

Charity registration number 1191796 (England and Wales)

THE NEW SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

THE NEW SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Lungany	
	J Searjeant	
	L Budd	
	Dr K Gribble	
	T Howarth	
	I Haji	
	J Tomlinson	(Appointed 23 January 2025)
Charity registration	England and Wales	1191796
Principal address	St Mary's Lodge 149 Central Hill London SE19 1RT	
Auditor	Affinia (Orpington) Lynwood House Crofton Road Orpington BR6 8QE	

THE NEW SCHOOL

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THE NEW SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report and financial statements for the year ended 31 August 2025.

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 charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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)".

Objectives and activities

A Message from the Founder

Lucy Stephens (Budd), Founder & Director

The 2024/25 academic year has been one of continued development for The New School as we worked to strengthen and stabilise the organisation within a challenging funding environment for innovative education provision.

Over the course of the year, the school continued to deliver its distinctive educational model centred on strong relationships, self-directed learning and the development of independence, agency and transferable life skills alongside academic learning. Demand for the model remains strong, with families increasingly seeking educational approaches that offer greater flexibility while maintaining high expectations for learning and personal development.

As a charity-funded, non-fee-paying school operating outside of traditional state funding structures, financial sustainability continues to require careful management. During the year the organisation undertook a restructuring of staffing and operational roles in order to ensure that resources were aligned with the long-term sustainability of the charity. While this process was incredibly challenging, it has allowed the organisation to stabilise its cost base and continue delivering its educational mission.

Alongside this operational work, we have continued to develop the foundations needed for the next phase of the organisation's growth. This includes further articulation of our educational model, strengthening partnerships across the education and social impact sectors, and exploring sustainable funding pathways that will enable the model to continue serving young people and families who benefit from a different approach to education.

The New School remains deeply grateful to the staff, families, supporters and partners who make this work possible. Their commitment and belief in the mission of the school continue to sustain the organisation as we work towards a stable and sustainable future.

Lucy Stephens

THE NEW SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Message from the board

This has been an important year in the continued development of The New School. As the organisation works to establish and strengthen its distinctive educational model, the trustees remain committed to supporting a learning environment where young people can develop strong academic foundations alongside independence, agency and the broader capabilities needed to thrive in a changing world.

Throughout the year, the school has continued to provide a nurturing and purposeful environment in which young people can build confidence, curiosity and resilience. The dedication and professionalism of the staff team remain central to this work, and the Board is grateful for the commitment they show in supporting each young person and family within the school community.

As a non-fee-paying charitable school operating outside traditional state funding structures, financial sustainability continues to require careful management. During the year the organisation undertook a difficult but necessary restructuring of staffing and operational roles in order to align resources with the long-term sustainability of the charity. While challenging, these decisions have helped stabilise the organisation and ensure that it remains focused on delivering its educational mission.

Looking ahead, the trustees will continue to support the leadership team in strengthening the organisation's foundations, developing partnerships and exploring sustainable funding pathways that will allow the school to continue serving young people and families who benefit from a different approach to education.

I would also like to thank Mark for his leadership and commitment during his time as Chair. The Board looks forward to building on the strong foundations already established as The New School enters its next phase of development.

Jason Tomlinson
Chair of Trustees

THE NEW SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Who we are

“We are developing an education model that recognises the whole child — where curiosity, independence and wellbeing are central to learning, and where young people are supported to build the confidence and capabilities they need for life beyond school.”

The New School was founded in 2020 to explore a different approach to education for young people aged 4 to 16. The school was established on the belief that learning flourishes when young people feel safe, respected and able to take meaningful ownership of their development. Our model combines strong academic foundations with a focus on wellbeing, agency and the wider capabilities that support young people to thrive in education and beyond.

As an independent but non-fee-paying charitable school, The New School operates outside traditional state funding structures. This allows the organisation to experiment with new educational practices while ensuring that access to the model is not determined by family income. The school brings together approaches such as self-directed learning, outdoor education, creative practice and relational pedagogy to create an environment where students can explore their interests, build confidence and develop independence as learners.

Alongside delivering its educational provision, The New School continues to develop its role as a practice-led innovation environment. Through collaboration with research partners and the wider education sector, the organisation is working to better understand how learning environments can support engagement, wellbeing and long-term development for a diverse range of learners.

“At The New School our child discovered a genuine love of learning and the confidence to take ownership of their ideas and choices.” (Parent reflection)

The New School in 2024–25

- Independent, non-fee-paying charitable school
- Serving young people aged **4–16**
- Located in **Croydon, London**
- Model centred on **self-directed learning, relational practice and agency development**

Our community

The New School serves a diverse community of young people and families seeking an educational environment that combines strong academic learning with greater flexibility, relational support and learner agency. Our community reflects the broad appeal of the school's approach, which attracts families looking for an educational model that supports both academic development and wider personal growth.

Measuring our impact

The New School's educational model places strong emphasis on wellbeing, engagement and the development of learner agency alongside academic learning. Internal monitoring and evaluation indicate that this approach continues to support high levels of engagement and participation among students.

The school currently supports around 110 young people, delivered by a team of approximately 25 staff members. Attendance across the school remains strong at around 94%, which is notably higher than the attendance levels experienced by some pupils prior to joining the school.

Alongside attendance, internal evaluations suggest positive changes in several aspects of learner engagement. These include improvements in purposeful attention, constructive participation in learning activities and the quality of peer relationships within the school community.

“At The New School our daughter has grown in confidence and independence. For the first time she feels ownership over her learning and a sense that school is somewhere she truly belongs.” (Parent reflection)

Evaluation and research

External evaluation continues to play an important role in understanding the impact of The New School's approach. The school was also rated 'Good' by Independent School's Inspectorate in Autumn 2024.

Building on previous work with the University of Nottingham and University College London, the organisation is continuing to explore how we can begin to codify aspects of the model to share more broadly with the wider education system.

THE NEW SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Public benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Activities

Strategic development

Alongside delivering day-to-day educational provision, the organisation has continued to focus on strengthening the long-term sustainability of the model.

This includes ongoing development of governance through the recruitment of additional trustees, strengthening partnerships across the education and social impact sectors, and exploring potential long-term funding pathways that could support wider access to the model.

The organisation also continues to develop its role as a practice-led research environment, seeking to better understand how educational environments can support engagement, wellbeing and long-term development for a diverse range of learners.

Our supporters

The New School operates as a fully charitable, non-fee-paying educational provision, which means that access to the model is not determined by family income. The school has been able to operate and develop thanks to the support of a committed group of funders, partners and individual supporters who share a belief in the importance of exploring new approaches to education.

The trustees and leadership team remain deeply grateful to all those who have supported the school's work to date. Their contributions have enabled The New School to establish and develop a distinctive educational environment for young people and families while continuing to explore how such models might contribute to wider conversations about the future of education.

THE NEW SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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. During 2024/25, The New School progressed exploratory discussions with The Fedcap Group to assess the potential for a strategic partnership that could support long-term sustainability and scale. While no formal agreement was in place during the year, this work reflects a developing pathway toward more stable funding, operational resilience, and broader system impact in future periods.

This academic year, the New School secured £256,176 of statutory funding from local authorities and £1,505,986 from other donations. As an independent school, we are unique in this sector in that we do not charge fees for pupils. Lunch is 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 2024 to August 2025 for School activities of £1,824,128. The principal source of income comes from donations accounting for 82.46% of the School's income. Local Authority grants account for 14.% 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 as we do not charge fees for pupils to attend the school. 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 a grant from The Wates Family Enterprise Trust for £50,000, which represents the second of three equal payments. There is one donation from Gregg's for £4,785 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 are taken to reduce or curtail non-essential expenditure.

This review is passed to the Strategic and Business Development Sub-Committee so that its team can understand how to target and source immediate and longer term funding needs.

The longer term funding and resource requirements for the school are updated annually and the trustees have reviewed the budgets for academic years September 2025 to August 2026 and September 2026 to August 2027.

During the year, the School continued to explore pathways to longer-term financial sustainability, including engagement with local authorities and central government to better align the model with public funding mechanisms. Discussions were held with a number of local authorities to explore how the School's approach could complement existing provision, although these remained at an exploratory stage during the reporting period.

Trustees have continued to actively review a range of funding scenarios to ensure the School is able to meet its obligations and continue to deliver its charitable objectives. This has included early-stage exploration of potential strategic partnerships to support long-term sustainability and scale, although no formal agreements were in place during the year. Based on these considerations, and the ongoing support of funders and stakeholders, the Trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

THE NEW SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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 (£94,500). At the balance sheet date 31 August 2025, the School had £375,996 in general reserves of which £38,984 was restricted. The free reserves, calculated as reserves, less fixed assets, less designated funds, amounts to £352,191.

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 manager 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 £147,585 at 31 August 2025).

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 served during the year and up to the date of signature of the financial statements were:

H Lungany

L Dempsey

(Resigned 7 November 2025)

J Searjeant

L Budd

Dr K Gribble

T Howarth

I Haji

L Templeman

(Appointed 1 November 2024 and resigned 7 November 2025)

M Norbury

(Resigned 23 January 2025)

J Tomlinson

(Appointed 23 January 2025)

THE NEW SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Recruitment and appointment of trustees

Trustees are appointed based on the skills and experience required to support the ongoing strategy, governance and development of the charity. The New School aims to draw from a diverse pool of talent and expertise, and from time to time engages external board recruitment support to assist with this process.

Prospective trustees are appointed following an interview with existing trustees and the submission of a CV, supporting statement and references. All trustees are subject to appropriate safeguarding checks, including DBS clearance, and are required to undertake safeguarding and trustee induction training.

The Board currently includes trustees with experience across education, business strategy and social impact. As the organisation continues to develop, the trustees will seek to strengthen the Board further, particularly in areas such as fundraising, partnerships and long-term financial sustainability.

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



.....
J Tomlinson
Trustee

Date: 16/04/2026

THE NEW SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

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).

The law applicable to charities in England and Wales 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 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;
- 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; 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 2025 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 charity's affairs as at 31 August 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 Charities Act 2011.

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 requires 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 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 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.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE NEW SCHOOL

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



Louise Hallsworth FCA (Senior Statutory Auditor)

For and on behalf of Affinia (Orpington), Statutory Auditor

Chartered Accountants

Lynwood House

Crofton Road

Orpington

BR6 8QE

24 April 2026

Date:

Affinia (Orpington) 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 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	1,448,799	313,363	1,762,162	1,244,808	319,661	1,564,469
Other trading activities	4	61,966	-	61,966	53,849	-	53,849
Total income		1,510,765	313,363	1,824,128	1,298,657	319,661	1,618,318
Expenditure on:							
Raising funds	5	1,358	-	1,358	754	-	754
Charitable activities	6	1,430,949	338,712	1,769,661	1,224,064	272,578	1,496,642
Total expenditure		1,432,307	338,712	1,771,019	1,224,818	272,578	1,497,396
Net income/(expenditure) and movement in funds		78,458	(25,349)	53,109	73,839	47,083	120,922
Reconciliation of funds:							
Fund balances at 1 September 2024		258,554	64,333	322,887	184,715	17,250	201,965
Fund balances at 31 August 2025		337,012	38,984	375,996	258,554	64,333	322,887

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 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Intangible assets	12		-		1,872
Tangible assets	13		23,805		34,758
			<u>23,805</u>		<u>36,630</u>
Current assets					
Debtors	14	49,200		94,902	
Cash at bank and in hand		366,461		268,203	
		<u>415,661</u>		<u>363,105</u>	
Creditors: amounts falling due within one year	15	(63,470)		(76,848)	
Net current assets			<u>352,191</u>		<u>286,257</u>
Total assets less current liabilities			<u>375,996</u>		<u>322,887</u>
The funds of the charity					
Restricted income funds	18		38,984		64,333
Unrestricted funds	19		337,012		258,554
			<u>375,996</u>		<u>322,887</u>

The financial statements were approved by the Trustees on 16/04/2026.....

.....
J Tomlinson
Trustee

THE NEW SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	23		103,287		102,791
Investing activities					
Purchase of tangible fixed assets		(5,029)		(11,212)	
Net cash used in investing activities			(5,029)		(11,212)
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			98,258		91,579
Cash and cash equivalents at beginning of year			268,203		176,624
Cash and cash equivalents at end of year			366,461		268,203

THE NEW SCHOOL

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

1 Accounting policies

Charity information

The New School is a Charitable Incorporated Organisation.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 2025

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 2025

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.

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 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.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	1,448,799	57,187	1,505,986	1,244,808	88,722	1,333,530
Grants	-	256,176	256,176	-	230,939	230,939
	<u>1,448,799</u>	<u>313,363</u>	<u>1,762,162</u>	<u>1,244,808</u>	<u>319,661</u>	<u>1,564,469</u>

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Catering income	28,510	26,439
Fundraising events	6,729	8,479
Other income	26,727	18,931
	<u>61,966</u>	<u>53,849</u>

5 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	<u>1,358</u>	<u>754</u>

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

6 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Staff costs	1,100,941	996,743
Depreciation and impairment	15,982	13,684
Educational supplies	19,300	18,541
Insurance	33,023	26,449
Telephone & internet costs	6,023	5,250
Postage & stationery costs	2,366	2,721
Technology costs	6,679	6,774
Premises costs	82,276	74,165
Trips / Travel expenditure	3,378	3,670
Professional fees	258,358	131,227
Catering	49,043	27,343
Rent	154,375	143,302
Staff development	7,116	13,445
Other direct costs	12,894	13,655
	<u>1,751,754</u>	<u>1,476,969</u>
Share of support and governance costs (see note 7)		
Support	3,337	3,193
Governance	14,570	16,480
	<u>1,769,661</u>	<u>1,496,642</u>
Analysis by fund		
Unrestricted funds	1,430,949	1,224,064
Restricted funds	338,712	272,578
	<u>1,769,661</u>	<u>1,496,642</u>

7 Support costs allocated to activities

	2025 £	2024 £
Depreciation	1,872	1,871
Bank charges	49	230
Fees	1,316	1,092
Governance costs	14,670	16,480
	<u>17,907</u>	<u>19,673</u>
Analysed between:		
Charitable activities	<u>17,907</u>	<u>19,673</u>

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	10,300	9,720
	Depreciation of owned tangible fixed assets	15,982	13,684
	Amortisation of intangible assets	1,872	1,871
		<u> </u>	<u> </u>

9 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: £30,000 - £35,000 (2024 - £25,000 - £30,000)
- Employer's pension contributions: £0 - £5,000 (2024 - £0 - £5,000).

No expenses were paid to Trustees in the year (2024 - £nil).

10 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Teaching and administration	28	30
Management	3	3
	<u> </u>	<u> </u>
Total	31	33
	<u> </u>	<u> </u>

Employment costs	2025	2024
	£	£
Wages and salaries	981,857	898,886
Social security costs	97,460	78,233
Other pension costs	21,624	19,624
	<u> </u>	<u> </u>
	1,100,941	996,743
	<u> </u>	<u> </u>

Redundancy and termination payments totalling £5,178 were made in the reporting period including an accrual of £4,058 relating to a settlement payment associated with an employment tribunal claim.

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

10 Employees

(Continued)

The total remuneration and benefits received by key management personnel (including employer pension contributions and employer national insurance contributions) during the year was £157,292 (2024: £157,237).

11 Taxation

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

12 Intangible fixed assets

Software
£

Cost

At 1 September 2024 and 31 August 2025

9,356

Amortisation and impairment

At 1 September 2024

7,484

Amortisation charged for the year

1,872

At 31 August 2025

9,356

Carrying amount

At 31 August 2025

-

At 31 August 2024

1,872

13 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
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Cost

At 1 September 2024

17,067	59,879	76,946
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Additions

3,433	1,596	5,029
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At 31 August 2025

20,500	61,475	81,975
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Depreciation and impairment

At 1 September 2024

2,030	40,158	42,188
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Depreciation charged in the year

3,716	12,266	15,982
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At 31 August 2025

5,746	52,424	58,170
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Carrying amount

At 31 August 2025

14,754	9,051	23,805
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At 31 August 2024

15,037	19,721	34,758
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THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	142	19,566
Other debtors	250	34,521
Prepayments and accrued income	48,808	40,815
	<u>49,200</u>	<u>94,902</u>

15 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		24,459	19,748
Deferred income	16	4,073	1,849
Trade creditors		6,455	34,395
Other creditors		7,625	-
Accruals		20,858	20,856
		<u>63,470</u>	<u>76,848</u>

16 Deferred income

	2025 £	2024 £
Other deferred income	<u>4,073</u>	<u>1,849</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>4,073</u>	<u>1,849</u>
Movements in the year:		
Deferred income at 1 September 2024	1,849	4,347
Released from previous periods	(1,849)	(4,347)
Resources deferred in the year	<u>4,073</u>	<u>1,849</u>
Deferred income at 31 August 2025	<u>4,073</u>	<u>1,849</u>

Deferred income relates to trip breakfast club income in advance of £1,667 (2024: £1,452) and parents paid in advance for clubs £2,406 (2024: £397).

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

17 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	21,624	19,624

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

18 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 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 August 2025 £
LA grant income	-	256,176	(256,176)	-	-	-
Donations	64,333	57,187	(82,536)	-	-	38,984
	<u>64,333</u>	<u>313,363</u>	<u>(338,712)</u>	<u>-</u>	<u>-</u>	<u>38,984</u>
Previous year:	At 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 August 2024 £
LA grant income	-	230,939	(230,939)	-	-	-
Donations	17,250	88,722	(41,639)	-	-	64,333
	<u>17,250</u>	<u>319,661</u>	<u>(272,578)</u>	<u>-</u>	<u>-</u>	<u>64,333</u>

19 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 2024 £	Incoming resources £	Resources expended £	At 31 August 2025 £
General funds	258,554	1,510,765	(1,432,307)	337,012

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

19 Unrestricted funds

(Continued)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
General funds	184,715	1,298,657	(1,224,818)	258,554

20 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	23,805	-	23,805
Current assets/(liabilities)	313,207	38,984	352,191
	337,012	38,984	375,996
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Intangible fixed assets	1,872	-	1,872
Tangible assets	34,758	-	34,758
Current assets/(liabilities)	221,924	64,333	286,257
	258,554	64,333	322,887

21 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 £21,624 (2024: £19,624) were made to the pension scheme with contributions of £3,571 (2024: £nil) outstanding at the balance sheet date.

THE NEW SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

22 Operating lease commitments

Lessee

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:

	2025 £	2024 £
Within one year	154,375	154,375
Between two and five years	376,477	530,852
	<u>530,852</u>	<u>685,227</u>

The leases for land and buildings run until 2028, with an option on either side to break the lease from August 2025, subject to serving a break notice at least six months before the break date.

23 Cash generated from operations

	2025 £	2024 £
Surplus for the year	53,109	120,922
Adjustments for:		
Amortisation and impairment of intangible assets	1,872	1,871
Depreciation and impairment of tangible fixed assets	15,982	13,684
Movements in working capital:		
Decrease/(increase) in debtors	45,702	(19,440)
(Decrease) in creditors	(15,602)	(11,748)
Increase/(decrease) in deferred income	2,224	(2,498)
Cash generated from operations	<u>103,287</u>	<u>102,791</u>

24 Related party transactions

Transactions with related parties

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

Donation income of £Nil (2024: £4,000) was received from M. Norbury, the Chair of Trustees.

Donation income of £15,000 (2024: £5,220) was received from other related parties.

25 Analysis of changes in net funds

The charity had no debt during the year.