

Charity registration number 1191796

Company registration number CE024207 (England and Wales)

THE NEW SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE NEW SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Norbury	
	H Lungany	
	L Dempsey	
	J Searjeant	
	L Budd	
	Dr K Gribble	(Appointed 19 January 2023)
	T Howarth	(Appointed 19 January 2023)
	I Haji	(Appointed 19 January 2023)
Charity number	1191796	
Company number	CE024207	
Registered office	St Mary's Lodge 149 Central Hill London SE19 1RT	
Auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE	

THE NEW SCHOOL

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THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 AUGUST 2023*

The Trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Director welcome letter

We started our third academic year by welcoming new members of staff to the school as we begin to grow and launch our secondary provision. As an innovative research school we are constantly evolving, adapting and flexing as new challenges and opportunities arise, and to expand and develop our practice in order to achieve the best possible outcomes for our young people. Creating our secondary offer provides a great opportunity to develop more of what we do well, with necessary adaptations for an older cohort of young people. It also enables us to have a broader more practical dialogue around KS4 qualifications, how we want our career pathway to look, and taking a critical approach to current educational practice.

We were excited to welcome UCL researchers into the school to conduct a qualitative piece of work with young people and staff, in order to understand the key ingredients of a school model like ours. Using photovoice methodology coupled with ethnography, participants took photos that represented their reality of The New School and what it means to them. They then discussed these photos as a group and the key themes that emerged from the dialogue were analysed by the researchers. This research can be found on our website.

Once again it is the passion and commitment of our whole school community, staff, parents and young people, who work tirelessly to develop and understand our processes, to adapt with the evolving model and to support the work that we do, which gives us a strong foundation from which to articulate our model and begin to seed change in the education system.

We were delighted to have the support of Big Change through a two year partnership. Big Change is a charity committed to supporting young people to thrive in education, seed funding ideas and models such as ours, to create positive impact in the education sector. We have continued to build partnerships with other trusts and foundations, individuals and local government to further our reach and our ambitions to co-create a funding mechanism that allows educational innovations to exist and survive as alternative offers for young people.

Looking ahead to next year, the challenge for us is to use our research, to build a robust case for why educational models like ours are needed and to disseminate our work more widely in the sector creating the financial argument and model that will enable us to continue to work.

Best wishes,

Lucy

THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2023*

Chair welcome letter

It has been an exciting year for The New School, which I am sure will be seen as pivotal when we look back in ten years' time. We are increasingly becoming a pioneering, inclusive, agent of change in education. We can only say that if, and because, the fundamentals of being a really good school are in place and being practiced each and every day.

Our young people learn, play, build friendships, create teams, explore the world and become more confident, happy and healthy. Our teachers and school staff are creative, collaborative, conscientious and compassionate. The environment is nurturing, safe and stimulating.

This is what the team at UCL have found through their impressive research. We need to continue to challenge ourselves, learning and improving, while at the same time looking much more deeply at how this can catalyse change through the education system. That's not just schools (including Academy Trusts) and commissioners (Local Authorities) - it's policy makers and philanthropists engaged in education for the long term.

As part of this journey, we have refreshed our Board with three new trustees - Kate Gribble, a brilliant educational psychologist, Iman Haji, a leader in research and social impact (particularly with young people) and Tim Howarth, an education charity leader.

The challenge any ambitious social innovator faces is how you finance the work while challenging the status quo (which holds the power, purse strings and isn't always a great fan of change). We are embracing this challenge - continuing our collaborative discussions with the London boroughs of Lambeth and Southwark, as well as health commissioners - while attracting new philanthropic backing and gradually building our earned income streams. My thanks go to Big Change for its progressive and generous support - as well as to the many families and individuals who continue to get behind us in so many ways. Most of all we value the extraordinary, far sighted support of our founding donor who has backed us for two more years to give us the time to make the integrated educational, strategic, commissioning, resourcing and operating model break even.

The New School is such a special community and place. I am profoundly grateful to the school team and my fellow trustees - all of whom are so talented, committed and generous.

Please do reach out to me if you'd like to get involved - it's well worth it and it's going to be an incredible few years.

Warmest wishes,

Mark

THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Who we are

“We exist to build a new model of education that puts children at the heart of the learning experience. We prioritise their happiness, confidence, knowledge and skills so they can reach a bright future.”

The New School is a pioneering educational charity. Our research and development model, in the form of a school, currently serves 90 young people from Reception - Year 8, from our local community in South East London. We do not charge fees, because education needs to be available to all.

The school aims to evolve the education system to one that is built on relationships, kindness, empathy, and resilience. One that elevates children's voices, creates interactive and flexible approaches to learning, and champions the freedom to play. And one that empowers teachers to be nurturing, democratic disruptors, paving a new path.

Through our learning partnerships with other educators and research institutions, we're generating the evidence and developing the tools for a fresh approach that puts children at the heart of the learning experience. Through our model design and our teachers' commitment, we're prioritising children's happiness, confidence, knowledge and skills so they can reach a bright future. Now we're calling on educators and partners to join us in adopting this approach so we can broaden our impact.

“We just wanted our daughter to be going in every day to a place that helps her to be happy, healthy - and curious. At The New School we have found that place.” (Family survey)

What we do

Education provision: Our approach to education and the student experience is grounded in real-world experience. Our school model is already leading to better outcomes for children, teachers and the wider community, and we're exploring ways to expand our impact through online resources, too.

Impact and innovation: We collaborate with our partners, including education leaders and universities, to conduct ground-breaking research that interrogates the building blocks of the current education model and explores avenues to improve it, in order to build a strong case for policy change.

System change: We convene interested parties from connected sectors, like health, with like minded educators, local and national authorities, and funding partners, to facilitate peer to peer learning and collaboration towards a common goal. Together, from a foundation of shared values and beliefs, we work to drive our movement forward and catalyse system change.

“The New School is a nurturing environment where my children have agency over their learning. A good variety of subjects and classes are offered to inspire and spark curiosity. The teachers develop real, meaningful relationships with the children and communicate in a respectful way. My children feel heard and valued.” (Family survey)

Our impact

Our demographic

Our young people come from a variety of backgrounds (2022/23 analysis)

- BAME 51%
- Female 48% Male 52%
- Eligible for free school meals 26%
- Additional needs (SEND) 26%

THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Our impact measurement

We have established a comprehensive impact framework and set up data measurement practices to monitor our progress. Our aim is that young people leave our school with a strong sense of personal agency - the academic, social and emotional skills needed to act with a sense of purpose to fulfill their goals and interests. We are continuing to work to embed our use of data to inform our practice, ensure young people make progress and to evolve our school model to maximise impact for young people.

Our evaluation research

We have just completed a qualitative piece of research with University College London (UCL), to build on the independent evaluation undertaken by University of Nottingham during our first year. This research enabled us to understand the activities undertaken at school as active ingredients that create a model which supports change in young people's wellbeing. We will now use this work to create a training programme of innovative practice that can be disseminated to local authorities and other schools and practitioners to start to evolve learning and education. This is critical to our ability to scale through replication.

Our wider strategic impact

During our first three years of operation our focus was on establishing the school and our educational model, and learning about how we practice in order to make the change for young people. Using this information we have the practical knowledge and practical experience needed to articulate a different way of doing education and we can use this to further the dialogue in education as to how we can do things differently to better support young people. This is our long-term vision and aim for our work.

We continue to disseminate our work through conference speaking; engaging with trusts and foundations with a similar mission; holding webinars and Professionals Days at our school and online. We look forward to expanding this important work over the coming years.

Looking forward to next year:

We have several organisational goals including recruiting additional trustees from diverse backgrounds and with diverse skills. We will continue to build on our growing relationships with key local authorities, focusing our attention on strengthening our financial stability through this, as well as further developing relationships with key supporters. We will create and design an online digital training programme to further disseminate our work and to generate earned income to support the sustainability of the school as the research and development hub.

Our supporters

Opening The New School initially as a fully charity funded model, was a bold decision, stepping outside the parameters of the current government funding system to commit to providing innovative, child-centred education for all, without charging fees. It was only possible due to the generosity of people who believed in our mission and wanted to be part of our journey. Three years on we have demonstrated that a school model can be built from scratch, in a way that prioritises young people's mental health and wellbeing, and enables them to flourish through exploring their interests and passions. With robust accountability as a school, but without the constraints of the rigid standardised testing, accountability and performance framework of mainstream schools, we can offer young people a nurturing environment and make a positive impact in their lives. We will continue to use our research to evidence the benefit of creating a new model for education that creates savings elsewhere in the public sector. However, it is vital to our survival that we secure long-term funding through co-creating a funding mechanism with local government and potentially other sectors such as health. Currently, our charity supporters enable us to continue to prove our impact and look at scaling our model, and we would not be able to continue without them. Thank you to those who are already contributing, to keep our doors open and our team spreading the word about democratic education. If you believe in our mission, please consider supporting us with a one-off or regular gift.

THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

The New School has been backed by philanthropic funding to date from one key partner who shares our ambition to evolve education and to find ways to bring innovative funding mechanisms to the sector. The New School has some level of commitment for the next two years, to be drawn down against other statutory and foundation support as The New School works to embed a new way of funding schools alongside local authority strategy. This academic year, the New School secured £172,497 of statutory funding from local authorities and £1,082,151 from other donations. As an independent school, we are unique in this sector in that we do not charge fees for pupils. Lunches are paid for by parents, though pupils who would be entitled to free school meals in the state sector are provided with free meals by the school.

The financial statements show net incoming resources for the twelve months from September 2022 to August 2023 for School activities of £1,284,146. The principal source of income comes from donations accounting for 84.3% of the School's income. Local Authority grants account for 13.4% of the School's income in this period.

As an educational charity, we enjoy tax exemption on our educational activities provided all funds are spent on our charitable aims. We are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We pay tax as an employer through the national insurance contributions we make. We make contributions to Nest pension scheme based on the requirements of the Pensions Regulator for automatic enrolment of all staff.

Restricted Activities

Nearly all of the School's income is unrestricted for use. However, the School received one grant from the Big Change for £34,500 that was restricted. There is one donation from Gregg's for £3,090 to run the school's breakfast club. Local Authority funding is restricted to the terms of the contract for relevant pupils.

Going concern

In their assessment of going concern, the Trustees regularly review the cash flow forecast of the school for the current academic year and the cash forecast for the following academic year. This gives a clear view of the immediate needs of the school and the medium term projections for the school's funding requirements.

At each meeting, the actual costs incurred and the predicted expenditure is reviewed in line with the budget for the year and a discussion of how to cover unexpected expenses or how to use any surplus that may be forecast for the year. Where expenses are deemed to be too high, steps to mitigate spending would be taken to reduce or curtail non-essential expenditure.

This review is passed to the Strategic and Business Development Committee so that its team can understand how to target and source immediate and longer term funding needs. The school is working to secure increased funding from Local Councils and is currently progressing with meetings and presentations with four councils who have indicated a willingness to consider the type of educational provision the School provides. We have been accepted onto Southwark local authority's Alternative Provision framework (as an independent school), as the Cabinet Member for Children and Schools advised that this could be used as a mechanism for co-creating a new financial approach with the local authority.

The longer term funding and resource requirements for the school are updated annually and the trustees have reviewed the budgets for academic years September 2024 to August 2025 and September 2025 to August 2026.

The Trustees have considered various scenarios with regards to how to fund the school to ensure adequate resources are available to continue to provide educational services to its beneficiaries for the foreseeable future. Therefore, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The New School's primary objective in creating reserves is to set aside resources to meet its short-term financial obligations. As a new organisation, the trustees recognise the need to set a prudent reserves target until such time as the school can move from a primarily philanthropic funding model to a more diverse and sustainable model.

The Trustees policy is to hold at least one month's expenditure of staff costs and rental costs (£96,150). At the balance sheet date 31 August 2023, the School had £201,965 in general reserves of which £17,250 was restricted. The free reserves, calculated as reserves, less fixed assets, less designated funds, amounts to £160,992.

The Trustees regularly review the school's finances, budgets and spending against the budget, with the assistance of the Finance and Risk Committee which meets every 6 weeks or more often if needed. Three trustees, including the Director who is also a trustee, and the finance lead are all members of this committee. The Trustees have indicated that in the short term the school would like to work towards holding reserves to cover all costs for a month (average of £101,121 at 31 August 2023).

Public Benefit

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Structure, governance and management

The New School is a Charitable incorporated organisation (CIO) registered under the charity number 1191796. It is governed by the CIO Constitution which sets out the charity's objects and how it is to be administered.

The purpose of The New School is the advancement of education for the public benefit through the provision of a school for children up to the age of 16, through the conduct of research into all aspects of the education and care of those children and the publication and dissemination of the useful results of such research.

The board of trustees governs the charity, meeting on a quarterly basis for full board meetings and remains the ultimate decision-making body. There are additional sub-committees to undertake more detailed work - Finance and Risk circle, and Strategy and Business Development circle both of which meet every 6 weeks. The sub-committees review the main risks to the organisation and establish mitigating actions to minimise those issues, providing recommendations to the board. Operationally staff are involved in decision-making for example, contracts and pay working groups, and operational circles make recommendations to the board of trustees on operational matters where necessary. The board has oversight of key operational risks such as HR, health and safety, compliance and safeguarding, through a quarterly board report written by the Director.

The Trustees consider that they, together with the Director and Co Heads, comprise the key management personnel of the School. The trustees have a remuneration policy for key management and all staff and the trustees review this annually as part of the budget process.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M Norbury

H Lungany

L Dempsey

J Searjeant

D McKenzie-Arday

(Resigned 1 November 2022)

L Budd

Dr K Gribble

(Appointed 19 January 2023)

T Howarth

(Appointed 19 January 2023)

I Haji

(Appointed 19 January 2023)

THE NEW SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Recruitment and appointment of trustees

The New School trustees are appointed based on the skills they bring to the organisation in terms of the ongoing strategy and operations of the charity. The New School aims to reach a wide and diverse pool of talent and skills to support the charity and have appointed board recruiters with this aim in mind. Board members are appointed after an interview by incumbent Board members and upon receipt of CV, cover letter, references and DBS check. The final decision is made by the Board. New trustees must complete safeguarding training, and trustee induction training.

We currently have a small board, strong on educational delivery, as well as business strategy and social investment. Further development of the board to focus on fundraising and a fundraising network is a priority for 2023-24.

Reference and administrative details

The Charity is a Charitable incorporated organisation (CIO)

Charity number: 1191796

Country of incorporation: United Kingdom

Country of registration: England & Wales

Registered office and operational address: The New School, 149 Central Hill, London, SE19 1RT

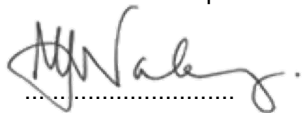
Email: office@thenewschool.org.uk

Website: www.thenewschool.org.uk

Auditor

In accordance with the company's articles, a resolution proposing that Baxter & Co be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.



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M Norbury

Trustee

Date: 22 May 2024

THE NEW SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees, who are also the directors of The New School for the purpose of company law, 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE NEW SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NEW SCHOOL

Opinion

We have audited the financial statements of The New School (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, 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 August 2023 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE NEW SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE NEW SCHOOL

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE NEW SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE NEW SCHOOL

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co

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Chartered Certified Accountants
Statutory Auditor

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Baxter & Co is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NEW SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	1,044,561	210,087	1,254,648	1,045,646	76,689	1,122,335
Other trading activities	4	29,498	-	29,498	23,773	-	23,773
Total income		1,074,059	210,087	1,284,146	1,069,419	76,689	1,146,108
Charitable activities	5	1,017,615	195,837	1,213,452	1,041,089	73,689	1,114,778
Net income and movement in funds		56,444	14,250	70,694	28,330	3,000	31,330
Reconciliation of funds:							
Fund balances at 1 September 2022		128,271	3,000	131,271	99,941	-	99,941
Fund balances at 31 August 2023		184,715	17,250	201,965	128,271	3,000	131,271

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE NEW SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	10		3,743		5,614
Tangible assets	11		37,230		31,764
			<u>40,973</u>		<u>37,378</u>
Current assets					
Debtors	12	75,462		54,503	
Cash at bank and in hand		176,624		76,105	
		<u>252,086</u>		<u>130,608</u>	
Creditors: amounts falling due within one year	13	91,094		36,715	
		<u></u>		<u></u>	
Net current assets			160,992		93,893
Total assets less current liabilities			<u>201,965</u>		<u>131,271</u>
The funds of the charity					
Restricted income funds	15	17,250		3,000	
Unrestricted funds		184,715		128,271	
		<u>201,965</u>		<u>131,271</u>	

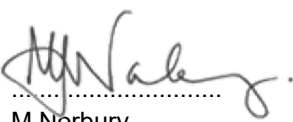
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 May 2024


M Norbury
Trustee

Company registration number CE024207 (England and Wales)

THE NEW SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	23		116,290		19,934
Investing activities					
Purchase of tangible fixed assets		(15,771)		(4,688)	
Net cash used in investing activities			(15,771)		(4,688)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			100,519		15,246
Cash and cash equivalents at beginning of year			76,105		60,859
Cash and cash equivalents at end of year			176,624		76,105

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

The New School is a private company limited by guarantee incorporated in England and Wales. The registered office is St Mary's Lodge, 149 Central Hill, London, SE19 1RT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

The financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible fixed assets other than goodwill

Intangible assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	5 years straight line
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1.7 Tangible fixed assets

Tangible fixed assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5 years straight line
Computers	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and judgements

(Continued)

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Tangible fixed assets: the trustees annually assess both the residual value of these assets and the expected useful life of such assets which is currently judged to be up to 5 years, based on experience.
- Going concern: Accounting standards require the trustees to consider the appropriateness of the going concern basis when preparing the financial statements. This requires the trustees to forecast the future trading and cash requirements of the charity along with other factors which could impact upon the business. Further information regarding the trustees assessment of going concern is found in the trustees report and accounting policy section.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	1,044,561	37,590	1,082,151	1,045,646	5,600	1,051,246
Grants	-	172,497	172,497	-	71,089	71,089
	<u>1,044,561</u>	<u>210,087</u>	<u>1,254,648</u>	<u>1,045,646</u>	<u>76,689</u>	<u>1,122,335</u>

4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Catering income	21,641	16,278
Fundraising	6,869	6,496
Other income	988	999
Other trading activities	<u>29,498</u>	<u>23,773</u>

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

5 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Staff costs	756,019	626,186
Depreciation and impairment	12,176	11,016
Educational supplies	15,119	9,074
Insurance	23,694	11,923
Telephone & internet costs	6,668	6,969
Postage & stationery costs	2,577	3,106
Technology costs	1,402	2,495
Premises costs	69,634	71,286
Trips / Travel expenditure	862	-
Professional fees	130,776	193,689
Catering	20,486	14,987
Subscriptions	377	1,480
Rent	132,584	132,584
Staff development	12,523	13,553
Other direct costs	15,741	5,436
	<u>1,200,638</u>	<u>1,103,784</u>
Share of support and governance costs (see note 6)		
Support	364	5
Governance	12,450	10,989
	<u>1,213,452</u>	<u>1,114,778</u>
Analysis by fund		
Unrestricted funds	1,017,615	1,041,089
Restricted funds	195,837	73,689
	<u>1,213,452</u>	<u>1,114,778</u>

6 Support costs allocated to activities

	2023 £	2022 £
Bank charges	364	5
Governance costs	12,450	10,989
	<u>12,814</u>	<u>10,994</u>
Analysed between:		
Charitable activities	<u>12,814</u>	<u>10,994</u>

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Trustees

One or more of the Trustees has been paid remuneration or has received other benefits from employment within the Charity. Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

L Budd (Director)

- Remuneration: £25,000 - £30,000 (2022 - £25,000 - £30,000)
- Employer's pension contributions: £0 - £5,000 (2022 - £0 - £5,000).

No expenses were paid to Trustees in the year (2022 - £nil).

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Teaching and administration	23	17
Management	4	3
Total	27	20

Employment costs

	2023 £	2022 £
Wages and salaries	686,756	565,362
Social security costs	54,376	48,183
Other pension costs	14,887	12,641
	756,019	626,186

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

The total remuneration and benefits received by key management personnel (including employer pension contributions and employer national insurance contributions) during the year was £148,857 (2022: £130,472).

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Intangible fixed assets

	Software £
Cost	
At 1 September 2022 and 31 August 2023	9,356
Amortisation and impairment	
At 1 September 2022	3,742
Amortisation charged for the year	1,871
At 31 August 2023	5,613
Carrying amount	
At 31 August 2023	3,743
At 31 August 2022	5,614

11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 September 2022	-	49,963	49,963
Additions	8,757	7,014	15,771
At 31 August 2023	8,757	56,977	65,734
Depreciation and impairment			
At 1 September 2022	-	18,199	18,199
Depreciation charged in the year	-	10,305	10,305
At 31 August 2023	-	28,504	28,504
Carrying amount			
At 31 August 2023	8,757	28,473	37,230
At 31 August 2022	-	31,764	31,764

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	3,464	-
Other debtors	-	1,151
Prepayments and accrued income	38,566	20,206
	42,030	21,357

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

12 Debtors		(Continued)	
		2023 £	2022 £
Amounts falling due after more than one year:			
Other debtors		33,432	33,146
		<u> </u>	<u> </u>
Total debtors		<u>75,462</u>	<u>54,503</u>
13 Creditors: amounts falling due within one year			
	Notes	2023 £	2022 £
Other taxation and social security		15,625	13,560
Deferred income	14	4,347	450
Trade creditors		26,317	4,834
Other creditors		3,383	2,872
Accruals		41,422	14,999
		<u> </u>	<u> </u>
		<u>91,094</u>	<u>36,715</u>
14 Deferred income			
		2023 £	2022 £
Other deferred income		4,347	450
		<u> </u>	<u> </u>
Deferred income is included in the financial statements as follows:			
		2023 £	2022 £
Deferred income is included within:			
Current liabilities		4,347	450
		<u> </u>	<u> </u>
Movements in the year:			
Deferred income at 1 September 2022		450	-
Released from previous periods		(450)	-
Resources deferred in the year		4,347	450
		<u> </u>	<u> </u>
Deferred income at 31 August 2023		<u>4,347</u>	<u>450</u>

Deferred income relates to trip income in advance of £3,027 (2022 - £450) and breakfast club income in advance of £1,320 (2022 - £nil).

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2022	Incoming resources	Resources expended	At 31 August 2023
	£	£	£	£
LA grant income	-	172,497	(172,497)	-
Donations	3,000	37,590	(23,340)	17,250
	<u>3,000</u>	<u>210,087</u>	<u>(195,837)</u>	<u>17,250</u>
Previous year:	At 1 September 2021	Incoming resources	Resources expended	At 31 August 2022
	£	£	£	£
LA grant income	-	71,089	(71,089)	-
Donations	-	5,600	(2,600)	3,000
	<u>-</u>	<u>76,689</u>	<u>(73,689)</u>	<u>3,000</u>

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2022	Incoming resources	Resources expended	At 31 August 2023
	£	£	£	£
General funds	128,271	1,074,059	(1,017,615)	184,715
	<u>128,271</u>	<u>1,074,059</u>	<u>(1,017,615)</u>	<u>184,715</u>
Previous year:	At 1 September 2021	Incoming resources	Resources expended	At 31 August 2022
	£	£	£	£
General funds	99,941	1,069,419	(1,041,089)	128,271
	<u>99,941</u>	<u>1,069,419</u>	<u>(1,041,089)</u>	<u>128,271</u>

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

17 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 August 2023 are represented by:			
Intangible fixed assets	3,743	-	3,743
Tangible assets	37,230	-	37,230
Current assets/(liabilities)	143,742	17,250	160,992
	<u>184,715</u>	<u>17,250</u>	<u>201,965</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 August 2022 are represented by:			
Intangible fixed assets	5,614	-	5,614
Tangible assets	31,764	-	31,764
Current assets/(liabilities)	90,893	3,000	93,893
	<u>128,271</u>	<u>3,000</u>	<u>131,271</u>

18 Pension commitments

The Charity makes contributions to defined contribution pension schemes whose assets are held in an independently administered fund. During the year, contributions of £14,887 (2022: £12,641) were made to the pension scheme with contributions of £2,949 (2022: £2,520) outstanding at the balance sheet date.

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	<u>66,292</u>	<u>66,292</u>

The leases for land and buildings run until 2026, with an option on either side to break the lease from August 2022, subject to serving a break notice at least six months before the break date.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Events after the reporting date

Since the year end a settlement agreement has been negotiated with a member of staff but at the date of signing the financial statements has yet to be contractually agreed.

21 Related party transactions

During the year the charity entered into the following transactions with related parties:

Donation income of £4,000 (2022 - £4,000) was received from M. Norbury, the Chair of Trustees.

Donation income of £11,000 (2022 - £20,500) was received from other related parties.

22 Analysis of changes in net funds

The charity had no debt during the year.

23 Cash generated from operations	2023 £	2022 £
Surplus for the year	70,694	31,330
Adjustments for:		
Depreciation and impairment of tangible fixed assets	12,176	11,016
Movements in working capital:		
(Increase) in debtors	(20,959)	(2,930)
Increase/(decrease) in creditors	50,482	(19,932)
Increase in deferred income	3,897	450
Cash generated from operations	116,290	19,934