, administration, growth, and all other operations

- CP. The Child Protection Safeguarding Lead supports the School and the Board in managing Safeguarding and Safer Recruitment, overseeing that all stakeholders are aware of and are fulfilling their responsibilities, and ensuring that Safeguarding and Safer Recruitment remain a key School and Board priority. The Designated Safeguarding Board Members serve to support the School and liaise with the Director, the DSL and Wellbeing Team in the event of a safeguarding incident
- L&T. Whilst the Board has overall responsibility to ensure the quality of the overall educational programming of the school, the Learning and Teaching Committee works with the Director and/or members of the SLT to identify, discuss and ultimately present to the Board on specific strategic questions relating to Halcyon's educational offerings, its curriculum, academic admissions criteria and other aspects of learning and teaching.

Community

Trustees held their annual meeting with parents to update them on strategic policies, share new developments and respond to any queries. Trustees held an event in the autumn for new families, attended school events throughout the year and took part in some CPD events with staff. This enables trustees to form good relationships with all stakeholders.

Executive Management

The Trustees determine the general policies of the School and entrust the day to day running of the School to the School Director.

The School Director is supported by a Leadership Team including the Director of Finance and Operations, Learning Systems Coordinator, IB-MYP and IB-DP Coordinators, Wellbeing Leader, HR Manager and Admissions Director. This team is supported by administrative and teaching staff. The School Director undertakes the key leadership role overseeing educational, pastoral, and administrative functions.

The day to day administration of the school is undertaken within the policies and procedures approved by the Board. Trustees are committed to partnership working. The School Director and Director of Finance and Operations (DFO) attend all Board meetings. In addition, the Director sits on all committees and the DFO sits on both the Facilities and Finance Committees meetings.

The Senior Leadership Management Team meets weekly to implement the general policy of the School and review its overall management and control.

The Senior Leadership Learning Team meets weekly and through these meetings drive the interdisciplinary approach that the School takes in delivering the curriculum.

During the year the Director and the Board jointly implemented a strategic review, together with members of each stakeholder group (Board, staff, students, and parents) to develop the next phase of the School's Strategic Plan.

The pay and remuneration of all salaried staff is reviewed annually and approved by the Board. The School aims to recruit the best teachers possible. Delivery of the School's charitable object and aim is primarily dependent on them, and therefore staff costs are the largest single element of charitable expenditure.

Risk Management

The Trustees use a rated risk register to identify risks and apply mitigations. The Board highlight key risks to the School as:

- Falling admissions roll due to the potential failure to attract and retain sufficient students
- Staffing impacted by local conditions and living costs
- Inadequate premises to continue to provide for the School's educational aims
- The political climate and potential impact on the Independent Schools
- Potential damage to the School's reputation
- The adverse effect of Government Policy, including imposition of VAT on school-fees

The Trustees continue to keep the School's activities under review, particularly with regard to any major unexpected risks which might arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Trustees can be mitigated.

AUDITORS

The appointment of auditors will be proposed at the annual general meeting in accordance with section 487 of the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors for the purposes of the Companies Act, have pleasure in presenting their report for the year ended 31 July 2025 under the Companies Act 2006 and the Charities Act 2011. The audited financial statements for the year comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and the Charities SORP (FRS 102).

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.) Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. There is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees' report is approved by the Trustees of the Charity. The Strategic Report, which forms part of the annual report, is approved by the Trustees in their capacity as directors in company law of the charity.

Approved by the Board on 27th November 2025 and signed on its behalf:

Rita Halbright

Rita Halbright (Chair)

COMPANY INFORMATION

Registered Charity Name	Halcyon London International School
Charity Number	1150105
Company Registration Number	08120017
Registered Office	33 Seymour Place London W1H 5AU
Trustees/Directors	Achim Beck Alexia Philips Dipali Sahni Eli Haroush Julie Matthaeus Michael Cutbill Pamela Sears Rita Halbright Sally Thorogood Satoko Jenkins
Chair	Rita Halbright
Vice-Chair	Michael Cutbill
School Director	Barry Mansfield
Website	www.halcyonschool.com

Professional Advisers

Auditors	UHY Hacker Young
Bankers	Barclays Bank & Lloyds Bank
Solicitors	Veale Wasbrough Vizards

REFERENCE & ADMINISTRATIVE INFORMATION

Halcyon London International School is a charitable company founded in 2012 and incorporated as a company limited by guarantee in June 2012.

Founding Members

The Founding Members of the charity were:

Achim Beck
Rita Halbright
Julie Matthaeus
Pamela Sears

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL

Opinion

We have audited the financial statements of Halcyon London International School ("the charitable company") for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and Charities SORP 2019 and FRS 102. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting transactions, in particular in relation to income recognition, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Substantively testing of revenue and testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud;
- Discussing amongst the engagement team the risks of fraud such as opportunities for fraudulent manipulation of financial statements; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL (Continued)

- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

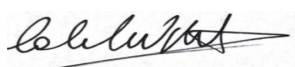
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other Matters

The financial statements of Halcyon London International School for the year ended 31 July 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 15 October 2024.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Colin Wright

(Senior Statutory Auditor)

For and on behalf of UHY Hacker Young

Date: 04-12-2025

Chartered Accountants and Statutory Auditor

4 Thomas More Square, London E1W 1 YW

HALCYON LONDON INTERNATIONAL SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) FOR THE YEAR ENDED 31 JULY 2025

		Unrestricted/ Designated Funds	Restricted Funds	Total 2025	Total 2024
	Notes	£	£	£	£
INCOME FROM:					
Charitable activities					
School fees	3	5,287,437	-	5,287,437	5,612,065
Other educational income	4	414,914	-	414,914	537,580
Investments					
Investment Income	5	190,741	-	190,741	110,476
Voluntary sources					
Grants and donations	6	45,800	-	45,800	90,898
Total income and endowments		5,938,892	-	5,938,892	6,351,019
EXPENDITURE ON:					
Charitable activities					
Education		6,134,054	-	6,134,054	5,976,322
Total Expenditure	7	6,134,054	-	6,134,054	5,976,322
Net income		(195,162)		(195,162)	374,697
Transfer between funds		-	-	-	-
Net movement in funds		(195,162)	-	(195,162)	374,697
Fund balances brought forward		3,170,678	-	3,170,678	2,795,981
Fund balances carried forward		2,975,516	-	2,975,516	3,170,678

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognized gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

HALCYON LONDON INTERNATIONAL SCHOOL

BALANCE SHEET AS AT 31 JULY 2025

		2025	2024
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	588,975	296,545
DEBTORS: Amounts falling due after one year	13	80,000	-
CURRENT ASSETS			
Debtors	13	524,018	485,502
Cash at bank and in hand		4,630,534	5,766,562
		5,154,552	6,252,064
CREDITORS: Amounts falling due within one year	14	(2,536,885)	(2,721,485)
NET CURRENT ASSETS		2,617,667	3,530,579
TOTAL ASSETS LESS CURRENT LIABILITIES		3,286,642	3,827,124
CREDITORS: Amounts falling due after one year	15	(311,126)	(656,446)
NET ASSETS		2,975,516	3,170,678
FUNDS:			
Restricted funds	16	-	-
Unrestricted funds – general	16	2,975,516	3,170,678
Unrestricted funds - designated	16	-	-
TOTAL FUNDS		2,975,516	3,170,678

These financial statements were approved by the members of the Board on the 27th November 2025.

Rita Halbright

Rita Halbright

Chair of the Board of Director

The accompanying notes form part of these financial statements.

Company Number: 08120017

HALCYON LONDON INTERNATIONAL SCHOOL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025	2024
		£	£
Net cash (outflow)/inflow from operating activities	22	(809,717)	1,325,165
Cash flows from investing activities:			
Bank interest received		190,741	110,476
Interest paid		-	(330)
Payments to acquire fixed assets		(517,053)	(109,180)
Net cash (outflow)/inflow from investing activities		(326,312)	966
Financing:			
Loans repaid		-	(22,000)
Net cash flow from financing activities		-	(22,000)
(Decrease)/increase in cash		(1,136,028)	1,304,131
Cash and cash equivalents at the beginning of the reporting period		5,766,562	4,462,431
Cash and cash equivalents at the end of the reporting period	23	4,630,534	5,766,562

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025**

1. ACCOUNTING POLICIES

Halcyon London International School is a company limited by guarantee with registered number 08120017, incorporated and domiciled in England and Wales. The registered office is 33 Seymour Place, London, W1H 5AU.

a) Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP, second edition effective January 2019), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

b) Going Concern

The Directors have reviewed the current cash balance and unrestricted reserves available to the School, alongside accurate long term financial forecasts, together with the expected ongoing demand for places and the resulting cash flows. Directors have a reasonable expectation that the School has robust resources to continue its activities for the foreseeable future, despite the admissions headwind caused by the imposition of VAT on School Fees from 2025. The Board considers that there are no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

c) Company Limited by Guarantee

The company is limited by guarantee, the guarantors at the present time being the Directors, to the extent of £1 each.

d) Fees Receivable and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

e) Donations and Fund Accounting

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025**

f) Expenditure

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Expenditure attributable to more than one cost category in the Statement of the Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate.

Governance costs compromise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

g) Fixed assets and depreciation

All fixed assets are used in direct furtherance of the School's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Buildings and improvements	- 20% on cost
Computers	- 33% on cost
Fixtures and fittings	- 20-25% on cost

h) Pensions

The school contributes to a money purchase retirement benefit scheme for staff. The pension cost charged in the financial statements represent the contributions payable by the school during the year.

i) Leases and Hire Purchase Contracts

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly under the period of the lease.

j) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

k) Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025**

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13, 14 and 15 for the debtor and creditor notes.

l) Employee Benefits

The costs of short-term employee benefits including holiday pay are recognised liability and an expense.

2. KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Board is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Trustees, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Significant estimates

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have the most significant effect on amounts recognised in the financial statements.

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of property, plant and equipment and note 1.g for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of debtors and associated impairment provision.

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

3. FEE INCOME

The School's activities are carried out within the UK	2025	2024
The School's fee income comprised:	£	£
Gross fees	5,533,930	5,809,064
Less: Scholarships and bursaries	(246,493)	(196,999)
	<u>5,287,437</u>	<u>5,612,065</u>

4. OTHER EDUCATIONAL INCOME

	2025	2024
	£	£
Extras and disbursements	280,397	359,129
Registration fees	24,617	19,188
Other income	109,900	159,263
	<u>414,914</u>	<u>537,580</u>

5. INVESTMENT INCOME

	2025	2024
	£	£
Interest received	<u>190,741</u>	<u>110,476</u>

6. DONATIONS AND GRANTS

	2025	2024
	£	£
Donations and gifts	<u>45,800</u>	<u>90,898</u>
	<u>45,800</u>	<u>90,898</u>

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

7. EXPENDITURE

(a) Charitable expenditure	Staff costs	Other	Depreciation	Total 2025
	£	£	£	£
Teaching	3,273,823	740,110	-	4,013,933
Welfare	-	165,035	-	165,035
Premises and Estates	-	499,727	162,934	662,661
Administration	581,156	556,630	61,615	1,199,401
Governance	58,469	34,555	-	93,024
Total expenditure	3,913,448	1,996,057	224,549	6,134,054

Charitable expenditure	Staff costs	Other	Depreciation	Total 2024
	£	£	£	£
Teaching	3,153,701	886,210	-	4,039,911
Welfare	-	176,517	-	176,517
Premises and Estates	-	539,503	74,829	614,332
Administration	389,616	608,567	63,190	1,061,373
Finance Costs	-	330	-	330
Governance	47,950	35,909	-	83,859
Total expenditure	3,591,267	2,247,036	138,019	5,976,322

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

7. EXPENDITURE (Continued)	2025	2024
	£	£
(b) Governance Costs include:		
Auditors remuneration	28,210	18,530
Trustees' expenses and meetings	6,345	17,379
Staff costs	58,469	47,950
	<u>93,024</u>	<u>83,859</u>
(c) Administration Costs	2025	2024
	£	£
Salaries	581,156	389,616
Other Staff Costs	9,626	14,190
Staff Travel	9,286	3,509
Insurance	53,353	52,300
IT Consultants	126,484	134,419
Computer costs	50,013	80,988
Postage and Stationery	7,907	13,682
Telephones	14,039	13,855
Marketing and advertising	183,886	176,738
Accountancy	6,142	5,766
Miscellaneous – Administration	13,928	18,919
Bad debts	-	-
Depreciation	61,615	63,190
Recruitment Costs	90,700	87,270
Legal and Professional Fees	16,505	6,931
VAT	(25,239)	-
	<u>1,199,401</u>	<u>1,061,373</u>

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

8. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	3,399,596	3,140,021
Social security costs	375,123	331,774
Other pension costs	138,729	119,472
Other staff costs	-	-
	<u>3,913,448</u>	<u>3,591,267</u>

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

	2025	2024
	No.	No.
Teaching	37	35
Premises	16	16
Support	7	6
	<u>60</u>	<u>57</u>

The number of employees whose emoluments £60,000 in the year was as follows:

	2025	2024
	No	No
£60,001 - £70,000	14	17
£70,001 - £80,000	6	-
£80,001 - £90,000	2	3
£90,001 - £100,000	2	-
£100,001 - £110,000	1	1
£150,001 - £160,000	-	-
£170,001 - £180,000	1	1
	<u>26</u>	<u>22</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

8. COSTS (continued)

All of these higher paid employees are accruing retirement benefits under the defined contribution scheme. Contributions this year totalled £80,456 (2024: £65,823).

The school considers that the key management personnel comprise of the trustees and the senior management team – who are the Director, the Admissions Directors, Human Resources Director, the Well Being Leader, the MYP Coordinator, the DP Coordinator, the Systems Learning Coordinator and the Finance Director. The total employee benefits including pension costs of the key management personnel of the school were £883,557 (2024: £791,627).

9. DIRECTORS REMUNERATION AND BENEFITS

There were no Directors' remuneration or other benefits for the year ended 31 July 2025 nor for the year ended 31 July 2024.

Travel and training expenses of £Nil (2024: £Nil) for £Nil (2024: £Nil) directors were paid by the Charity during the year.

10. PENSIONS

The school operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the school and amounted to £138,729 for the year (2024: £119,472).

11. NET INCOME FOR THE YEAR

	2025	2024
	£	£
Net income is stated after charging:		
Auditors' remuneration		
- for audit	17,000	16,200
- for other services	2,000	1,450
Depreciation of tangible fixed assets	224,549	138,019
Loss on tangible fixed assets	74	105,842
Loan interest	-	330
Operating lease rentals	397,211	373,830

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

12. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	IT Equipment £	Total £
Cost				
As at 1 August 2024	719,869	55,988	148,262	924,119
Additions	440,524	22,485	54,044	517,053
Disposals	-	-	(74,030)	(74,030)
At 31 July 2025	1,160,393	78,473	128,276	1,367,142
Depreciation				
As at 1 August 2024	492,251	19,184	116,139	627,574
Charge for the year	162,934	18,899	42,716	224,549
Disposals	-	-	(73,956)	(73,956)
At 31 July 2025	655,185	38,083	84,899	778,167
Net Book Value				
At 31 July 2025	505,208	40,390	43,377	588,975
Net Book Value				
At 31 July 2024	227,618	36,804	32,123	296,545

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

13. DEBTORS

Current Debtors	2025	2024
	£	£
Fees and extras	255,545	181,900
Other debtors	4,110	451
Landlord Loan	20,000	-
Prepayments and accrued income	244,363	303,151
	<hr/>	<hr/>
	524,018	485,502
	<hr/>	<hr/>
Non-Current Debtors		
Landlord Loan	80,000	-
	<hr/>	<hr/>
	80,000	-
	<hr/>	<hr/>

Halcyon London International School has lent £100,000 to West London Synagogue, payable upon lease completion. The loan is interest-free, unsecured, and repayable over five years in equal quarterly instalments on Rent Payment Dates.

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

14. CREDITORS

	2025	2024
	£	£
Amounts falling due within one year:		
Trade creditors	109,506	13,022
VAT liability	228,345	-
Fee deposits	31,500	42,000
Fees in advance (deferred income)	2,071,955	2,550,882
Other creditors	60,779	86,581
Accruals	34,800	29,000
	<u>2,536,885</u>	<u>2,721,485</u>
<i>Deferred income:</i>		
Brought forwards	2,996,335	1,870,289
Released in year	(2,550,882)	(1,870,289)
Received in year	1,730,502	2,996,334
Carried forwards	<u>2,175,955</u>	<u>2,996,334</u>
Deferred income relates to school fees received in advance for the following term.		

15. CREDITORS DUE AFTER ONE YEAR

	2025	2024
	£	£
Amounts falling due after one year:		
Fee Deposits	207,126	210,994
Fees in advance (deferred income)	104,000	445,452
	<u>311,126</u>	<u>656,446</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

16. SUMMARY OF FUNDS

	At			Transfer		At
	1 August			Between	Gains and	31 July
	2024	Income	Expenditure	Funds	Losses	2025
	£	£	£	£	£	£
Restricted funds:						
Bursary program	-	-	-	-	-	-
Unrestricted funds:						
General reserve	3,170,678	5,938,892	(6,134,054)	-	-	2,975,516
Total funds	3,170,678	5,938,892	(6,380,054)	-	-	2,975,516

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**
16. SUMMARY OF FUNDS (continued)

	At 1 August 2023 £	Income £	Expenditure £	Transfer Between Funds £	Gains and Losses £	At 31 July 2024 £
Restricted funds:						
Bursary program	42,436	-	-	(42,436)	-	-
Unrestricted funds:						
General reserve	2,753,545	6,351,019	(5,779,323)	(154,563)	-	3,170,678
Designated fund:						
Bursary fund	-	-	(196,999)	196,999	-	-
Total funds	<u>2,795,981</u>	<u>6,351,019</u>	<u>(5,976,322)</u>	<u>-</u>	<u>-</u>	<u>3,170,678</u>

Designated funds:

The Bursary Fund relates to amounts set aside by the Trustees for the school to provide bursaries. The transfer in the year represents additional amounts set aside for future years less the spend on bursaries in the year from this fund. Expenditure is netted off within income.

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2025
	Funds	Funds	Total
	£	£	£
Tangible fixed assets	588,975	-	588,975
Current assets	5,234,552	-	5,234,552
Current liabilities	(2,536,885)	-	(2,536,885)
Non-current liabilities	(311,126)	-	(311,126)
Total net assets	2,975,516	-	2,975,516
	Unrestricted	Restricted	2024
	Funds	Funds	Total
	£	£	£
Tangible fixed assets	296,545	-	296,545
Current assets	6,252,064	-	6,252,064
Current liabilities	(2,721,485)	-	(2,721,485)
Non-current liabilities	(656,446)	-	(656,446)
Total net assets	3,170,678	-	3,170,678

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

18. COMMITMENTS UNDER OPERATING LEASES

At 31 July 2025, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025		2024	
	Land & Buildings	Office Equipment	Land & Buildings	Office Equipment
	£	£	£	£
Due within one year	470,000	-	242,821	-
Due between two and five years	1,880,000	-	893,747	-
Due after more than five years	-	-	835,326	-
Total funds	2,350,000	-	1,971,894	-

19. RELATED PARTIES

During the year, the Trustees donated a total of £100 (2024: £470) to the School.

During the period interest payable of £Nil (2024: £180) was charged to the school on these loans.

Trustees had expenses paid or reimbursed by the Charity during the year as below. The number of Trustees to have expenses paid or reimbursed in the year was 7 (2024: Nil).

Expenses paid or reimbursed	2025	2024
	£	£
Travel	285	-
Professional Services	109	-
Professional Development	78	-
	472	-

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

20. CAPITAL COMMITMENTS

At 31 July 2025 the School had outstanding contractual commitments for capital expenditure of £Nil (2024: £Nil).

21. CONTROL

The ultimate controlling party is the Board of Directors.

22. NOTES TO THE CASH FLOW STATEMENT

	2025	2024
	£	£
<i>Reconciliation of operating result to net cash inflow from operating activities:</i>		
Net movement in funds	(195,162)	374,697
Depreciation	224,549	138,019
Bank interest received	(190,741)	(110,476)
Interest payable	-	330
Loss on sale of fixed assets	74	43,442
(Decrease)/increase in creditors	(529,921)	1,162,494
Increase in debtors	(118,516)	(283,341)
	<u>(809,717)</u>	<u>1,325,165</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

23. ANALYSIS OF NET DEBT

	At 1 August 2024	Cash Flows	Non-cash movements	At 31 July 2025
	£	£	£	£
Cash in hand	5,766,562	(1,136,028)	-	4,630,534
Loans due within one year	-	-	-	-
Loans due after one year	-	-	-	-
Total cash and cash equivalents	5,766,562	(1,136,028)	-	4,630,534

	At 1 August 2023	Cash Flows	Non-cash movements	At 31 July 2024
	£	£	£	£
Cash in hand	4,462,431	1,304,131	-	5,766,562
Loans due within one year	(22,000)	21,000	1,000	-
Loans due after one year	-	-	-	-
Total cash and cash equivalents	4,440,431	1,325,131	1,000	5,766,562

HALCYON

LONDON INTERNATIONAL SCHOOL



Director's Report and Financial Statements Year Ended July 31 2025



Innovation | Collaboration | Community

An exceptional education that draws out the unique potential of each student

Contents

Welcome from the Chair
School Director's Report
Financial Review and Results for the Year
Strategic Aim and Intended Effect Governance
Organisation and Executive Management
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WELCOME FROM THE CHAIR

Halcyon has enjoyed another successful year of providing an empowering and transformative educational experience within our collaborative school community.

In what has been a challenging year for the independent schools sector it has been inspiring to see the support and enthusiasm for the School from our parents, students and staff. We have celebrated the many achievements of our outgoing Director Barry Mansfield and welcome the energy, expertise and commitment of incoming Director Jeff Lippman.

Mr Mansfield's letter below goes into impressive detail of the main accomplishments the School community enjoyed this year and I will highlight only a few.

Our School has continued to do what it does best: providing an exceptional education that draws out the unique potential of each student. At Halcyon, every student is known, enjoys a sense of belonging and has the opportunity to explore their passions all of which adds to their ability to deeply engage with their learning and find their voice.

Our wellbeing programme supports every student to be the best they can be and our innovative cognitive coaching and restorative justice approaches create a harmonious and collaborative community not to mention the lifelong skills our students master over years of experience in these practices. The West End play, Punch, by James Graham, highlights how Restorative Justice is used in challenging cases of great injustice with success. Halcyon students and staff are skilled in this practice and use it whenever it can improve relationships and move things forward.

Our year was filled with a wide range of successes from prizes in poetry, biology and aeronautics as well as wins for many of our sports teams. Mr Mansfield goes into greater detail below.

Once again, we are proud of our graduates who performed admirably on their IBDP exams, with a 100% pass rate and average score of 35 out of 45 as compared to the world average of 30.5. Ten percent of our students scored a perfect 45 with 24% scoring between 40-45 which guarantees a high level of offers to top universities such as the Russell Group as well as top university programmes in countries such as Canada, Spain, Belgium, Italy and the US.

The school was visited in the year by both the Independent School's Inspectorate (ISI) and by the International Baccalaureate (IB) and New England Association of Schools and Colleges (NEASC) to carry out a consolidated Collaborative Learning Protocol (CLP) visit. The school responded positively and proactively to both visits, recognising the importance of external validation and enthusiastic to share the Halcyon educational experience. The outcomes in both cases were excellent. ISI found the school to be compliant in all areas, commenting on how the school uses its location to strengthen the curriculum, the secure subject knowledge of teachers and the way that pupils are taught to understand and demonstrate the school's values of innovation, collaboration and community.

The CLP visit followed on from the school completing a programme evaluation and self study process. It was encouraging that the visit confirmed the school's self assessment document. Visitors highlighted that the school had a clearly articulated vision for its future with ambitious plans. Students reported that they felt seen and supported and the visitors saw that there was a profound sense of belonging with the school offering a safe and welcoming atmosphere. We are extremely proud that the school achieved the high rating of "Living it" across all

five Learning Principles which is highly unusual and one could align this outcome with an Outstanding rating from Ofsted.

As the only not-for-profit IB school in central London we once again acted supportively and transparently with our parents when the UK Government opted to apply VAT to school fees. The Board of Trustees voted unanimously to maintain fees for the coming school year, 2025-2026. Having been founded by four parents, the School stands by its commitment to managing our finances with integrity and transparency.

Having gained access to the roof of our building in the spring, the Board voted to move forward with a substantial capital investment in a roof garden financed only through reserves, without fundraising. This reduced any additional burden on parents and ensured immediate use of the facility which opened in September 2025.

The development of our roof garden has given us outdoor space that can be used for personal study, collaboration and recreation. Additionally, classrooms have been refurbished, common spaces enhanced, lighting improved and the entrance and reception areas renovated. This investment shows our ongoing commitment to growing and developing the School and providing a comfortable and enjoyable learning environment for our community.

With eight years of graduates, Halcyon's alumni circles continue to grow. Alumni meet up for events planned by the School and speak at community and school events. It's always impressive to hear how their skills-rich education at Halcyon has supported them in their future endeavors.

I thank students, parents, staff and trustees and our growing alumni for the tremendous support that they give to the School and who make contributions to creating what is such a special place.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rita Halbright', with a long horizontal stroke extending to the right.

Rita Halbright
Board Chair/Co-Founder

Trustees' Report for the year ended 31 July 2025

The Trustees Report below incorporates the Directors' and Strategic Reports as required by company law for the year ended 31 July 2025.

ACHIEVEMENTS AND PERFORMANCE

SCHOOL DIRECTOR'S REPORT

A Halcyon education is defined by our core values; we are an independent, not-for-profit, International Baccalaureate (IB) school, catering both for mobile, international families looking to continue an IB programme, and local families looking for a brighter, better alternative to the English examination system. Our mission is to bring out the unique potential of every child, and we achieve this with an exceptionally dedicated and talented staff, teaching in a well-resourced environment, in small class sizes, supported by an excellent professional development programme and a commitment to digital learning. Our students benefit from a bespoke Cognitive Coaching mentoring programme; a positive approach to wellbeing which nurtures student agency, voice, inclusion, respect and belonging; a positive, restorative approach to discipline; and a commitment to providing a world class IB curriculum.

A. Significant Strategic Success

1. The School has undergone three planned inspections this year - all a part of the cycle of activity that allows us to be members of the Independent Schools Association (ISA), the International Baccalaureate (IB) and the New England Association of Schools and Colleges.
 - a. In the first term we were inspected by the Independent Schools Inspectorate, on behalf of ISA. We were pleased to receive a very positive report (the full text is available [here](#)) and its highlights included:
 - i. "Teachers have secure subject-specific knowledge and use it to teach ambitious content. In line with the philosophy of the IB, teachers give weight to supporting pupils to build their own knowledge and skills through research. Teaching approaches such as extended lesson time and the use of good-quality resources ensure that pupils make good progress."
 - ii. "The curriculum content is set out clearly through detailed schemes of work and lesson plans. Pupils are told what they will learn in each lesson and why this is important. Pupils are engaged, interested in academic study, and speak passionately about the subjects they are taught."
 - iii. "Pupils come from culturally rich and nationally diverse backgrounds. Many have been previously educated overseas. Leaders have established an ethos of inclusivity in which pupils with different backgrounds, gender, faiths and gender preference feel comfortable and valued. As a result, pupils are self-confident and positive about difference."
 - b. In the second term we were visited by both the IB and NEASC. Both organisations visit member schools on a five yearly cycle, though with different purposes. The IB evaluates our School against published [IB Standards and Practices](#), as a way to assess the strength and purpose of our curriculum. NEASC visitors are focused on collaborative school improvement and review our internal reflection on our strategic progress and learning processes, and the planning ideas we have developed for further growth. The planning to develop our learning culture, and for new initiatives to positively impact learning, form a part of both organisations' reporting. These include:
 - i. To further develop our service programmes and links with the immediate community
 - ii. To further develop our understanding of international mindedness in the curriculum, which we have defined as follows: 'International Mindedness at Halcyon means exploring how people around the world see and experience life. It encourages us to be curious, connect with others, act with compassion, and work together for a more peaceful world.'
 - iii. Our on-going work to develop international mindedness continues to support our commitment to equity, diversity and inclusion. This process builds upon our on-going commitment to cultural competence and is broadening to include the idea of critical consciousness. The School

aims to meet the mission of the IB and so allow our students to leave us change-makers and participatory citizens.

- iv. We have, this year, introduced AI into our school, both in simple management systems (such as in our HR software) and for learning. We regard it as essential that young people are able to navigate the practicalities of AI and to be conscious of the ethical, social and political challenges this new technology poses. Students are taught how to harness AI to support their learning, and how to assess its value and critique the questions it poses.
- v. We continue to explore external partnerships for learning and this year have created two new relationships. The first is with a local primary, for whom we provide service to support their programmes; the second is with another MYP school, with whom we share pedagogical expertise and support.

2. Transition - School Director

The School Director, Barry Mansfield, left Halcyon at the end of July 2025, after ten years of service. The School had identified and contracted his successor, Jeff Lippman, before the start of the 24/25 school year; therefore, through this reporting period there has been a continuous transition programme allowing the new director to familiarise himself with School's mission and operations. The transition period included extensive consultation and engagement with the school community.

- 3. The School has reviewed its staff evaluation processes. This has entailed a review of our Professional Learning Programme Policy, and the integration of additional coaching into the cycle of evaluation. This reflects a necessary update to policy and further commitment to the School's collaborative coaching culture.
- 4. A significant strategic aim is to widen our services and this year we added Global Politics to our IB Diploma subject roster. From August 2025, this subject will be available on both grades 11 and 12.

In addition, we expanded our Grade 9 class, adding an additional section to accommodate demand. This leads naturally to an expanded Grade 10 class in 2025/26 and, in preparation, this year we created additional option choices to ensure that every child has their preferred subjects.

- 5. The School's curricular and professional development is driven by time-limited **project leaders**, tasked with delivering specific change to support the School's strategic goals. At the beginning of the 2023/24 school year, these project leaders worked as an Innovation Team, and at end of the 2024-2025 school year,
 - a. We have brought new practice into the school to support service learning. This includes creating conditions that encourage students to commit to give time outside of the school day, within their chosen service community, instead of relying on external third-parties to deliver their 'charity'.
 - b. We have sought to develop international mindedness as a resource to support our cultural competence: for example, to share non-Western pedagogical practices and explore how other cultures process and understand learning.
 - c. We will be a part of the IB's Beta trial, Enhancing the MYP. This trial seeks to test new structures within the MYP that streamline some of the core elements - global contexts and subject-specific concepts. This puts us at the forefront of IB pedagogy. This engagement is supported by an internal project leader, who develops the concept-based learning which is foundational to the IB.
 - d. The School maintained its high profile across the IB and international school community, presenting two sessions at the IB Annual Conference in October 2024: Sparking student creativity with AI, using creative AI tools across the curriculum; and Inspiring international mindedness with AI and digital tools.
- 6. We have enjoyed a successful transition in our Community Engagement Team this year, with a new Admissions Director and Marketing Leader arriving. Both positions have been central to meeting our

strategic goal of growing the school. We have, like every other independent school, faced the headwinds of VAT on schools, which follows the disruptions of Covid and Brexit, and overlays falling pupil numbers in London. Consequently, our community will be slightly smaller next year (150).

The Community Engagement Team has launched a new School website this year - a significant, successful undertaking involving the rebranding of our colour palette, fonts and style guide. Behind the scenes, the team also adopted a new admissions' platform to manage all applications to the School.

7. To meet the challenges we face in the sector, this year School has reviewed our premises and embarked on an ambitious programme of expansion and renewal. We have submitted planning for a new roof garden, to open in August 2025, and have renewed our lease with improved terms that allows us greater ownership of our premises. We are planning, confidently, for the future.

B. Public Examination Results

The School enjoyed another very successful IBDP examination session. Twenty-one students sat for the IB Diploma; with a 100% pass rate, and two perfect scores of 45 points, students averaged 35 points. Our students' success provides them with a competitive advantage; the IB world average is 30.5 points. Our students' hard work earned them places to study at a range of Russell Group and UK Top 20 universities, including London School of Economics, Imperial College London, University College London, King's College London, University of Bath, University of Edinburgh, Durham University, as well as highly competitive international institutions such as McGill, Concordia, Vassar, Pennsylvania State, Northeastern, Parsons, Syracuse, and Delft. Subjects include a range of competitive degree programmes such as Politics and Chinese, Aerospace Engineering and Neuroscience, and traditional academic subjects such as History, Law, Political Science, Music, Biochemistry, Economics and International Relations.

C. Curriculum Notes

1. The School has re-imagined its off-site programmes - with the exception of curricular PHE, learning that takes place outside of the classroom. We have designed a new Discovery Programme which rationalises, and makes more effective, the many learning opportunities students have across London, the UK and abroad. For example, students currently have access to
 - a. Outward Bound residential trips;
 - b. Cultural and/or language trips abroad;
 - c. London-as-a-classroom, accessing museums, libraries, galleries, theatres, lectures etc.; and
 - d. Subject-specific field trips, within or beyond London.

These activities are augmented by a range of additional off-site programmes, including liaison with other schools, service activities, personal learning, clubs and sports, interdisciplinary programmes, inter-school competitions, and so forth. The Discovery Programme aims to provide greater coherence and purpose to all of these opportunities.

2. The School opened an additional section - a third class - in Grade 9 to support increased demand. This year, we have redesigned our option choices for Grade 10 to accommodate these additional students, adding more classes and greater choice. The School continues to develop its distinctive approach to the final year of the MYP, allowing students to choose seven subjects - always including a first language, second language, social science, natural science and mathematics - as a preparation for the IB Diploma in grades 11 and 12.
3. We have further developed our interdisciplinary learning (grades 6 - 10) through planned off-site projects across London. These aim to build local community links and require students to transfer skills from many disciplines to explore a range of problems or ideas.
4. We have introduced considered access to AI across the curriculum. For example, this can be to

- a. Generate stimuli for creative processes
 - b. Manage routine computational tasks
 - c. Provide responses to data, for discussion and reflection
 - d. Act as an acknowledged source for research, included within footnotes
 - e. Act as a resource assistant, by providing students with access to curated information through managed 'bots'
5. This year, we have continued to develop our library services, both to integrate these better into the fabric of the IB curriculum - to make the library the centre of IB learning, and especially the IB Approaches to Learning (AtLs) - and to build a stronger culture of reading across the School. This process has also strengthened our personal learning programme, which seeks to build AtL skills through the process of independent research and presentation.

The library occupies a 'commons' area in the heart of the school, and this is a highly active, social, dynamic part of the campus. We have made small, but significant modifications to commons this year, designed to improve the use of space and direct learning more effectively.

D. Co- and Extra-curricular

Halcyon offers a rich and varied co-curricular programme comprising a range of learning Explorations (G6-9) every Wednesday afternoon, and extra-curricular clubs and sports before and after school, (G6-12). There is a competitive sports' programme: we are members of the London Schools Sports Association and have teams for football, volleyball and basketball, junior and senior, boys and girls. We also send students to ISA competitions, such as table tennis and cross country running. Students will also compete in art and literature competitions, for ISA but also for COBIS. This year, one of our students, Annabel, won the COBIS competition: her poem – 'Eyes Kissed by a Gentler Sun' – is a poignant message of unity and hope - a moment, she says, of understanding and recognising people who are not heard. There were 296 entries from 149 schools worldwide, and the judges noted the exceptionally high quality of submissions. They shared about Annabel's poem that it was "a moment of recognition and acceptance, simply and beautifully told with clear, strong and relatable images."

Our unique Explorations Programme invites Grade 6-9 students to select up to four options per year to explore in weekly two-hour periods as part of their timetable. Our Exploration electives are developed collaboratively between staff and students each year. They are built around six learning domains that are central to the IB's educational mission: Creativity, Action, Service, Wellbeing & Citizenship, STEM (science, technology, engineering, mathematics) and Our World. The Explorations Programme provides students the opportunity to develop and extend interests outside of their main academic curriculum and can also feed into their personal learning. Electives include our Music Show, Parkour, Yearbook, Philosophy, Robotics, Literary Adventures Club, Political London, Coding, Dance, Finance, Forensics, and many more.

The School's wide-ranging extra-curricular programme is popular and well-attended, most obviously in our Model United Nations club, which leads and hosts its annual Student MUN conference in March. This invites students from across other London schools to join us in debating the key issues of the day. This entirely student-run programme is replicated in our mock-COP conference, driven by our student-led Eco-Committee. The MUN team also travels to The Hague each year for an international conference.



Barry Mansfield
Director

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

A challenging year to say the least, with the key word being: uncertainty. A sluggish economy, Brexit tailwinds, political logjam, a new government with just about one policy; to levy VAT on parents choosing independent school education for their children. It is not surprising that adding 20% to the cost of school fees has severely depressed the market. As a backdrop to this environment, the drift of population out of London continues and there is a reported record migration of high net worth families out of the UK.

The adverse impact from these events is well represented in this year's financial outcome. As admissions faltered, Total Income declined by 6.5% to £5.94 million (2024: £6.35 million), while Net Income dropped into the red, - £195,162 (2024: £374,697).

Breaking down the Total Income figure, income from school fees contributed £5.3 million (2024: £5.6 million), a decline of 5.8%. Bursary funding increased to £246,493 (2024: £196,999). Other Educational Income £414,914 (2024: £537,580), a decrease of 22.8%. Although donations dipped to £45,800 (2024: £90,898), higher interest rates in the gilt market generated investment returns of £190,741 (2024: £110,476).

Meanwhile, Total Charitable Expenditure rose by just 2.6% to £6.1 million (2024: £5.9 million), underlining a tight control on the cost base.

During the period, Halcyon maintained total net debt at £nil. Cash holdings declined by 20% to £4.6 million (2024: £5.8 million), the Board's strategic decision to invest to upgrade facilities is reflected in the additions to Tangible Fixed Assets of £517,053 (2024: £109,180).

The school has reviewed the minor deficit incurred 2024/25. It believes that it can stop minor deficits arising in the next few years through scaling back enhancement projects and continuing to adopt a prudent approach to financial management

Despite a difficult year and continued external pressures, reserves are healthy and the business model continues to be robust.

Investment powers and policy

These are governed by the Memorandum and Articles of Association, which permit funds to be invested in any security listed on the London Stock Exchange. At year-end, the School had £3,003,377 invested in listed, short-dated UK Government Securities.

Reserves

At the end of the accounting period, total unrestricted free reserves, [as measured by total funds, less net book value of fixed assets], stood at £2,386,541 (2024: £2,874,132), which were comfortably over the Reserve Policy target of holding 3 to 4 months of unrestricted expenditure. Existing future plans anticipate financing primarily from reserves and fee income.

Within the total funds held at year end of £2,975,516 (2024: £3,170,678), £Nil (2024: £Nil) is held as restricted funds. The bursary programme continues to support students accessing a Halcyon Education and is funded through continuing activity.

Fundraising Disclosures

Halcyon does not raise funds from the public and does not work with professional fundraisers or commercial participators. The School has not subscribed to any fundraising standards or schemes for fundraising regulation.

There were no complaints received in the period.

STAFFING

Halcyon is committed to investing in the diversity and wellbeing of our community and to creating an inclusive culture where everyone can achieve their unique potential. We strive to recruit people from a wide variety of backgrounds because it makes us stronger.

There is an intention to create a collaborative and innovative culture that celebrates different perspectives and values respect for one another, learning together, openness and integrity. A commitment to diversity ensures we continue to provide a learning experience that empowers students to reach their full and unique potential.

During the year 2025, the Board comprised 9 Directors, where 67% were female and 33% were male. A total of 45% of the Directors were from the UK and 55% were from the rest of the world.

The senior leadership team was composed of 8 employees, of whom, 50% were female and 50% were male. From the leadership group, 50% of the total came from the UK; and 50% from countries other than the UK.

In 2025 the payroll workforce averaged 60 staff (2024: 57 staff), and as a whole, females comprised 72% (2024: 76%) of the total, with males representing 28% (2024: 24%). There were 24 (2024: 22) different nationalities pictured on the payroll; while 48% (2024: 46%) of staff were from the UK and 52% (2024: 54%) of staff were from countries other than the UK.

All directly employed staff are paid above the London Living Wage, and where services are provided by a 3rd party, the School encourages those firms to adopt this rate.

The School is an equal opportunities employer, full and fair consideration is given to all job applications and the School does not discriminate.

SUSTAINABILITY

This year, the School continued to take steps forward on the sustainability journey. The assessment of our school's carbon footprint was updated and can be compared to 2024. The updated reassessment confirms a carbon footprint that is kept small by our size and the carbon-efficient commuting choices of the school community but which is dominated by air travel that facilitates educational trips and staff professional development (see table below).

Source	kg CO ₂ e
Scope 1	
Gas	921 [2024: 837]
Scope 2	
Electricity	24,553 [2024: 22,321]
Scope 3	
Trips and Travel	33,973 [2024: 81,101]
Commuting	12,293 [2024: 14,335]
Water	72 [2024: 71]
Total	71,811 [2024: 118,665]

Carbon footprint for Halcyon London International School.

Units are kilograms of carbon dioxide equivalent.

For more on scope 1, 2 and 3 see [here](#).

Various meetings of our sustainability groups guided the planning and execution of eco-conscious initiatives, and the School's environmental credentials were demonstrated through certification within the Green Small Business program. The programme provides a framework for continual action and transparent tracking of our operations within sustainability. However, we still recognise and raise the question of how to most appropriately measure the impacts of our actions on both the facilities and our students as learners.

The dedication to sustainability was affirmed through the renewal of our Eco Schools Green Flag and TfL Stars awards. The former recognises the engagement of the extracurricular pupil-run Eco Committee in sustainability leadership throughout the school. Across various subjects, we seamlessly integrated sustainability through our innovative 'green seasoning' approach, nurturing a culture of environmental awareness among students. Events such as Earth Day and the outdoor classroom 'festival' celebrated our commitment to sustainability, fostering a deeper connection with the natural world.

Halcyon's influence extended beyond our school as we shared our approach at the London Schools Eco Network conference, and as members of the UK Schools Sustainability Network we have the benefit of learning from best practice developed elsewhere.

As we reflect on what sustainability looks like in our community and beyond, we remain centred on the impact of our actions on the learning and modelling experience of our students and the ways in which they apply their learning well into their adult lives. The delivery of core, fundamental school services underline this approach: a solely vegetarian catering in-house service provision; preference to digital resource to reduce paper printing; use of public transport for most trips and visits; a requirement that all students have a tfl travel card; rejection of the traditional school bus "collection & drop-off" service; and the specific encouragement of walk and bike to school schemes.

STRATEGIC AIM AND INTENDED EFFECT

THE HALCYON MISSION

“to provide an exceptional education that draws out the unique potential of each student”

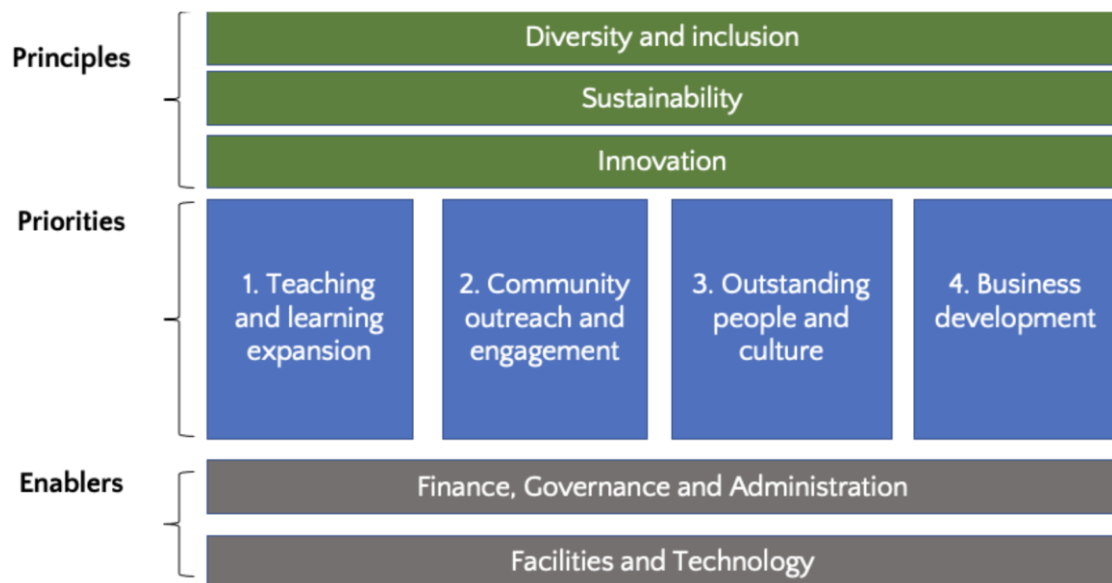
Our purpose of realising the full potential of every student in our community - a mission that prepares young people for the world of today and tomorrow - is achieved through small class sizes, a rich and diverse curriculum, and an extraordinarily talented teaching team.

Innovation - building a creative and questioning culture

Collaboration - learning and succeeding together

Community - valuing one another and learning together

STRATEGIC FRAMEWORK



The Board establishes and maintains explicit Strategic Policies in the following key domains:

- Governance
- Admissions
- Finance
- Human Resources
- Teaching and Learning
- Facilities
- Community Engagement

Our Strategic Planning is guided by our Strategic Policies which are informed by the Halcyon Mission. The Strategic Policies serve as a basis for school governance and are the essential foundation for establishing the overall direction of the School. It is the responsibility of the School Director to translate these Strategic Policies into specific operational programmes and procedures that will be gauged against key performance indicators set by the School Board.

Strategic priority 2021-26

Many of the items below in the 2021-2026 plan have been fully or substantially achieved, others will be removed and amended over the course of the upcoming planning review. The School is approaching the end of its planning cycle and a new plan to take effect from 2026 is being formulated.

A. Learning and Teaching

1. Offer primary education at or before 2026
2. Expand and develop social emotional learning (SEL) and Approaches to Learning across the school
3. Review and refine Halcyon's course offer, in line with increased demand and our strategic objectives
4. Build on our experience to develop the use of data and technology in teaching and learning

B. Community Engagement

1. Deliver an outstanding programme of Halcyon events with a special focus on integrating parents into the community
2. Improve the experience of transition for families new to Halcyon
3. Develop and deliver an effective, mission-driven alumni programme
4. Grow regular giving donations by 10-25% year on year
5. Expand Halcyon's bursary programme to reflect our commitment to the public benefit
6. Use Halcyon facilities to expand opportunities for the local community

C. Outstanding People and Culture

1. Develop succession plan for the Board and SLT
2. Develop and implement a comprehensive K-12 people and culture strategy
3. Create and implement a schoolwide Sustainability Policy that clarifies where Halcyon will meet or exceed government standards
4. Deliver further DEI training for staff, Board and students to continuously develop knowledge, competencies and understanding

D. Business Development

1. Secure new facilities for the secondary school
2. Grow student admissions to 248-268
3. Refine Halcyon's admissions policy in line with our values and strategy – and embed it
4. Build new mutually beneficial external partnerships that support our strategic ambitions
5. Generate additional income to support an expanded bursary programme
6. Increase awareness of Halcyon and its offer, in the UK and internationally

PUBLIC BENEFIT

Principal Activity

The principal activity is the provision of an innovative, life-ready education that is not-for-profit, co-educational, International Baccalaureate (IB), international day school, in central London for students aged 11 to 18 and that places a high emphasis on student-centred learning and wellbeing.

The School's charitable objective is "to advance education". This objective is recognised as benefiting the public when pursued in the context of formal education in a body where all surplus funds are reinvested. Halcyon is a company limited by guarantee, with no external shareholders and no possibility of making distributions, including in the form of dividends. All surpluses are re-invested in education at Halcyon and projects outside of the School that support the students' educational experience.

Framework

In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011.

With reference to the Charity Commission's supplementary public benefit guidance on advancing education and on fee-charging. Halcyon London International School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Its fees are set at a level to ensure the financial viability of the School at a level that is consistent with its aim of providing a first-class education to all students.

In shaping the objectives and planning activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2).'

Bursaries

The School has a framework and policies for a means-tested bursary programme with the intention of widening access to charitable activities. The programme provides a Halcyon education to students who fulfil the admissions criteria but cannot afford all or part of the tuition fees. The bursary programme receives annual financial support from donors and since 2017 has been allocated income from unrestricted funds. The aspirational goal is that the bursary programme will support 10% of the student body, with awards ranging from 10% to 100% of educational costs.

Community partnership links

The service learning aspect that runs through the IB curriculum for all grades shapes meaningful relationships with organisations from the wider community in order to facilitate deeper learning experiences for our students.

A commitment to building meaningful institutional partnerships is supported through allocating resources via the post of a project leader. The leader builds and shares key information on a list of partners with the Halcyon learning community to facilitate deeper, more collaborative experiences with the wider community.

Safeguarding Statement

The School is committed to safeguarding and promoting the welfare of pupils and expects all stakeholders to share this commitment.

Trustees monitor that safeguarding arrangements are effective by:

- ensuring that safeguarding is an agenda item at every Board meeting
- appointing a Trustee with responsibility for safeguarding who oversees and monitors arrangement and who collaborates with School leadership
- reviewing an annual report compiled by the DSL detailing how School procedures are working and providing an update on staff training
- undertaking the necessary training as required
- the appointed Trustee and/or Board Chair, if necessary, review specific reports

Equal Opportunities

Halcyon London International School is an equal opportunities organisation and is committed to a working and educational environment that is free from any form of discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Staff have access to a generous staff development programme and are consulted when key decisions which directly impact on them are being made so that their views can be taken into account.

The School aims to recruit the most capable and well-qualified staff. Salaries are reviewed on an annual basis in an open and transparent way, balancing developments in the sector with the fact that the School is small and runs as a not for profit organisation.

The School's HR and Admissions practices aim to recruit on a fair and non-discriminatory basis, to create an inclusive and diverse community that better reflects our society and best prepares students for life.

GOVERNANCE, ORGANISATION & EXECUTIVE MANAGEMENT

Governing Document

Halcyon London International School is a charitable company limited by guarantee, incorporated on 26 June 2012, and registered as a charity on 10 December 2012. The company was established under a Memorandum of Association and is governed under its Articles of Association which established the objects and powers. In the event of the winding up of the charitable company the liability of the members is not to exceed £1 each.

Governing Board

The members of the Board, as the charity Trustees, are legally responsible for the overall management and control of the School. They meet at least five times per year and additionally hold strategic planning days throughout the year.

The Board is committed to delivering and developing the School's mission statement.

All Trustees give of their time freely and no remuneration was paid in the year. No Trustee or person connected with a Trustee has received any benefit from their position.

Trustee Recruitment and Training

Prior to making trustee appointments, the Board considers the specialist skills and experience which will be needed from new trustees based on the School's strategic priorities. There is a detailed recruitment process involving interviews and references, with safeguarding an important factor within this.

Induction sessions with the Board Chair, Director and other key staff members are offered to new trustees as well as external training courses. Reference materials such as the Board Manual provide trustees with comprehensive information on how the Board operates.

Trustees see training and development as a priority and all trustees have access to external training courses and online resources. Additionally, presentations and briefings on current issues are an important feature of Board and committee meetings. During the year sessions have included interdisciplinary learning, approaches to learning, well-being and digital safety.

Trustees are aware of The Charity Governance Code which sets out the principles and recommended practice for good governance within the sector.

Organisation Management

Board Committees

Trustees have established the following committees to support the work of the Board and all Trustees have access to papers for all committees to enable them to stay informed:

Board Committee Membership 2025/26

	GC	PC	FC	Fa C	CP	L&T
Rita Halbright (Chair)	✓		✓	✓		
Michael Cutbill (Vice-Chair)			✓	✓		Chair
Achim Beck			Chair	Chair		
Eli Haroush (Appointed 26 March 2024)	✓					
Satoko Jenkins (Appointed 26 March 2024)			✓	✓		
Alexia Phillips (Appointed 26 March 2024)			✓	✓		
Dipali Sahni		✓				

<i>(Appointed 26 March 2024)</i>						
Pamela Sears	Chair	Chair				✓
Sally Thorogood <i>(Appointed 26 March 2024)</i>		✓			✓	✓

The grid above shows details of the various committees on which Trustees served during the year:

- GC. The Governance Committee is responsible for supporting the board by acting as the coordinating committee in the planning and organisation of the Board's workload, recruitment, training needs, succession planning and board and director assessment.
- PC. The Policy Committee supports the School and Board in managing and reviewing policies to ensure that the School is fully compliant in all areas and has clear systems and procedures in place to support the day to day operation of the School
- FC. The Finance Committee provides financial oversight and sets long-term financial goals
- FaC. The Facilities Committee supports the Board in the formulation and implementation of strategy, policies and guidelines covering all aspects of the facilities required for teaching, learning, extracurricular, administration, growth, and all other operations

- CP. The Child Protection Safeguarding Lead supports the School and the Board in managing Safeguarding and Safer Recruitment, overseeing that all stakeholders are aware of and are fulfilling their responsibilities, and ensuring that Safeguarding and Safer Recruitment remain a key School and Board priority. The Designated Safeguarding Board Members serve to support the School and liaise with the Director, the DSL and Wellbeing Team in the event of a safeguarding incident
- L&T. Whilst the Board has overall responsibility to ensure the quality of the overall educational programming of the school, the Learning and Teaching Committee works with the Director and/or members of the SLT to identify, discuss and ultimately present to the Board on specific strategic questions relating to Halcyon's educational offerings, its curriculum, academic admissions criteria and other aspects of learning and teaching.

Community

Trustees held their annual meeting with parents to update them on strategic policies, share new developments and respond to any queries. Trustees held an event in the autumn for new families, attended school events throughout the year and took part in some CPD events with staff. This enables trustees to form good relationships with all stakeholders.

Executive Management

The Trustees determine the general policies of the School and entrust the day to day running of the School to the School Director.

The School Director is supported by a Leadership Team including the Director of Finance and Operations, Learning Systems Coordinator, IB-MYP and IB-DP Coordinators, Wellbeing Leader, HR Manager and Admissions Director. This team is supported by administrative and teaching staff. The School Director undertakes the key leadership role overseeing educational, pastoral, and administrative functions.

The day to day administration of the school is undertaken within the policies and procedures approved by the Board. Trustees are committed to partnership working. The School Director and Director of Finance and Operations (DFO) attend all Board meetings. In addition, the Director sits on all committees and the DFO sits on both the Facilities and Finance Committees meetings.

The Senior Leadership Management Team meets weekly to implement the general policy of the School and review its overall management and control.

The Senior Leadership Learning Team meets weekly and through these meetings drive the interdisciplinary approach that the School takes in delivering the curriculum.

During the year the Director and the Board jointly implemented a strategic review, together with members of each stakeholder group (Board, staff, students, and parents) to develop the next phase of the School's Strategic Plan.

The pay and remuneration of all salaried staff is reviewed annually and approved by the Board. The School aims to recruit the best teachers possible. Delivery of the School's charitable object and aim is primarily dependent on them, and therefore staff costs are the largest single element of charitable expenditure.

Risk Management

The Trustees use a rated risk register to identify risks and apply mitigations. The Board highlight key risks to the School as:

- Falling admissions roll due to the potential failure to attract and retain sufficient students
- Staffing impacted by local conditions and living costs
- Inadequate premises to continue to provide for the School's educational aims
- The political climate and potential impact on the Independent Schools
- Potential damage to the School's reputation
- The adverse effect of Government Policy, including imposition of VAT on school-fees

The Trustees continue to keep the School's activities under review, particularly with regard to any major unexpected risks which might arise from time to time. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified by the Trustees can be mitigated.

AUDITORS

The appointment of auditors will be proposed at the annual general meeting in accordance with section 487 of the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors for the purposes of the Companies Act, have pleasure in presenting their report for the year ended 31 July 2025 under the Companies Act 2006 and the Charities Act 2011. The audited financial statements for the year comply with the requirements of the Companies Act 2006, the Company's Memorandum and Articles of Association and the Charities SORP (FRS 102).

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.) Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. There is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees' report is approved by the Trustees of the Charity. The Strategic Report, which forms part of the annual report, is approved by the Trustees in their capacity as directors in company law of the charity.

Approved by the Board on 27th November 2025 and signed on its behalf:

Rita Halbright

Rita Halbright (Chair)

COMPANY INFORMATION

Registered Charity Name	Halcyon London International School
Charity Number	1150105
Company Registration Number	08120017
Registered Office	33 Seymour Place London W1H 5AU
Trustees/Directors	Achim Beck Alexia Philips Dipali Sahni Eli Haroush Julie Matthaeus Michael Cutbill Pamela Sears Rita Halbright Sally Thorogood Satoko Jenkins
Chair	Rita Halbright
Vice-Chair	Michael Cutbill
School Director	Barry Mansfield
Website	www.halcyonschool.com

Professional Advisers

Auditors	UHY Hacker Young
Bankers	Barclays Bank & Lloyds Bank
Solicitors	Veale Wasbrough Vizards

REFERENCE & ADMINISTRATIVE INFORMATION

Halcyon London International School is a charitable company founded in 2012 and incorporated as a company limited by guarantee in June 2012.

Founding Members

The Founding Members of the charity were:

Achim Beck
Rita Halbright
Julie Matthaeus
Pamela Sears

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL

Opinion

We have audited the financial statements of Halcyon London International School ("the charitable company") for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charitable company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and Charities SORP 2019 and FRS 102. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting transactions, in particular in relation to income recognition, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charitable company which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Substantively testing of revenue and testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud;
- Discussing amongst the engagement team the risks of fraud such as opportunities for fraudulent manipulation of financial statements; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HALCYON LONDON INTERNATIONAL SCHOOL (Continued)

- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

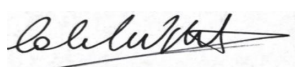
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other Matters

The financial statements of Halcyon London International School for the year ended 31 July 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 15 October 2024.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Colin Wright

(Senior Statutory Auditor)

For and on behalf of UHY Hacker Young

Date: 04-12-2025

Chartered Accountants and Statutory Auditor

4 Thomas More Square, London E1W 1 YW

HALCYON LONDON INTERNATIONAL SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) FOR THE YEAR ENDED 31 JULY 2025

		Unrestricted/ Designated Funds	Restricted Funds	Total 2025	Total 2024
	Notes	£	£	£	£
INCOME FROM:					
Charitable activities					
School fees	3	5,287,437	-	5,287,437	5,612,065
Other educational income	4	414,914	-	414,914	537,580
Investments					
Investment Income	5	190,741	-	190,741	110,476
Voluntary sources					
Grants and donations	6	45,800	-	45,800	90,898
Total income and endowments		5,938,892	-	5,938,892	6,351,019
EXPENDITURE ON:					
Charitable activities					
Education		6,134,054	-	6,134,054	5,976,322
Total Expenditure	7	6,134,054	-	6,134,054	5,976,322
Net income		(195,162)		(195,162)	374,697
Transfer between funds		-	-	-	-
Net movement in funds		(195,162)	-	(195,162)	374,697
Fund balances brought forward		3,170,678	-	3,170,678	2,795,981
Fund balances carried forward		2,975,516	-	2,975,516	3,170,678

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognized gains and losses has not been prepared. All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

HALCYON LONDON INTERNATIONAL SCHOOL

BALANCE SHEET AS AT 31 JULY 2025

		2025	2024
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	588,975	296,545
DEBTORS: Amounts falling due after one year	13	80,000	-
CURRENT ASSETS			
Debtors	13	524,018	485,502
Cash at bank and in hand		4,630,534	5,766,562
		5,154,552	6,252,064
CREDITORS: Amounts falling due within one year	14	(2,536,885)	(2,721,485)
NET CURRENT ASSETS		2,617,667	3,530,579
TOTAL ASSETS LESS CURRENT LIABILITIES		3,286,642	3,827,124
CREDITORS: Amounts falling due after one year	15	(311,126)	(656,446)
NET ASSETS		2,975,516	3,170,678
FUNDS:			
Restricted funds	16	-	-
Unrestricted funds – general	16	2,975,516	3,170,678
Unrestricted funds - designated	16	-	-
TOTAL FUNDS		2,975,516	3,170,678

These financial statements were approved by the members of the Board on the 27th November 2025.

Rita Halbright

Rita Halbright

Chair of the Board of Director

The accompanying notes form part of these financial statements.

Company Number: 08120017

HALCYON LONDON INTERNATIONAL SCHOOL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2025

	Notes	2025	2024
		£	£
Net cash (outflow)/inflow from operating activities	22	(809,717)	1,325,165
Cash flows from investing activities:			
Bank interest received		190,741	110,476
Interest paid		-	(330)
Payments to acquire fixed assets		(517,053)	(109,180)
Net cash (outflow)/inflow from investing activities		(326,312)	966
Financing:			
Loans repaid		-	(22,000)
Net cash flow from financing activities		-	(22,000)
(Decrease)/increase in cash		(1,136,028)	1,304,131
Cash and cash equivalents at the beginning of the reporting period		5,766,562	4,462,431
Cash and cash equivalents at the end of the reporting period	23	4,630,534	5,766,562

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025**

1. ACCOUNTING POLICIES

Halcyon London International School is a company limited by guarantee with registered number 08120017, incorporated and domiciled in England and Wales. The registered office is 33 Seymour Place, London, W1H 5AU.

a) Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP, second edition effective January 2019), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

b) Going Concern

The Directors have reviewed the current cash balance and unrestricted reserves available to the School, alongside accurate long term financial forecasts, together with the expected ongoing demand for places and the resulting cash flows. Directors have a reasonable expectation that the School has robust resources to continue its activities for the foreseeable future, despite the admissions headwind caused by the imposition of VAT on School Fees from 2025. The Board considers that there are no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

c) Company Limited by Guarantee

The company is limited by guarantee, the guarantors at the present time being the Directors, to the extent of £1 each.

d) Fees Receivable and Similar Income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school.

e) Donations and Fund Accounting

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025**

f) Expenditure

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Expenditure attributable to more than one cost category in the Statement of the Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate.

Governance costs compromise the costs of running the Trust, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

g) Fixed assets and depreciation

All fixed assets are used in direct furtherance of the School's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Buildings and improvements	- 20% on cost
Computers	- 33% on cost
Fixtures and fittings	- 20-25% on cost

h) Pensions

The school contributes to a money purchase retirement benefit scheme for staff. The pension cost charged in the financial statements represent the contributions payable by the school during the year.

i) Leases and Hire Purchase Contracts

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly under the period of the lease.

j) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

k) Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025**

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 13, 14 and 15 for the debtor and creditor notes.

l) Employee Benefits

The costs of short-term employee benefits including holiday pay are recognised liability and an expense.

2. KEY ESTIMATES & JUDGEMENTS

In the application of the company's accounting policies, the Board is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the opinion of the Trustees, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Significant estimates

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have the most significant effect on amounts recognised in the financial statements.

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of property, plant and equipment and note 1.g for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of debtors and associated impairment provision.

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

3. FEE INCOME

The School's activities are carried out within the UK	2025	2024
The School's fee income comprised:	£	£
Gross fees	5,533,930	5,809,064
Less: Scholarships and bursaries	(246,493)	(196,999)
	<u>5,287,437</u>	<u>5,612,065</u>

4. OTHER EDUCATIONAL INCOME

	2025	2024
	£	£
Extras and disbursements	280,397	359,129
Registration fees	24,617	19,188
Other income	109,900	159,263
	<u>414,914</u>	<u>537,580</u>

5. INVESTMENT INCOME

	2025	2024
	£	£
Interest received	<u>190,741</u>	<u>110,476</u>

6. DONATIONS AND GRANTS

	2025	2024
	£	£
Donations and gifts	<u>45,800</u>	<u>90,898</u>
	<u>45,800</u>	<u>90,898</u>

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

7. EXPENDITURE

(a) Charitable expenditure	Staff costs	Other	Depreciation	Total 2025
	£	£	£	£
Teaching	3,273,823	740,110	-	4,013,933
Welfare	-	165,035	-	165,035
Premises and Estates	-	499,727	162,934	662,661
Administration	581,156	556,630	61,615	1,199,401
Governance	58,469	34,555	-	93,024
Total expenditure	3,913,448	1,996,057	224,549	6,134,054

Charitable expenditure	Staff costs	Other	Depreciation	Total 2024
	£	£	£	£
Teaching	3,153,701	886,210	-	4,039,911
Welfare	-	176,517	-	176,517
Premises and Estates	-	539,503	74,829	614,332
Administration	389,616	608,567	63,190	1,061,373
Finance Costs	-	330	-	330
Governance	47,950	35,909	-	83,859
Total expenditure	3,591,267	2,247,036	138,019	5,976,322

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

7. EXPENDITURE (Continued)	2025	2024
	£	£
(b) Governance Costs include:		
Auditors remuneration	28,210	18,530
Trustees' expenses and meetings	6,345	17,379
Staff costs	58,469	47,950
	<u>93,024</u>	<u>83,859</u>
(c) Administration Costs	2025	2024
	£	£
Salaries	581,156	389,616
Other Staff Costs	9,626	14,190
Staff Travel	9,286	3,509
Insurance	53,353	52,300
IT Consultants	126,484	134,419
Computer costs	50,013	80,988
Postage and Stationery	7,907	13,682
Telephones	14,039	13,855
Marketing and advertising	183,886	176,738
Accountancy	6,142	5,766
Miscellaneous – Administration	13,928	18,919
Bad debts	-	-
Depreciation	61,615	63,190
Recruitment Costs	90,700	87,270
Legal and Professional Fees	16,505	6,931
VAT	(25,239)	-
	<u>1,199,401</u>	<u>1,061,373</u>

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

8. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	3,399,596	3,140,021
Social security costs	375,123	331,774
Other pension costs	138,729	119,472
Other staff costs	-	-
	<u>3,913,448</u>	<u>3,591,267</u>

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

	2025	2024
	No.	No.
Teaching	37	35
Premises	16	16
Support	7	6
	<u>60</u>	<u>57</u>

The number of employees whose emoluments £60,000 in the year was as follows:

	2025	2024
	No	No
£60,001 - £70,000	14	17
£70,001 - £80,000	6	-
£80,001 - £90,000	2	3
£90,001 - £100,000	2	-
£100,001 - £110,000	1	1
£150,001 - £160,000	-	-
£170,001 - £180,000	1	1
	<u>26</u>	<u>22</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

8. COSTS (continued)

All of these higher paid employees are accruing retirement benefits under the defined contribution scheme. Contributions this year totalled £80,456 (2024: £65,823).

The school considers that the key management personnel comprise of the trustees and the senior management team – who are the Director, the Admissions Directors, Human Resources Director, the Well Being Leader, the MYP Coordinator, the DP Coordinator, the Systems Learning Coordinator and the Finance Director. The total employee benefits including pension costs of the key management personnel of the school were £883,557 (2024: £791,627).

9. DIRECTORS REMUNERATION AND BENEFITS

There were no Directors' remuneration or other benefits for the year ended 31 July 2025 nor for the year ended 31 July 2024.

Travel and training expenses of £Nil (2024: £Nil) for £Nil (2024: £Nil) directors were paid by the Charity during the year.

10. PENSIONS

The school operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the school and amounted to £138,729 for the year (2024: £119,472).

11. NET INCOME FOR THE YEAR

	2025	2024
	£	£
Net income is stated after charging:		
Auditors' remuneration		
- for audit	17,000	16,200
- for other services	2,000	1,450
Depreciation of tangible fixed assets	224,549	138,019
Loss on tangible fixed assets	74	105,842
Loan interest	-	330
Operating lease rentals	397,211	373,830

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

12. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures & Fittings £	IT Equipment £	Total £
Cost				
As at 1 August 2024	719,869	55,988	148,262	924,119
Additions	440,524	22,485	54,044	517,053
Disposals	-	-	(74,030)	(74,030)
At 31 July 2025	1,160,393	78,473	128,276	1,367,142
Depreciation				
As at 1 August 2024	492,251	19,184	116,139	627,574
Charge for the year	162,934	18,899	42,716	224,549
Disposals	-	-	(73,956)	(73,956)
At 31 July 2025	655,185	38,083	84,899	778,167
Net Book Value				
At 31 July 2025	505,208	40,390	43,377	588,975
Net Book Value				
At 31 July 2024	227,618	36,804	32,123	296,545

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

13. DEBTORS

Current Debtors	2025	2024
	£	£
Fees and extras	255,545	181,900
Other debtors	4,110	451
Landlord Loan	20,000	-
Prepayments and accrued income	244,363	303,151
	<hr/>	<hr/>
	524,018	485,502
	<hr/>	<hr/>
Non-Current Debtors		
Landlord Loan	80,000	-
	<hr/>	<hr/>
	80,000	-
	<hr/>	<hr/>

Halcyon London International School has lent £100,000 to West London Synagogue, payable upon lease completion. The loan is interest-free, unsecured, and repayable over five years in equal quarterly instalments on Rent Payment Dates.

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

14. CREDITORS

	2025	2024
	£	£
Amounts falling due within one year:		
Trade creditors	109,506	13,022
VAT liability	228,345	-
Fee deposits	31,500	42,000
Fees in advance (deferred income)	2,071,955	2,550,882
Other creditors	60,779	86,581
Accruals	34,800	29,000
	<u>2,536,885</u>	<u>2,721,485</u>
<i>Deferred income:</i>		
Brought forwards	2,996,335	1,870,289
Released in year	(2,550,882)	(1,870,289)
Received in year	1,730,502	2,996,334
Carried forwards	<u>2,175,955</u>	<u>2,996,334</u>
Deferred income relates to school fees received in advance for the following term.		

15. CREDITORS DUE AFTER ONE YEAR

	2025	2024
	£	£
Amounts falling due after one year:		
Fee Deposits	207,126	210,994
Fees in advance (deferred income)	104,000	445,452
	<u>311,126</u>	<u>656,446</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

16. SUMMARY OF FUNDS

	At			Transfer		At
	1 August			Between	Gains and	31 July
	2024	Income	Expenditure	Funds	Losses	2025
	£	£	£	£	£	£
Restricted funds:						
Bursary program	-	-	-	-	-	-
Unrestricted funds:						
General reserve	3,170,678	5,938,892	(6,134,054)	-	-	2,975,516
Total funds	3,170,678	5,938,892	(6,380,054)	-	-	2,975,516

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

16. SUMMARY OF FUNDS (continued)

	At 1 August 2023 £	Income £	Expenditure £	Transfer Between Funds £	Gains and Losses £	At 31 July 2024 £
Restricted funds:						
Bursary program	42,436	-	-	(42,436)	-	-
Unrestricted funds:						
General reserve	2,753,545	6,351,019	(5,779,323)	(154,563)	-	3,170,678
Designated fund:						
Bursary fund	-	-	(196,999)	196,999	-	-
Total funds	<u>2,795,981</u>	<u>6,351,019</u>	<u>(5,976,322)</u>	<u>-</u>	<u>-</u>	<u>3,170,678</u>

Designated funds:

The Bursary Fund relates to amounts set aside by the Trustees for the school to provide bursaries. The transfer in the year represents additional amounts set aside for future years less the spend on bursaries in the year from this fund. Expenditure is netted off within income.

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2025
	Funds	Funds	Total
	£	£	£
Tangible fixed assets	588,975	-	588,975
Current assets	5,234,552	-	5,234,552
Current liabilities	(2,536,885)	-	(2,536,885)
Non-current liabilities	(311,126)	-	(311,126)
Total net assets	2,975,516	-	2,975,516

	Unrestricted	Restricted	2024
	Funds	Funds	Total
	£	£	£
Tangible fixed assets	296,545	-	296,545
Current assets	6,252,064	-	6,252,064
Current liabilities	(2,721,485)	-	(2,721,485)
Non-current liabilities	(656,446)	-	(656,446)
Total net assets	3,170,678	-	3,170,678

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

18. COMMITMENTS UNDER OPERATING LEASES

At 31 July 2025, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025		2024	
	Land & Buildings	Office Equipment	Land & Buildings	Office Equipment
	£	£	£	£
Due within one year	470,000	-	242,821	-
Due between two and five years	1,880,000	-	893,747	-
Due after more than five years	-	-	835,326	-
Total funds	2,350,000	-	1,971,894	-

19. RELATED PARTIES

During the year, the Trustees donated a total of £100 (2024: £470) to the School.

During the period interest payable of £Nil (2024: £180) was charged to the school on these loans.

Trustees had expenses paid or reimbursed by the Charity during the year as below. The number of Trustees to have expenses paid or reimbursed in the year was 7 (2024: Nil).

Expenses paid or reimbursed	2025	2024
	£	£
Travel	285	-
Professional Services	109	-
Professional Development	78	-
	<u>472</u>	<u>-</u>

HALCYON LONDON INTERNATIONAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

20. CAPITAL COMMITMENTS

At 31 July 2025 the School had outstanding contractual commitments for capital expenditure of £Nil (2024: £Nil).

21. CONTROL

The ultimate controlling party is the Board of Directors.

22. NOTES TO THE CASH FLOW STATEMENT

	2025	2024
	£	£
<i>Reconciliation of operating result to net cash inflow from operating activities:</i>		
Net movement in funds	(195,162)	374,697
Depreciation	224,549	138,019
Bank interest received	(190,741)	(110,476)
Interest payable	-	330
Loss on sale of fixed assets	74	43,442
(Decrease)/increase in creditors	(529,921)	1,162,494
Increase in debtors	(118,516)	(283,341)
	<u>(809,717)</u>	<u>1,325,165</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

23. ANALYSIS OF NET DEBT

	At 1 August 2024 £	Cash Flows £	Non-cash movements £	At 31 July 2025 £
Cash in hand	5,766,562	(1,136,028)	-	4,630,534
Loans due within one year	-	-	-	-
Loans due after one year	-	-	-	-
Total cash and cash equivalents	5,766,562	(1,136,028)	-	4,630,534

	At 1 August 2023 £	Cash Flows £	Non-cash movements £	At 31 July 2024 £
Cash in hand	4,462,431	1,304,131	-	5,766,562
Loans due within one year	(22,000)	21,000	1,000	-
Loans due after one year	-	-	-	-
Total cash and cash equivalents	4,440,431	1,325,131	1,000	5,766,562



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Halcyon London International School

Audit Findings Report

Year ended 31 July 2025



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Strictly Private and Confidential

This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as this report has not been prepared for and is not intended for any other purpose.

01 Introduction and independence

Halcyon London International School (“Halcyon School”)

Purpose of this audit findings report

The purpose of this report is to provide constructive observations which have arisen from our audit of the financial statements of Halcyon London International School (“the Charity”) for the year ended 31 July 2025.

This report provides an update to the matters raised in our Audit Service Plan, which was provided to the Trustees on 19 August 2025, focussing on observations that are significant to the responsibility of those charged with governance to oversee the financial reporting process as required by International Standard on Auditing (UK) 260, *Communication with those charged with governance*, (ISA (UK) 260).

Included within this Report are details of any unadjusted misstatements in the financial statements (with the exception of those deemed to be “clearly trivial”), any material weaknesses in systems we have identified during the course of our audit work and our views about the quality of accounting practices and financial reporting procedures, together with any further relevant matters.

Audit scope

Our terms of engagement are set out in our engagement letter dated 9 June 2025. This sets out our audit responsibilities and their limitations and the responsibilities of the Trustees in relation to the financial statements.

Our Audit Service Plan set out in detail the key issues and risks identified at the planning stage and the related planned audit responses. It also explained that our audit approach concentrates on areas of material risk of misstatement in the financial statements to allow us to reach our opinion in accordance with auditing standards.

Audit independence

We are required to reaffirm our independence at the conclusion of the audit.

We confirm that no matters have arisen that impact on our previous statement made in our Audit Service Plan that there are no relationships between our firm and connected entities and your Charity and related entities that need to be brought to your attention.

Should you have any questions relating to the issue of our independence and objectivity, please do not hesitate to contact **Colin Wright** on **+44 20 7216 4600** or at **c.wright@uhy-uk.com**

Confidentiality and limitations

Please note the following important limitations with regards to the contents of this Report:

- This Report has been prepared for the sole use of Halcyon International London School;
- The contents of this Report must not be disclosed or quoted to third parties, in whole or in part, without our prior written consent;
- We assume no responsibility to any other person; and
- Our procedures are carried out solely for the purpose of our audit of the financial statements. Our audit is not designed to identify all matters that may be relevant to those charged with governance; accordingly the matters referred to within this Report may not be the only shortcomings that exist.

Recommendations

All issues raised within this Audit Findings Report have been discussed with management.

Acknowledgement

We would like to thank all staff who were involved in the audit for their help and co-operation during our audit visit, particularly Jon Taylor and his team. It has been a pleasure to work with Jon Taylor and we are grateful for the time he has taken to assist with our queries.

02 Audit status

Status of the audit

Our work was carried out in accordance with our audit plan communicated to you in our Audit Service Plan dated 19 August 2025.

Throughout our work we considered the key audit risks noted in our Audit Service Plan, and no matters were identified which required us to change our approach. Further to this, no additional risks were identified. We comment on the original risks communicated in our Audit Service Plan, and our conclusion on these risks later in this Report.

Our audit is substantially complete, although we are finalising our procedures in the following areas:

Outstanding matters:	Signed Trustees Report
	Signed Statement of Financial Position
	Signed letter of representation

We do not anticipate that the completion of our work in these areas will give rise to any material adjustment.

Our responsibilities with regards to post balance sheet events and going concern continue up to the point at which we sign our audit report. We will therefore assess, and may request, further information from management in respect of these areas up to this point.

Letter of representation

We have forwarded the Letter of Representation, which we request that the Trustees approve and sign at the same time as the financial statements, under separate cover. This letter contains only standard matters with no specific representations in respect of the Charity.

Anticipated audit report

Subject to the conclusion of the above items, we do not expect any modifications to our audit report on the financial statements for the year ended 31 July 2025. However, our responsibilities with regards to the audit report extend up to the date on which it is signed and we will advise you of any changes to this position if necessary.

Consideration of fraud

We have discussed fraud with Jon Taylor and it was confirmed that:

- there have been no instances of fraud during the year; and
- those charged with governance of the charitable company consider there to be a low risk of fraud.

During the course of our work, we found no evidence of fraud or corruption. We must emphasise, however, that the responsibility for the prevention of, and detection of, fraud lies with management and our work does not remove the possibility that fraud and corruption may have occurred and remain undetected.

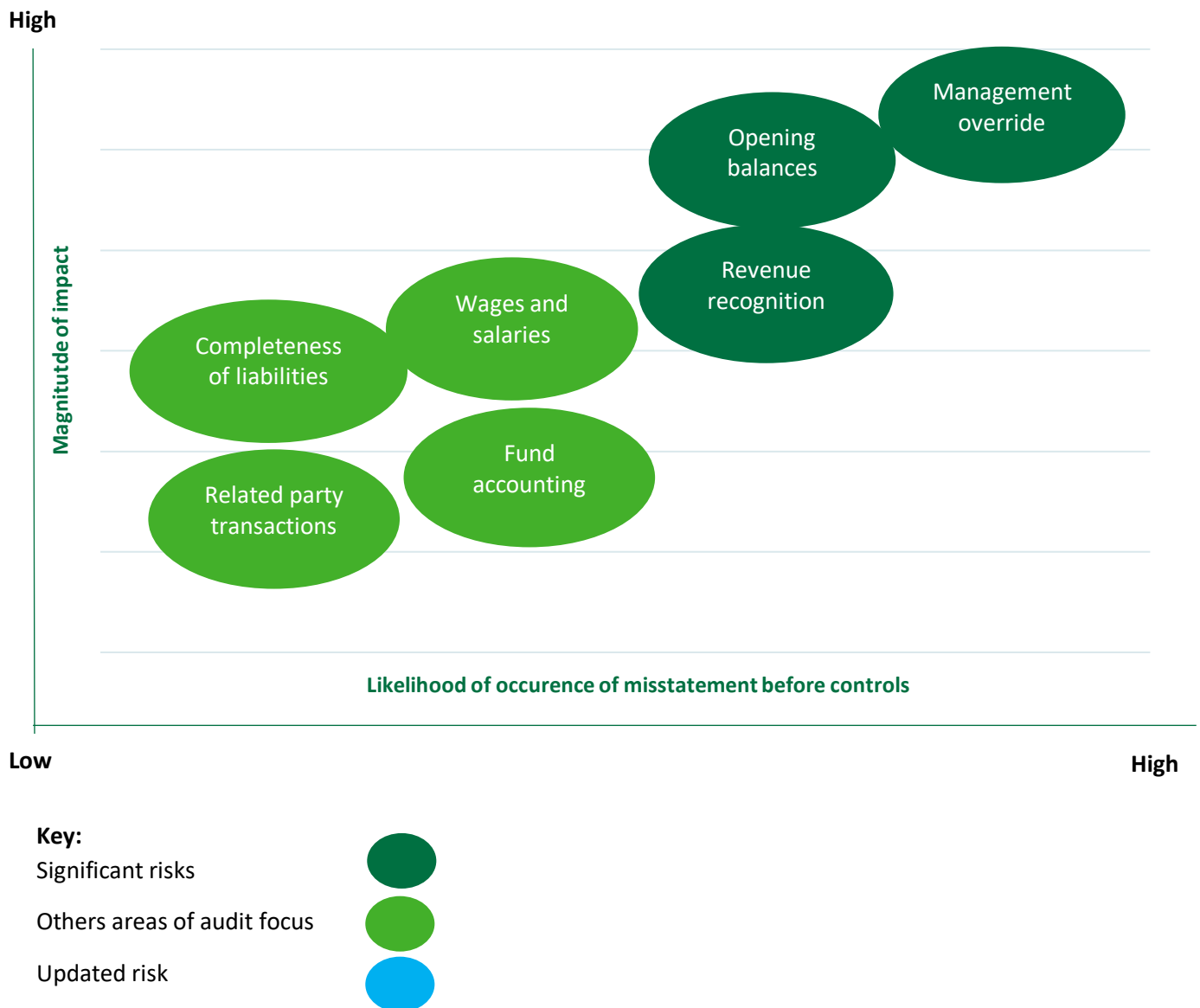
Laws and regulations

We are not aware of any significant incidences of non-compliance with laws and regulations that would have an impact on our audit report.

03 Assessment of key risk areas

The table below set out our initial assessment of the Charity’s key audit risks relating to the year ended 31 July 2025 as originally communicated in our Audit Service Plan.

Within this section we comment on the results of our work undertaken in connection with these risks previously identified at planning, together with communicating any additional risks in relation to the financial statements of Halcyon School that came to our attention during the course of our audit fieldwork



Update on risk profile

The work undertaken during the course of our audit fieldwork did not indicate that the risk profile of the above matters has significantly changed from our initial assessment.

04 Significant risks

Risks identified in Audit Service Plan	Work undertaken by management	Audit procedures and conclusion
Revenue recognition		
<p>Halcyon School has a number of different income streams, with the main one being tuition fees. Per ISA 240, auditors are required to presume that there is a risk of fraud in income recognition. As such, there's a significant risk in relation to the tuition fee income given that it's highly material to the financial statements. In addition, tuition fee income is presented net of bursaries awarded to students. There is a risk that bursaries may be understated, resulting in overstatement of net income. The Charity's accounting policies for income should follow the criteria set out in FRS 102 and the Charities SORP.</p>	<p>Recognition of the School's various income streams, in accordance with Charity SORP and UK GAAP and their stated accounting policy.</p> <p>To put controls in place regarding the receipt of income and to perform effective credit control procedures to limit the Halcyon School exposure to bad debts.</p>	<p>We have:</p> <ul style="list-style-type: none"> Analytically reviewed income streams and verified significant movements against expectations. On a sample basis we have ensured the tuition fees are agreed to invoices and the nominal ledger. Vouched to the bursary agreement (where applicable) and ensured the correct cut-off has been applied if part of the income needs to be deferred. <p>Conclusion: We found no significant or reportable adjustments based on the work performed.</p>

Risks identified in Audit Service Plan	Work undertaken by management	Audit procedures and conclusion
Management override of controls		
<p>Under ISA 240 (UK) there is a presumed risk that the risk of management override of controls is present in all entities.</p> <p>Management has the ability to manipulate accounting records and override controls that would otherwise be operating effectively. This includes posting of journals and the judgements involved in accounting estimates within the financial statements. The school's finance team consists of few people with the finance and operations director having primary oversight of all key operational decisions.</p>	<p>The primary responsibility for the detection of fraud rest with management.</p> <p>Management were to ensure there are appropriate internal controls and procedures are in place to prevent override of controls.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Documented the processes around the posting of journals and assessed the design and implementation of those controls. • Considered key accounting policies and whether they are appropriate to the circumstances of Halcyon School and consistent with other organisations in the sector. • Reviewed and verified large and unusual journal entries. • Tested appropriateness of journal entries and other adjustments using MindBridge. • Tested post year end journals raised using MindBridge. • Assessed accounting estimates and judgements applied by management in the financial statements for bias that could result in material misstatements. • Reviewed significant transactions to ensure they were in the normal course of business. <p>Conclusion: We found no indication of management bias or significant transactions outside the normal course of business.</p>
Opening balances		
<p>ISA 710 required auditors to obtain sufficient appropriate audit evidence about whether the opening balances contain misstatements that materially affect the current period's financial statements.</p> <p>This is the first year UHY is auditing Halcyon School,</p>	<p>Management were to ensure there opening balances are aligned with prior year signed accounts.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Reviewed of predecessor auditors' prior year audit file, highlighting areas relating to significant risk, adjustments and audit issues. • Reconciled the opening trial balance to prior year signed audited financial statements.

Risks identified in Audit Service Plan	Work undertaken by management	Audit procedures and conclusion
therefore, sufficient assurance is required over the brought forward balances.		Conclusion: We found no issues in the opening balances.

05 Other areas of audit focus

Other Risks identified in our Audit Service Plan	Work undertaken by Management	Audit procedures and conclusion
Related parties		
<p>Transactions with related parties outside of the normal course of Halcyon School activities are considered to be a significant risk under the International Standards on Auditing (UK).</p> <p>No such transactions are anticipated from our discussions with management at our planning meeting on 15 July 2025. Accordingly, related parties have not been included as a significant audit risk.</p>	<p>Management should ensure that a register of related parties is maintained and regularly updated. This should include trustees, senior leadership, and any entities they are connected to.</p> <p>All trustees and members of the senior leadership team should complete annual declarations of interest. These should be reviewed by the finance and governance teams to identify any potential related party relationships.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Obtained a list of related parties at the planning stage including an assessment of relating internal controls. • Inspected the nominal ledger at the fieldwork stage to ensure that disclosures in the financial statements are accurate and complete. • Obtained board of trustee minutes in order to perform a review to ensure all related party transactions have been disclosed. • Obtained and review board of trustees' declaration of interests to ensure that related party disclosures are complete and accurate. <p>Conclusion: We found no related party transactions outside the normal course of Halcyon London International School's activities. Furthermore, our review of the school's financial records, governance documentation, and declarations of interest did not identify any additional related party transactions requiring disclosure in the Halcyon School's statutory accounts for the year ended</p>
Fund accounting		
<p>Halcyon School only has unrestricted funds. However, there is still a risk that income and expenditure may not be classified correctly in the statutory accounts.</p> <p>There is also an inherent risk that funds have been</p>	<p>To ensure controls are in place for staff to recognise which fund income and expenditure should be allocated to within the accounting software.</p>	<p>We have:</p> <ul style="list-style-type: none"> • As part of our income and expenditure testing, we extended these tests and reviewed the fund classification to ensure the correct fund had been allocated to each transaction.

utilised in accordance with their designated purpose.		Conclusion: We found no issues in the classification of income and expenditure between funds.
Wages and salaries		
Due to the nature of the business, salaries and wages is one of the largest expenses in the profit and loss account. There is a risk that salaries and wages are misstated in the financial statements	<p>To ensure systems and controls are in place to ensure wages and salaries are complete and calculated accurately and agree to supporting documentation, by reconciling it monthly to the general ledger and bank payments.</p> <p>To ensure that remuneration of key management personnel is reviewed and disclosed in accordance with Charities SORP, with support from the payroll provider where necessary.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Performed a payroll reconciliation to compare payroll expenses per the accounts and per the payroll records. • Reviewed payroll records and personnel files to ensure that wages are not materially misstated in the financial statements. • Agreed disclosures to payroll reports. • Agreed the statutory accounts disclosures of higher paid employees and key management personnel to supporting payroll information. • Tested a sample of joiners and leavers to supporting documentation to ensure that cut-off has been applied correctly. <p>Conclusion: We found no issues in the valuation of wages and salaries.</p>
Completeness of liabilities		
There is a risk that liabilities recognised at the balance sheet date are incomplete. Incomplete recognition of liabilities may lead to an understatement of expenses and liabilities, thereby overstating net assets and profit.	<p>To ensure systems and controls are in place to ensure liabilities are complete and calculated accurately and agree to supporting documentation.</p> <p>To ensure liabilities are recognised in accordance with FRS 102 and Charities SORP, ensuring completeness and accuracy of Halcyon School financial reporting.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Obtained creditors schedule and review material movements during the year. • Tested management estimates made for a sample of items to supporting workings and documentation. • Performed Search for unrecorded liabilities testing for period post year end. <p>Conclusion: We found no issues in the completeness of liabilities.</p>

06 Going concern

Overview of the risk	Work undertaken by management	Audit procedures and conclusion
<p>There is a requirement to highlight any judgements about events and conditions that may cast significant doubts over the entity's ability to continue as a going concern.</p>	<p>It is management's responsibly to make an assessment of the Charity's ability to continue as a going concern to support the basis of preparation for the financial statements in accordance with the accounting standards, the Companies Act 2006 and Charities Act 2011.</p> <p>Management was thus required to provide a cash flow forecast with clear details of the key underlying assumptions and the basis for those assumptions, consideration of available finance throughout the forecast period.</p> <p>The going concern assessment must cover a minimum of 12 months from the date of management's approval of the financial statements as well considering any major events or circumstances that may fall outside of this period.</p>	<p>At the planning stage:</p> <p>Based on our knowledge of the Charity's activities and financial position we evaluated the Charity's initial going concern status. This was underpinned from discussions at our planning meeting with the client on 15 July 2025 when we discussed with management going concern assessment.</p> <p>Our audit procedures included:</p> <p>We obtained four-year budgets and cash flow projections that had been prepared in support of the assessment that Halcyon can continue as going concern.</p> <p>We inspected this documentation to satisfy ourselves that the underlying assumptions were reasonable and that the calculations were accurate.</p> <p>We reviewed the FY24/25 budget-to-actual performance to assess the prudence of management's forecasting approach.</p> <p>We also performed sensitivity analysis across three different scenarios to evaluate the entity's ability to continue operations.</p> <p>We reviewed the cash flow projections to confirm that Halcyon has sufficient cash reserves to continue its activities in the foreseeable future.</p> <p>Halcyon School financial position is expected to remain positive throughout.</p> <p>Conclusion: We concur that the going concern principle is applicable. No issues were identified which could cause a material uncertainty to the financial statements, and adequate disclosure has been made in the financial statements.</p>

07 Qualitative aspects of accounting practices and financial reporting

During the course of our audit, we consider the qualitative aspects of the financial reporting process, including items that have a significant impact on the relevance, reliability, comparability, understandability and materiality of the information provided by the financial statements.

Accounting policies

We have reviewed the accounting policies adopted by the Charity and have found them to be appropriate and applied consistently.

There have been no changes to the accounting policies, nor changes to the activities of the Charity necessitating changes to accounting policies, since the previous period.

Unusual transactions

The extent to which the financial statements are affected by any unusual transactions during the period and the extent to which such transactions are separately disclosed in the financial statements. There were no matters arising.

Throughout the course of our audit fieldwork, we considered the timing of transactions and the period in which they are recorded. We did not identify any significant transactions where we had concerns over the timing or the period in which they were recognised. Specifically, we confirm that based upon our testing, income appears to have been appropriately accrued or deferred as required and appropriate accruals for expenditure have been included.

Accounting estimates and judgements

We reviewed the appropriateness of accounting estimates and judgements, including the consistency of assumptions and degree of prudence reflected in the accounting records. There were no matters arising.

Going concern

We considered material uncertainties related to events and conditions that may cast significant doubt on the Charity's ability to continue as a going concern. There were no matters arising.

Trustees' Annual Report and Strategic Report

We reviewed the Trustees' Annual Report to ensure consistency with the financial statements, and to ensure that all necessary disclosures have been made. There were no matters arising.

Disagreements

There were no disagreements about matters that, individually or in aggregate, could be significant to the Charity's financial statements or our auditor's report. We are required to report to the Trustees

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any such matters, whether they have or have not been resolved and the significance of these matters.

Significant difficulties

We encountered no significant difficulties during the course of the audit that we feel necessary to bring to your attention.

Significant matters

There were no significant matters arising from the audit that we have discussed or were subject to correspondence with management which have required us to obtain written representations from management.

Other matters

As part of our audit work we consider the potential effect on the financial statements of any uncertainties, including significant risks and disclosures, such as pending litigation that are required to be disclosed in the financial statements.

08 Audit adjustments

Under the requirement of ISA (UK) 260, we are required to report to you all adjusted and unadjusted misstatements, with the exception of those deemed to be 'clearly trivial'.

Below sets out the misstatements identified as part of this year's audit.

Audit adjustments agreed with management

There were no audit adjustments identified during the course of our audit.

Unadjusted items

There were no unadjusted misstatements identified during the course of our audit, which we are required to bring to your attention.

09 Recommendations to processes and internal controls

Management's responsibilities

The Charity's management is responsible for the identification, assessment and monitoring of risk, and for developing, operating and monitoring the systems of internal control and for providing assurance to Trustees that it has done so. During the course of our audit of the financial statements for the year 31 July 2025, we examined the principal internal controls which management has established to enable it to ensure, as far as possible, the accuracy and reliability of the Charity's assets.

Auditors' responsibilities





International Standard on Auditing (UK) 265, Communicating deficiencies in internal control to those charged with governance and management, (ISA (UK) 265) requires us to report separately where we identify missing or ineffective controls which, in our judgement, are of sufficient importance to bring to the attention of those charged with governance.

During our work we identified no such weaknesses in controls (described as "significant deficiencies" per the ISA). We have however identified some recommendations for improvement as set out below.


The matters dealt with in this Audit Findings Report came to our attention during the conduct of our normal audit procedures which are primarily designed for the purpose of expressing our opinion on the financial statements of the Charity. In consequence it cannot be relied upon necessarily to disclose possible frauds or other irregularities, or to disclose all possible weaknesses or improvements in internal control that a more extensive special examination may highlight.

Our observations from the audit are set out below together with our recommendations and suggested timescale.

Key to risk ratings:

			
Less urgent, requires attention	Important and could impact within six months	Urgent, potential impact on accuracy of financial reporting	Advisory

Recommendations made for the audit for the year ended 31 July 2025

1.	
Observation	Julie Ann Matthaeus (Trustee) has not signed a declaration of interest form for several years. The outstanding declaration was subsequently received on 20 October 2025.
Recommendation and priority 	Although Julie Ann may no longer be active in the charity, she remains a trustee and should complete a declaration of interest form in a timely manner to align with best practice.
Management response	The management recognises the need to adhere to best practise and will duly follow the Auditors recommendation

10 Sector developments

Accounting

Changes to UK Company size thresholds

The monetary thresholds that determine company size are being proposed to increase by 50% as part of a drive to cut complexity and burden from legislative reporting requirements.

The changes to current company size limits are set out below:

Classification	Proposed thresholds		Existing thresholds	
	Turnover	Gross assets	Turnover	Gross assets
Mico-entity	< £1 million	<£500,000	< £632,000	< £316,000
Small	< £15 million	< £7.5 million	< £10.2 million	< £5.1 million
Upper-medium	< £54 million	< £27 million	< £36 million	< £18 million

Everything beyond the above thresholds would classify as a large company.

The government intends to consult later this year on amending the definition of a medium-sized company for company reporting. The threshold on the maximum number of employees that classifies a medium-sized company would increase from 250 to 500. It will also consult on exempting medium-sized companies from producing a strategic report, and taking smaller public interest entities out of audit tendering and rotation requirements.

The government intends that companies will be able to benefit from the changes for financial years starting on or after 6 April 2025.

Charity Audit Thresholds

In April 2025 it was announced by the Scottish government that it will be increasing the audit threshold from £500,000 income to £1million as part of the revised Charities Accounts (Scotland) Regulations in autumn 2025 . This will impact a number of cross-border charities who fall into the independent examination regime under the thresholds set out under the Charities Act 2011 but require an audit under the Scottish regulations.

The Institute of Chartered Accountants in England and Wales (ICAEW) have meanwhile been lobbying for a review of charity audit thresholds for charities registered with the Charity Commission for England and Wales (CCEW) . Charity Audit Thresholds were last updated in 2015 following a de-linking of the audit and size thresholds.

The Department for Digital, Culture, Media and Sport (DCMS) has now launched a public consultation to review the financial thresholds in charity law. This review aims to ensure that the regulatory landscape for charities remains proportionate and effective, balancing the need for transparency and accountability with the goal of reducing red tape to foster growth within the sector.

Should the thresholds be raised, this will mean more charities would fall into the external assurance regime of independent examination instead. Currently all charities with income between £25,000 and £1million, who do not voluntarily choose an audit, are subject to independent examination which is a less rigorous form of external scrutiny. Professional fees for independent examinations are typically lower than audit fees as a result.

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The proposed changes would see the requirement for charities who prepare their accounts in accordance with the Charities Act 2011, to undergo an independent examination rise from £25,000 income to £40,000 income, and audit thresholds rise from being a requirement for charities with income in excess of £1 million to £1.5 million or those with assets in excess of £5 million (currently £3.26 million).

The consultation, which began on 3 April, will be open for ten weeks until Thursday 12 June.

Changes to Companies House

The Economic Crime and Corporate Transparency Act received Royal Assent on 26 October 2023 and changes the role and purpose of Companies House. The powers will allow Companies House to play a more significant role in tackling economic crime and supporting economic growth. The intention is that over time, the measures will lead to improved transparency and more accurate and trusted information on its register.

The changes being implemented include:

- Identify verification for all new and existing companies
- How company's accounts are filed
- Protecting personal information

The new legislation requires companies to file accounts in a digital format. This means that posting hard copies of the accounts will be phased out over the next 2-3 years, moving to filing through software. The timetable for the roll-out of software only filing has not yet been released.

Charitable companies will also have seen an increase in the fees being charged by Companies House during 2024.

Given the rise in cyber crime in recent years, the act also introduces measures to prevent the abuse of personal information held on the Companies House register. Under the act, within the next 2 years, individuals will be able to apply to suppress the following information from historical documents:

- Residential addresses in most instances when shown else on the register
- Day of birth for documents registered prior to 10 October 2015
- Signatures
- Business occupation

There will also be changes to the Confirmation Statement required to be filed annually with Companies House. Under the act, all companies will be required to provide a registered email address which Companies House will email with the company – it will not be available to the public. Existing companies will need to give a registered email address when they file their next confirmation statement, with the exact date yet to be confirmed.

Upcoming changes to UK accounting standard Financial Reporting Standard 102 (FRS102)

Financial Reporting Exposure Draft 82 (FRED 82) has been finalised following its period of public consultation and was published on 27 March 2024 by the Financial Reporting Council (FRC).

The Financial Reporting Council (FRC) undertake periodic reviews of FRS102, the last one being published in 2017.

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The revised standard makes amendments to almost all of the sections of FRS102 in one form or another, however there are two major changes which will impact all entities:

Income recognition

Under current UK GAAP, there are three general principles to income recognition. Under these principles, income must only be recognised when the following criteria has been met:

- 1) Entitlement – control has passed to the charity.
- 2) Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.
- 3) Measurement – the monetary value or amount of the income can be measured reliably.

Under the revised FRS102, recognition of income will follow a five-step approach which is more closely linked to IFRS 15 ‘Revenue from contracts with customers’:

- Step 1) Identify the contract with a customer
- Step 2) Identify the promises within the contract
- Step 3) Determine the transaction price
- Step 4) Allocate the transaction price to the promises in the contract
- Step 5) Recognise revenue when (or as) the entity satisfies a promise

Leases

Under current UK GAAP, an entity’s operating lease commitments are ‘off Balance-Sheet’ and are simply a disclosure note, usually somewhere towards the end of the statutory accounts. When FRS102 was first introduced back in 2015, this disclosure note had already been expanded to record all an entity’s commitments under the term of the lease.

This revised FRS102 takes that change one step further, bringing the assets onto the Balance Sheet as ‘Right of Use’ assets with an equivalent liability further down the Balance Sheet. Right of Use assets will more closely resemble the accounting treatment for finance leases under the revised FRS102.

The revised standard will become effective for accounting periods beginning on or after 1 January 2026. Early adoption is permitted providing all amendments contained in the standard are applied at the same time.

Charities SORP 2026

The exposure draft of the Charities SORP 2026 was published on 28 March 2025. This has been long awaited since the Financial Reporting Standard in the UK and Republic of Ireland 102 (FRS 102) was finalised a whole year previously, on 27 March 2024. Many of the changes in the revised Charities SORP are driven by the changes to FRS 102, referenced above.

The SORP’s aim to assist the preparers of charity accounts continues with two new modules being included in the SORP. One of these is ‘leases’ following the direction that operating lease commitments be brought onto a Charity’s Balance Sheet as ‘right of use’ assets; the other module is one specifically for ‘Provisions’.

The SORP module which covers social investments has also been updated which will be welcomed by many charities in the sector.

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Section 34 of FRS 102, requires the depreciation and amortisation of heritage assets, which will also be incorporated into the new SORP.

New reporting requirements see a 3-tier reporting regime, to reflect the range of sizes of charities that are present in the sector. The expected reporting requirements are expected to apply as follows:

- Tier 1 - All charities applying accruals accounts and with gross income of not more than £500,000 (£500,000).
- Tier 2- All charities with a gross income of more than £500,000 and with a gross income of not more than £15 million.
- Tier 3 - All charities with a gross income of more than £15 million (£15 million).

Charities will not only be required to comply with the reporting requirements of their own tier but also the tiers below them. Each module of the SORP begins by making it clear which reporting tiers have to comply with that module.

The trustees annual report has been given a refresh with more focus on impact reporting with the existing 'Achievements and Performance' section. Charities are now also advised in the SORP that stakeholders increasingly want to understand how charities are responding to environmental matters and trustees may wish to consider how their trustees' annual report could best address these expectations. A new trustees' annual report heading of 'Sustainability' will be included in the format for the trustees' annual report under the new SORP. This is a requirement for all charities in tier 3, but charities in tier 1 and tier 2 are encouraged to provide a narrative as well.

The exposure draft of the Charities SORP 2026 is subject to a 12-week consultation period which will end in June 2025. Following this, the FRC will consider feedback with a view to publishing the final SORP towards the end of 2025.

The SORP consultation - open until 20 June - includes 40 questions and invites feedback on the clarity and proportionality of the proposed changes. It's a valuable opportunity for trustees and advisors to have their say. The link to the consultation can be found on the Charities SORP Microsite: [Invitation To Comment - SORP](#)

Following the consultation feedback, there may be some minor amendments made to the Charities SORP in its current form, so it is worth ensuring that you review the final SORP once it is published.

Ethical standard 2024

A revised Ethical Standard was published by the Financial Reporting Council (FRC) in January 2024. There are three main changes as a result of the revised standard:

- 1) Simplification of the existing ethical standard and providing additional clarity in a limited number of areas to respond to helpful feedback from auditors.
- 2) Incorporating recent revisions made to the international IESBA Code of Ethics. This aligns the UK with international standards and helps to ensure high standards of independence and ethical behaviour are applied consistently by UK audit firms and their networks.
- 3) A new targeted restriction on fees from entities related by a single controlling party. This is in response to issues identified through FRC audit inspection and enforcement cases.

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The new standard will be effective from 15 December 2024.

Charity Commission guidance

The Charity Commission has recently updated several areas of its issued guidance to charities, including:

- CC8 - Internal financial controls for charities: protect your charity from fraud and loss (November 2024)
- CC12 – Improving your charity’s finances (September 2024)
- CC27 - Decision-making for charity trustees (September 2024)
- CC48 - Charity meetings (July 2024)

The CC8 guidance now includes more specific guidance for charities on how they can protect themselves from fraud, and details: what is fraud; what to do if you discover fraud or attempted fraud; and how to protect your charity.

Actions that your charity can take to prevent fraud include:

- adopt an anti-fraud policy and promote it, so that everyone at the charity knows the policy
- review your charity’s fraud risks once a year, or after a fraud or attempted fraud
- run checks to satisfy yourselves that your financial controls are being followed
- know if your volunteers, employees or trustees do not understand your fraud prevention measures and act on this. For example, do they need training?
- understand the risks of cyber fraud and cyber crime
- complete pre-employment checks on staff
- have a fraud response plan so that everyone knows what to do if they discover fraud
- discuss risks of fraud with organisations that your charity works with or funds
- report risks and how they are managed in your trustees’ Annual Report. Some charities must do this.

Many charities that we speak to put in place internal controls to try and prevent fraud, but do not have a fraud response plan that they could put into action should fraud be discovered. This useful guidance gives charities a starting point from which they could document such a plan. Details of the guidance can be found at [Protect your charity from fraud - GOV.UK](#)

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Further updated guidance expected to be released by the Charity Commission in 2025 is expected to impact:

- CC30 – Finding new Trustees
- CC11 – Trustee payments and expenses

Charity Commission ‘5 minute’ guides

The Charity Commission has a series of ‘5-minute’ guides which it considers covers a core-syllabus of basics which it expects all trustees to be aware of. These were launched to help trustees run their charities in line with the law. The guides cover:

- Charity purposes and rules
- Making decisions at a charity
- Managing charity finances
- Managing conflicts of interest in a charity
- What to send to the Charity Commission and how to get help

Tax

VAT

Charities that are registered for VAT will have been receiving 'nudge' letters from HMRC regarding the non-business apportionment of costs. The letters remind charities to review their partial exemption calculations to ensure that they are correct.

As a reminder, those charities that are partially exempt for VAT should be checking the appropriateness of their business/non-business apportionment percentages annually and making an annual adjustment to their VAT return as necessary.

Consultation: Charities tax compliance

In 2023, HMRC launched a consultation to explore reasonable and proportionate changes, with the charity sector, on how to reform some tax relief rules that do not work as intended. This will help tackle non-compliance and protect the integrity of the sector. Any changes would not detract from the overall generosity of the reliefs or be intended to catch out legitimate charities.

The areas specifically under review by the consultation are:

- Tainted donations;
- Charitable investment rules
- Non-charitable expenditure
- Non-compliance with filing regulations

Draft legislation is expected to be published in 2025 for consultation before legislative changes are introduced later in the year.

Legal

Charities Act 2022

The majority of the provisions set out in the Charities Act 2022 have now been fully implemented but there are still a couple of changes that have not yet been enacted. These relate to Sections 15 and 16 of the Act which cover ex-gratia payments.

The government's intention is to commence these sections subject to an exclusion for relevant national museums and galleries. There will be a further exclusion to ensure that Charity Commission approval will continue to be required for decisions made by charities concerning ex gratia payments to recipients outside the UK. These last areas of the phased implementation of the 2022 Act were expected to be enacted at the end of 2024, so should be expected imminently.

Co-operatives and community benefit societies

The Law Commission has been asked by HM Treasury to review the legal framework governing co-operatives and community benefit societies. One of the key issues being examined is whether such entities should cease to be 'exempt charities' and require registration with the Charity Commission for England and Wales (CCEW). Principal proposals issued for consultation included:

Principal proposals for reform include:

- New statutory definitions for co-operatives and for community benefit societies, and the regulation of charitable community benefit societies.

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- An overhaul of the law relating to society shares, with definitions of withdrawable and transferable shares, prescribed conditions for withdrawal and transfer, protections for class rights and when writing down shares, limits to interest payable on shares, as well as confirmation that shares can be issued with varying rights and to non-user investors.
- Society officers to be listed on the Mutuals Public Register, with statute to prescribe duties owed by officers.

The consultation paper discusses a long list of further reforms; the length of the list reflects the fact that parts of society law have not been systematically reviewed for over a century.

The consultation process ended in December 2024 and the report is expected to be published in 2025.

UHY resources

Charity insights

As part of our commitment to keep our clients informed and up-to-date with the latest developments and ideas in the sector, we have a long-established charities sector blog which covers the latest issues, including any announcements from the Charity Commission, and explains how these issues could affect you. Latest blogs include:

- Charity governance and the Crown: what Sentebale teaches us
- Charities and VAT compliance
- The impact of the Economic Crime Act on UK charities
- Sector spotlight: key considerations and tips for charity trustees

Visit our insights page to view our latest charity resources. www.uhy-uk.com/insights.

Charity and not-for-profit sector outlook

Our annual Charity Outlook aims to bring you the salient issues relevant to the sector at this time.

Our latest Charity Outlook for 2025/26 will be released in May 2025 and covers various topics, including:

- Charities SORP 2026
- The role of the UN's Sustainable Development Goals in your charity's strategy
- Practical steps to help your charity prepare for budgetary constraints
- VAT essentials: answers to your key questions
- The challenges of accounting for legacy income
- Choosing the right accounting software: when, why and how to make the move

Not only do we have articles from UHY's own charity experts, but we also have articles contributed from Farrer & Co, Unity Bank and RBC Brewin Dolphin.

Each year, UHY Hacker Young pledges our support to a national charity, for 2024/2025, we were delighted to partner with Dementia UK. Earlier this year, we sat down with Teenage Cancer Trust's Deputy Director of Fundraising, Hannah Sheehy Dementia UK's Head of Digital Service Delivery and Dementia at Work, Victoria Lyons, to delve into the heart of the charity, discussing the impact it has on families across the country, how it is adapting in the digital world, and so much more. You will be able to read this insightful interview in our Charity Outlook [UHY Charity & NFP Outlook 2025.pdf \(uhy-uk.com\)](#)